

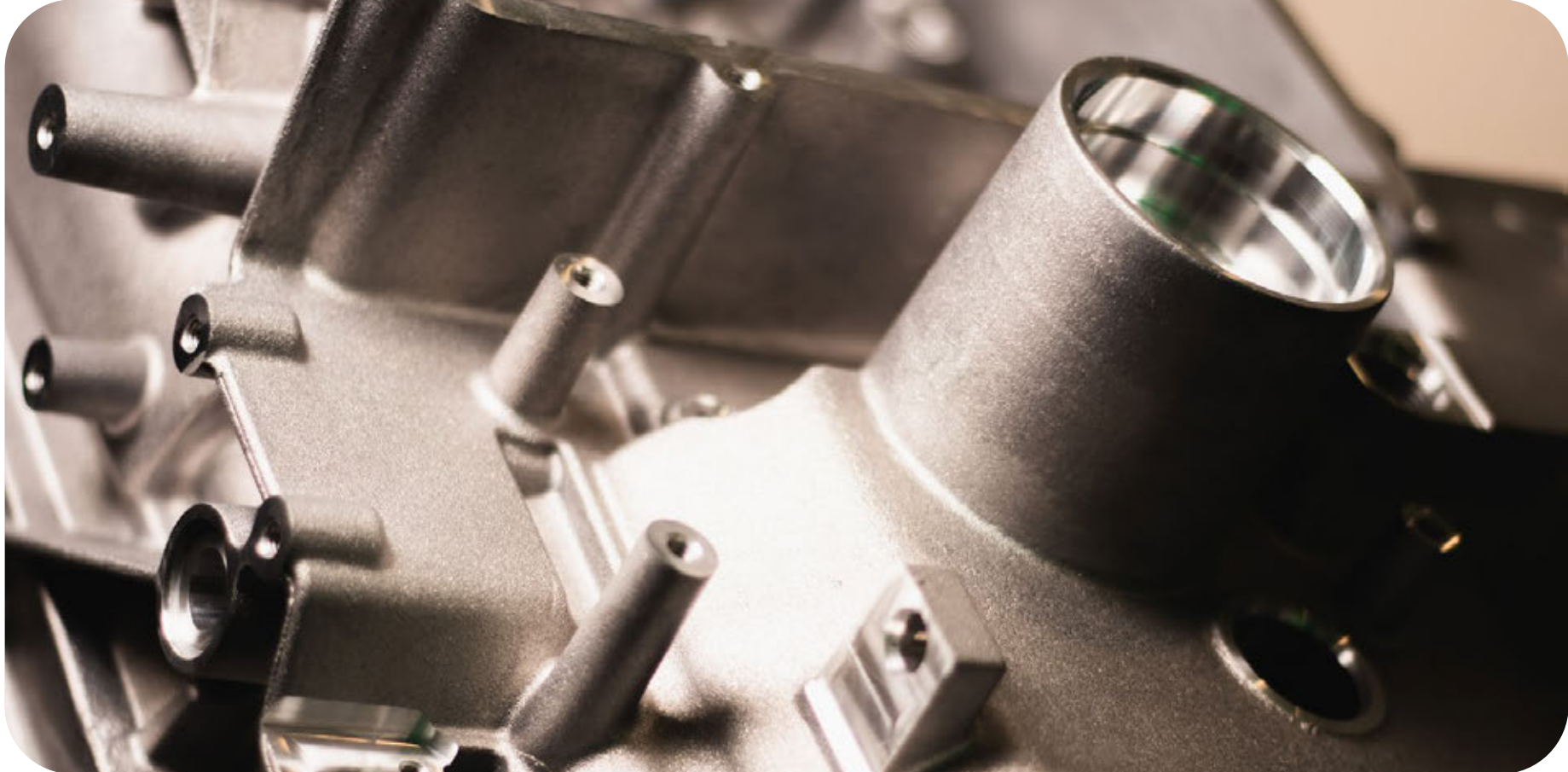
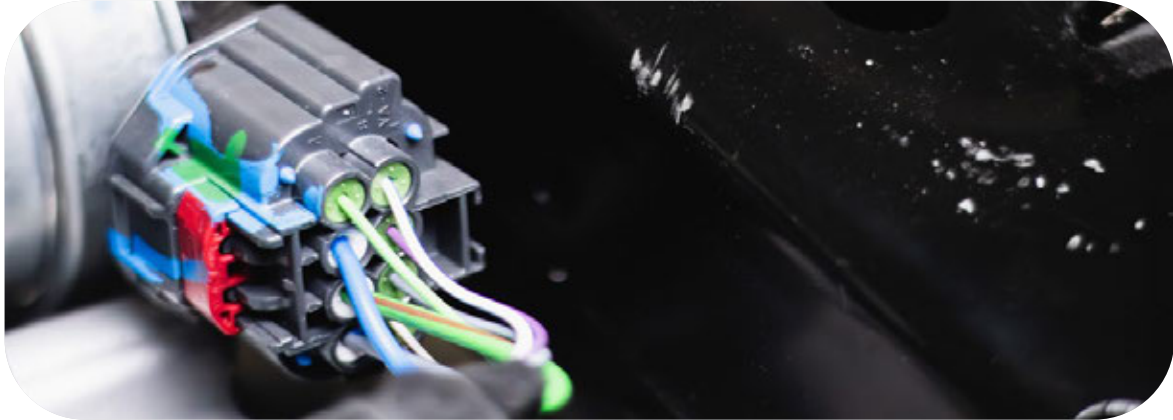
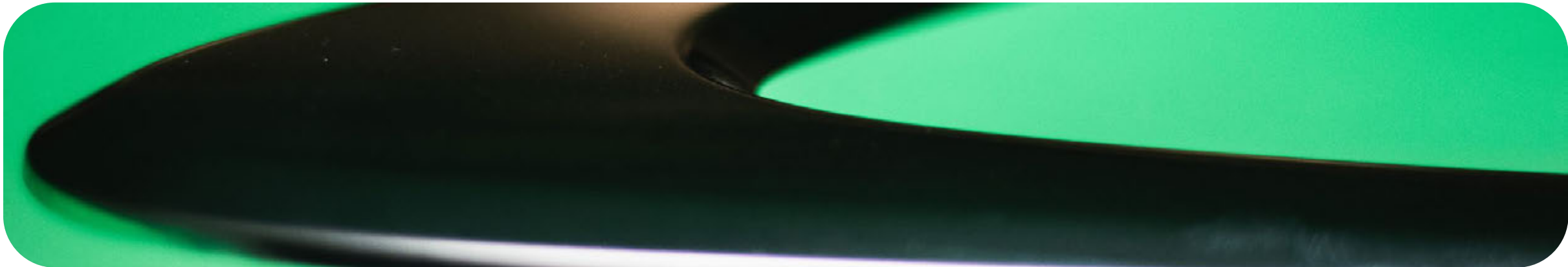
**LEAVING IT BETTER TODAY,
FOR A BRIGHTER TOMORROW**



2023 Martinrea Sustainability Report

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INTRODUCTION

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Martinrea’s Commitment
to Sustainability

SUSTAINABILITY HIGHLIGHTS 2023

Carbon Intensity (carbon emissions relative to sales) has reduced by

32%

since 2019 baseline



Onsite solar panels

installed on Spain facilities, to help power the facilities with renewable energy



In 2022, we set a long-term target to reduce our absolute carbon emissions by


35%

by 2035, without carbon credits

Accident Frequency Rate has improved by

50%

since 2019 and 9% better than 2022. Martinrea's accident frequency rate is less than half the industry standard



Martinrea received a 2023 CDP score of

B-

in recognition of our management of climate issues, which is higher than the industry average of C



Martinrea was recognized as

2023 CADIA Impact Awards Winner

of Systemic Change and Winner of Leadership Commitment for advancing DEI goals and initiatives across the company

Energy Intensity (energy consumption relative to sales) has reduced by

23%

since 2019 baseline



73%

of Martinrea facilities divert >90% of all waste from landfill



Martinrea's 2023 sales increased by

12.2%¹

since 2022 baseline, adjusted net income has increased by

24.6%¹



For full disclosure of key sustainability metrics, please refer to [Appendix A](#).



A MESSAGE FROM OUR LEADERSHIP

Sustainability is important to our Company, and our stakeholders, including our people. To us, sustainability includes collaboration, integrity and transparency, as well as diversity, equity and inclusion, and good leadership that promotes strong Environmental, Social and Governance (ESG) practices. It aligns with our vision of making people’s lives better and our 10th Guiding Principle to “Leave it Better.”

Our sustainability and success comes down to culture. In the ever-evolving landscape of today’s industry, our global locations deal with multiple challenges daily. But one fact remains constant: organizations with thriving and healthy cultures perform better. Our culture, especially as we have cultivated it more and more over the past few years, can be viewed as a competitive advantage. We feel that it makes us a great company. The Golden Rule, treating people the way they want to be treated, is reflected in our outstanding employee survey results, as well as in our industry-leading safety metrics.

During these challenging times, the ability to truly make a difference and “Leave it Better” is going to require innovative thinking and creativity. Our advancements in lightweighting technologies are one step in this direction, helping to decrease global carbon emissions. We continue to utilize and invest in leading-edge green technologies, both in our day-to-day operations and through initiatives with Martinrea Innovation Development, or MiND. Our portfolio includes investments in graphene through NanoXplore, as well as aluminum air battery technology through AlumaPower, and several other new technologies such as Effenco’s super capacitor technology. We are developing the next wave of innovators through student work programs.

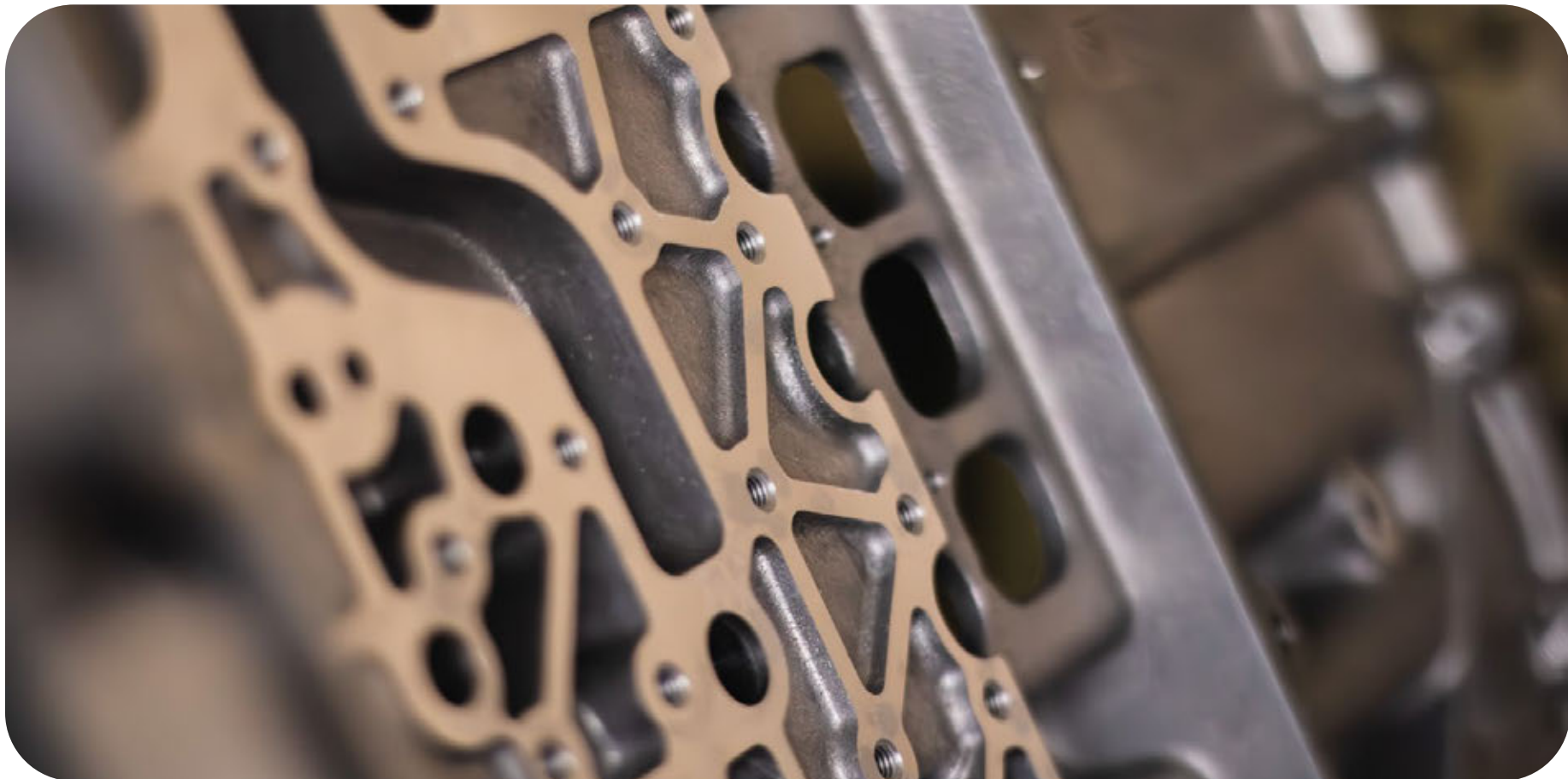
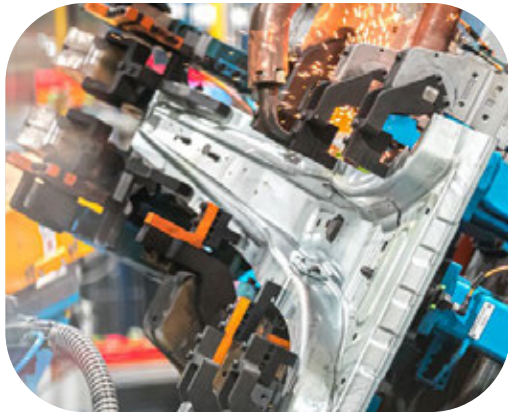
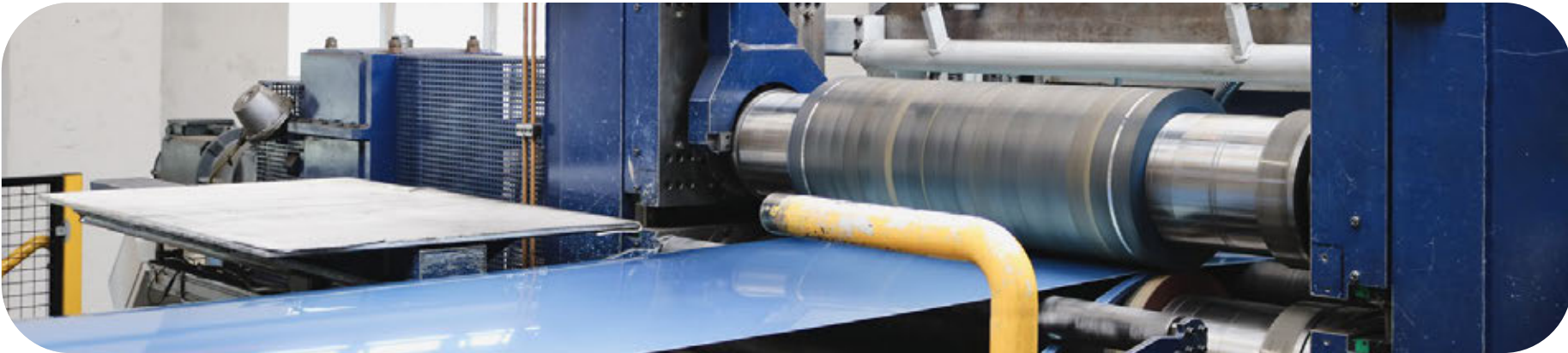
As we continue to advance our sustainability initiatives and explore solutions at Martinrea, we encourage you to learn more by reading our 2023 Sustainability Report. Our future is great. We look forward to sharing it with you!



PAT D’ERAMO
Chief Executive Officer



ROB WILDEBOER
Executive Chairman



ABOUT MARTINREA

Martinrea International Inc. (“Martinrea”, the “Company” or “we”) operates as a diversified and global automotive supplier engaged in designing, developing and manufacturing highly engineered, value-added Lightweight Structures and Propulsion Systems, primarily focused on the automotive sector. Martinrea employs approximately 19,000 skilled team members in 56 locations (including sales and engineering centers) in Canada, the United States, Mexico, Brazil, Germany, Spain, South Africa, Slovakia, China and Japan.

The corporate head office is located in Vaughan, Ontario, Canada, with the main sales and research and development (R&D) technical center in Auburn Hills, Michigan, and sales and engineering offices in Japan and Germany.

Martinrea manufactures a variety of Lightweight Structures, including body-in-white (BIW) and chassis components, subframes, knuckles, control arms and links, engine cradles, battery trays and exterior trim products, to name just a few. Lightweighting is ingrained in everything we do. We believe our products can help our customers meet regulatory requirements and public expectations, including attaining fuel efficiency and greenhouse gas (GHG) emissions targets, through the use of materials like aluminum and high-strength steels, and the use of design elements that reduce vehicle weight. We also produce a variety of components specific to electric vehicles, including battery trays, electric motor housings and thermal management systems.

Our Propulsion Systems offerings include engine blocks, transmission and electric motor housings, and fluid and thermal products such as brake lines, fuel lines, fuel fillers management.

The Company also has a Flexible Manufacturing Group (FMG) that produces automotive assemblies and components for industrial customers. Martinrea has increasingly focused on providing complex and highly engineered structures with distinct and innovative advantages to our automotive customers.

Martinrea has expanded its business to include added innovative green technologies. For example, in 2022, the Company acquired the assets of Effenco Development Inc., a Montreal-based company that designs, manufactures and markets technologies for the electrification and connectivity of heavy-duty vocational trucks. The unique technology, based on ultracapacitors, can help to reduce GHG emissions, engine usage hours, fuel consumption, noise pollution and maintenance costs.

MARTINREA’S COMMITMENT TO SUSTAINABILITY

Martinrea has been built on strong values. The Company operates its business in a socially responsible and ethical manner – respecting the environment and the law, supporting universal human rights and contributing to communities worldwide.

1

The Golden Rule - Treat everyone with dignity and respect

2

We make great, high quality products

3

Every location must be a centre of excellence

4

Discipline and ownership are key

5

We strive for greatness

6

We are a diverse and inclusive team

7

Challenges make us better

8

Think different

9

Work hard, play hard

10

Leave it better

Martinrea’s vision for the future includes **Making Lives Better** by being the best supplier we can be in the products we make and the services we provide. The Company’s mission is to **Make People’s Lives Better** by:

- 01
- Delivering outstanding quality products and services to our customers
- 02
- Providing meaningful opportunity, job satisfaction and job security for our people
- 03
- Providing superior long-term investment returns to our stakeholders
- 04
- Being positive contributors to our communities



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ROB
Wildeboer



FRED
Olson



TERRY
Lyons



SANDRA
Pupatello



PAT
D'Eramo



DAVID
Schoch



MOLLY
Shoichet



ED
Waitzer



MAUREEN
Midgley

BOARD OVERSIGHT

Martinrea defines “sustainability” broadly to include economic performance (recognizing profitability is required to run a business over the long-term), environmental issues (such as climate-related issues including compliance and reducing its carbon footprint), employment practices (such as occupational health and safety, diversity, equity and inclusion (DEI), human resources, and human rights), and its governance practices. Martinrea’s Board of Directors (the “Board”) provides oversight of the Company’s approach to sustainability which includes assessing Martinrea’s overall approach and actions to identify, monitor and mitigate material risk exposures relating to such areas. The Board also views sustainability as a source of competitive advantage and opportunity for Martinrea.

The Board is responsible for the overall stewardship of the Company, which consists of supervising the management of the business and affairs of the Company in accordance with the legal requirements set out in the Business Corporations Act (Ontario), as well as other applicable laws, and its Board Mandate. The Board Mandate can be found in the Company’s most recent management information circular on www.sedarplus.ca and is available in the investor relations section of Martinrea’s website at www.martinrea.com.

The Board oversees the Company’s strategy and risk management processes. The Company’s corporate governance practices are designed to ensure the business and affairs of the Company are effectively managed to promote and enhance shareholder value.

A healthy governance culture requires directors to be informed of internal and external developments affecting the Company. To do so, the Board has oversight of the Company’s corporate culture, overall approach to corporate governance, capital allocation, major corporate policies, shareholder engagement, enterprise risk management, sustainability and strategy.

The Board receives regular updates on, and has discussions with management about, key environmental, social and governance topics according to a standard Board calendar.

The Board periodically reviews Martinrea’s policies, practices and public disclosures relating to sustainability topics, including climate-related issues. With advice from the Sustainability Steering Committee, Martinrea’s Chief Executive Officer (CEO) addresses sustainability-related risks and opportunities in consultation with the Board. Martinrea’s sustainability objectives and climate-related strategy is then communicated down the organization to ensure alignment across business units and various functions.

The Board consists of nine directors, seven of whom are independent. The Board has three committees (all committee leaders are independent directors): the Audit Committee, the Human Resources and Compensation Committee (the “Compensation Committee”), and the Corporate Governance and Nomination Committee (“CGNC”). Board Committees are responsible for overseeing the sustainability-related risks and opportunities pertaining to their area of focus. Martinrea’s Audit Committee supports the Board by overseeing financial and audit-related matters, including financial risks and disclosures. To the extent climate or other sustainability risks are or could be financially material, the Audit Committee would be involved through its consideration of the financial statements or other disclosure of the nature and scale of the risk. The Compensation Committee supports the Board through its oversight of human resources matters, including talent management and employee compensation. The CGNC supports the Board through its oversight of corporate governance matters, such as health and safety, diversity and inclusion, human rights, corporate responsibility and evolving sustainability-related governance practices.

For a complete description of the Company’s Board, please see the most recent management information circular and press releases at www.sedarplus.ca.

[Management Information Circular and Press Releases](#)

MANAGEMENT

The CEO oversees all policies, including sustainability related policies which include carbon reduction targets and other environmental sustainability goals. The CEO guides and directs executive management concerning product portfolio and strategic planning, business planning, capital expenditures, innovation, R&D, manufacturing productivity and efficiency, as well as other critical areas. Environmental sustainability is critical to the future of the automotive industry so climate-related issues are interwoven through the preceding areas of the CEO’s responsibilities and the overall company strategy.

A Sustainability Steering Committee supports the CEO, who also sits on the committee, and generally meets quarterly to focus on high-level reporting of current and upcoming sustainability risks, opportunities and strategy. The meetings help align sustainability priorities across the Company and support the corporate sustainability strategy and implementation.

To support the sustainability strategy across the Company, we have a President, reporting to the CEO, overseeing operations. He has Business Unit Leader (BUL) Executive Vice Presidents (EVPs) at each of our four operational Business Units (Aluminum, FMG, Fluids and Metallics) responsible for implementing the strategic objectives in the Company’s annual business plan. BULs assign Business Unit Sustainability Leads (BUSLs) to guide sustainability efforts across the manufacturing plants. The BUSLs meet frequently with the Director of Sustainability to discuss operational improvements, sustainability initiatives, energy and water usage (and reduction strategies), diversity, community involvement, human rights and other sustainability matters. The Director of Sustainability informs the BUSLs of strategic priorities for the plants and encourages sharing case studies and best practices.

The above management process supports our environmental sustainability strategy and commitment to achieving long-term emission reduction targets set in 2022 (35% reduction in Scope 1 and 2 emissions by 2035). Sustainability scorecards are regularly communicated internally, reporting on energy

and carbon reduction status as we drive to reach our targets. Sharing these sustainability scorecards makes energy, water, carbon and waste reductions visible across the Company, encourages the sharing of processes and friendly competition between our plants, all of which spurs improvement. The Director of Sustainability reports progress and any hurdles back to the Sustainability Steering Committee. The Company believes this structure helps to embed a focus on sustainability throughout the Company, fostering a sense of ownership by all.



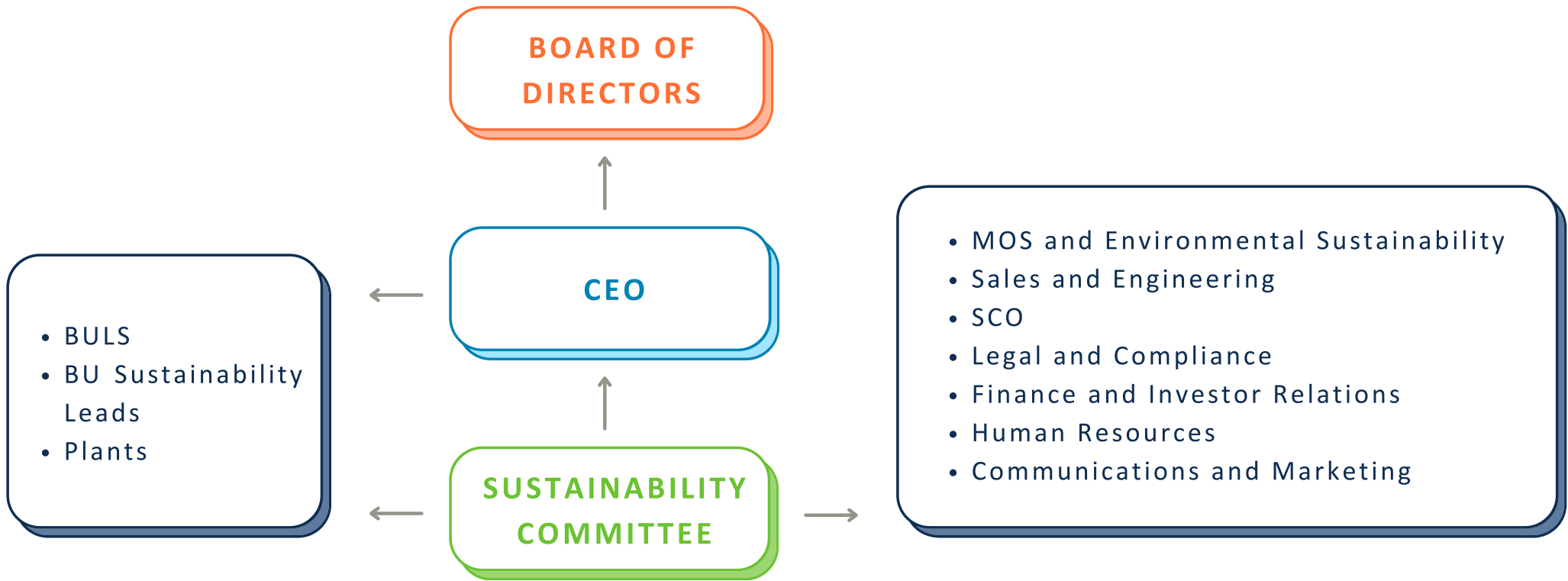
It is important to empower more levels in the organization and encourage decision making in the right place. This allows for better overall organizational performance. A key priority in High-Performance Culture, the first pillar in our Corporate Strategy, is to continue prioritizing sustainability with a focus on the environment, improved social engagement and good governance.



PAT D'ERAMO
CEO



Martinrea’s Sustainability strategy is developed by a committee of key functions reporting to the CEO and is deployed across the organization



MATERIALITY AND STAKEHOLDER ENGAGEMENT

We believe our corporate responsibility efforts are more impactful when we focus on issues that matter most to our business and stakeholders. We periodically refine our approach and strategy by reviewing and considering topics material to our organization and regularly engaging with internal and external stakeholder groups, including our employees, customers, investors, lenders, communities, suppliers and third-party consultants where necessary. By better understanding our impact and collaborating with our stakeholders, we position ourselves to set goals and targets that contribute to a better business, workplace and planet.

The following is a summary of how we engage with key stakeholders:



EMPLOYEES

Our employees are significant stakeholders in our business. Martinrea conducts an annual Employee Opinion Survey of its 19,000 employees to measure job satisfaction and help understand the needs of our employees. The survey results are a foundation for discussion, decision making and action planning.



CUSTOMERS

Martinrea regularly engages with our customers to understand their sustainability priorities. We participate in sustainability scoring platforms like Ecovadis and NQC that are used by our customers, to help support the development of our overall strategy.



INVESTORS / LENDERS

We engage with our shareholders and lenders to understand their sustainability priorities. Multiple investor scoring platforms help Martinrea determine what is important to investors.



COMMUNITIES

As a global company, Martinrea actively participates in community outreach across our global locations. Community outreach allows us to determine areas of need, helping us prioritize charitable contributions and volunteer efforts. Martinrea has a commitment to informing public policy through participating in multiple associations.



SUPPLIERS

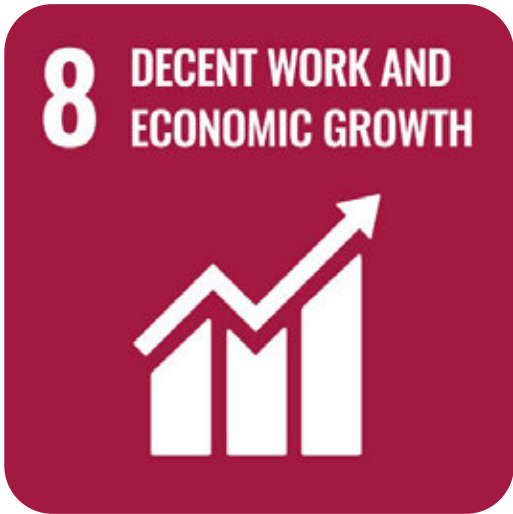
Martinrea considers suppliers to be important in our sustainability efforts. In 2023, Martinrea launched a comprehensive sustainability survey with our main suppliers. The survey assessed sustainability within our supply chain, asking what issues were important to our suppliers. The Company expects to use the information to help determine our Scope 3 emissions and further develop and refine our sustainability strategy.

We regularly assess material topics, which can help us manage and report on sustainability issues important to us, our industry and stakeholders, and can help to determine the potential impacts of our business on the planet, people and business.

Martinrea is a great company with a great future. We have grown into an industry leader in many areas and are performing at the top of our peer group, from both operational and financial perspectives. We have proven our capabilities time and time again over the years and are a go-to supplier for our customers. I believe that is in large part because of the Golden Rule culture we promote at Martinrea—we take care of our people and we treat them with respect. I am extremely grateful for this opportunity and look forward to continuing to work with our great team and to deliver value for our employees, shareholders and other stakeholders.”



FRED DI TOSTO
PRESIDENT AND CHIEF
FINANCIAL OFFICER (CFO)



SUSTAINABILITY REPORTING

This Sustainability Report aims to provide our stakeholders with a better understanding of how Martinrea approaches sustainability, including environmental, social and governance responsibilities.

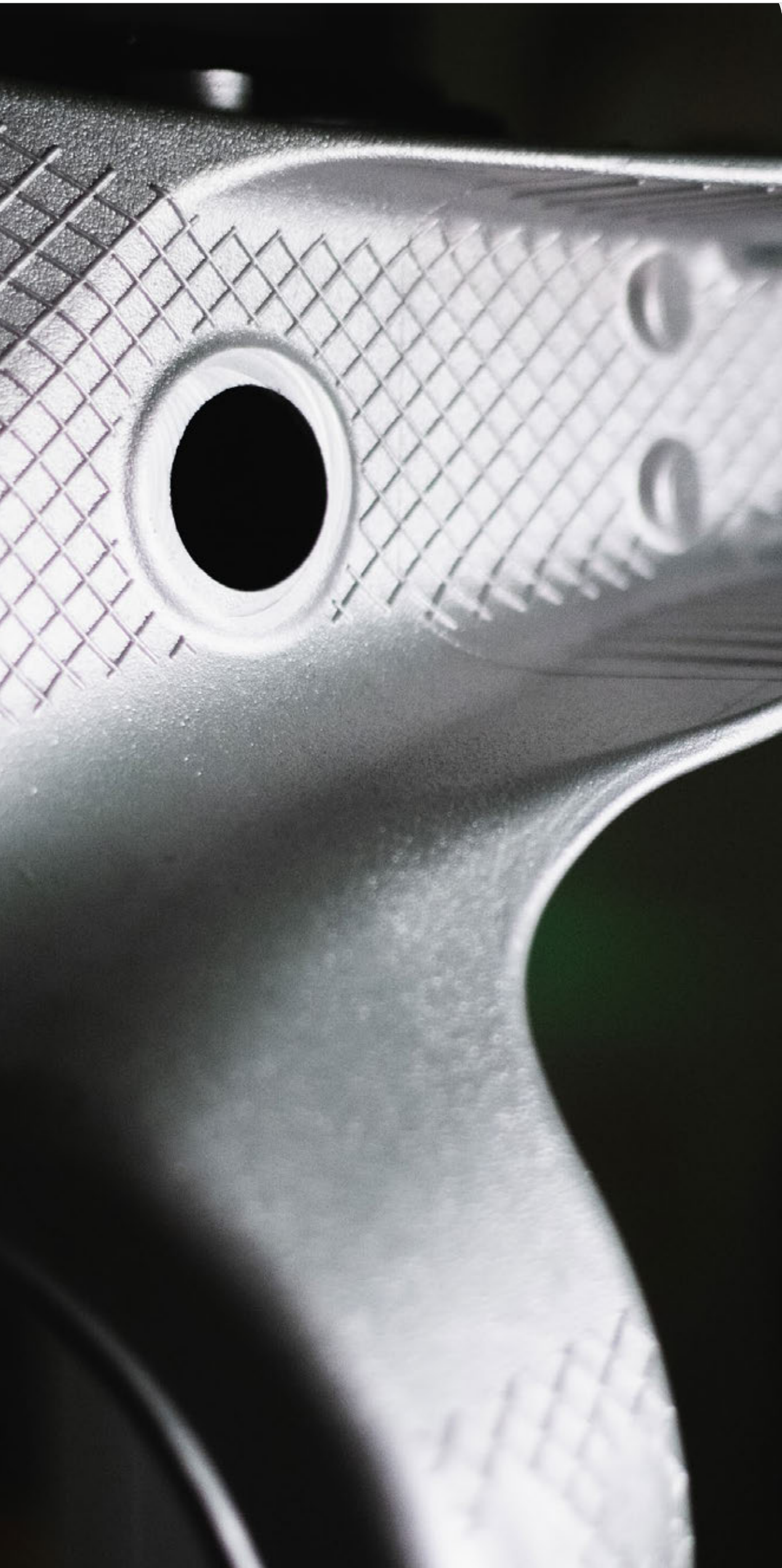
Martinrea uses the United Nations Sustainable Development Goals (UNSDGs) to guide our overall sustainability strategy. The UNSDGs address global challenges, including those related to poverty, inequality (which includes DEI and human rights), climate change, environmental degradation and peace and justice, while supporting strategies for economic growth. Although our business activities touch many of the UNSDGs, we are focusing on those aligning with our business to try to make the most impactful contribution. We have identified eight UNSDGs most directly relating to our business at this time, shown on the left. Our sustainability metrics and their connection to the UNSDGs are summarized in [Appendix A](#).

This report also aligns with the Task Force on Climate-Related Financial Disclosures (TCFD) framework, where possible. While this report may not currently provide stakeholders with all of the information sought through the TCFD framework, we continue to evolve and enhance our disclosure as our collection and validation of the applicable data improves. Martinrea discloses annually to the Carbon Disclosure Project (CDP) reporting framework for climate change, using the Greenhouse Gas Protocol (GHG Protocol) as a tool to calculate emissions. The CDP is also aligned to the TCFD. In 2023, Martinrea scored a B- within the CDP climate change reporting. The CDP score of B- indicates we are a company that has addressed the environmental impacts of our business and is ensuring good environmental management. Although there is always room for improvement, we are proud of scoring higher than the North American regional average of C and higher than the metal products manufacturing sector average of C.

In addition, Martinrea voluntarily discloses annually to the CDP for water related risks. In 2023, Martinrea scored a C within the CDP water reporting, which is the average score for the metal products manufacturing sector.

Martinrea also provides sustainability reporting to our customers and investors, such as Ecovadis, NQC and Institutional Shareholder Services (ISS) platforms, and customer questionnaires, upon request.





CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks and opportunities are identified through strategic planning, financial reporting and disclosure, enterprise risk management and operations management processes. Martinrea’s CEO identified sustainability as a key Business Plan item and our 10 Guiding Principles include “Leave It Better” as a key principle for the Company. Addressing climate-related risks and opportunities is part of our corporate sustainability strategy. We believe it serves as a competitive advantage in an industry where customers have increasingly high expectations regarding their suppliers’ sustainability and environmental track records. We have included in this report a brief overview of some climate-related risks and opportunities relevant to Martinrea. More information on what we believe to be climate-related trends, risks and opportunities relevant to Martinrea is included in Martinrea’s Annual Information Form (“AIF”) for the 2023 fiscal year, which can be found at www.sedarplus.ca or on our website at www.martinrea.com/investor-relations.

- The automotive industry has been impacted by various climate-related trends and opportunities, including:
- More stringent fuel economy and emissions standards
 - The move to lighter-weight vehicles
 - Electrification
 - Alternative energy sources
 - Increased efficiency of, or the move to phase out, internal combustion engines
 - Autonomous vehicles or ride sharing
 - Supply chain sustainability

Some of these trends create opportunities within the automotive industry, including developing lightweight materials to increase the fuel efficiency of vehicles, thereby reducing carbon emissions, and investment in other technologies related to our business, like electrification. In the burgeoning market for Electric Vehicles (EVs) and autonomous vehicles, we believe lightweighting is a critical focus as a way to increase drive range per charge.

Martinrea is a manufacturer of Lightweight Structures and Propulsion Systems, which are in demand from customers to help meet their regulatory requirements and consumer demand for goods having less of an impact on the environment. Regardless of how the vehicle is propelled, we can produce Lightweight Structures and Propulsion Systems solutions, which we believe can help our customers meet regulatory requirements and environmental standards. With the rising demand for EVs, Martinrea sees the opportunity to provide innovative, sustainable solutions to support the industry.

Martinrea is subject to a variety of climate-related regulations in jurisdictions where it operates. Regulations change frequently and tend to become increasingly stringent over time, which may necessitate changes to production processes, increases in capital expenditures, or higher operating costs and may involve reputational or other risks. Strategies to mitigate climate-related environmental risk include leveraging lean manufacturing practices to help minimize waste and increase energy optimization at all plants, where applicable. Utilizing Environmental Management Systems, such as ISO 14001, can also reduce climate-related environmental risk.

Martinrea focuses on acute physical risks presented by severe weather or natural disasters. Risks related to extreme weather events cannot be predicted, and the frequency and severity of any such event can vary. The Company has a disaster response and recovery plan in place at each facility to help to protect the health and safety of our employees and to help to ensure minimal disruptions to the Company’s operations. Supply chain disruption and regional energy shortages and pricing may also be impacted. The Company also has policies and procedures to mitigate such risks, including obtaining alternate supply, where practicable.

Our customers are increasingly focused on supply chain sustainability in manufacturing (including emission reductions, use of renewable energy and sustainable materials, and net zero carbon strategies), which could impact future sourcing decisions. To mitigate potential risks, we engage our customers to understand their product priorities and regulatory compliance requirements.

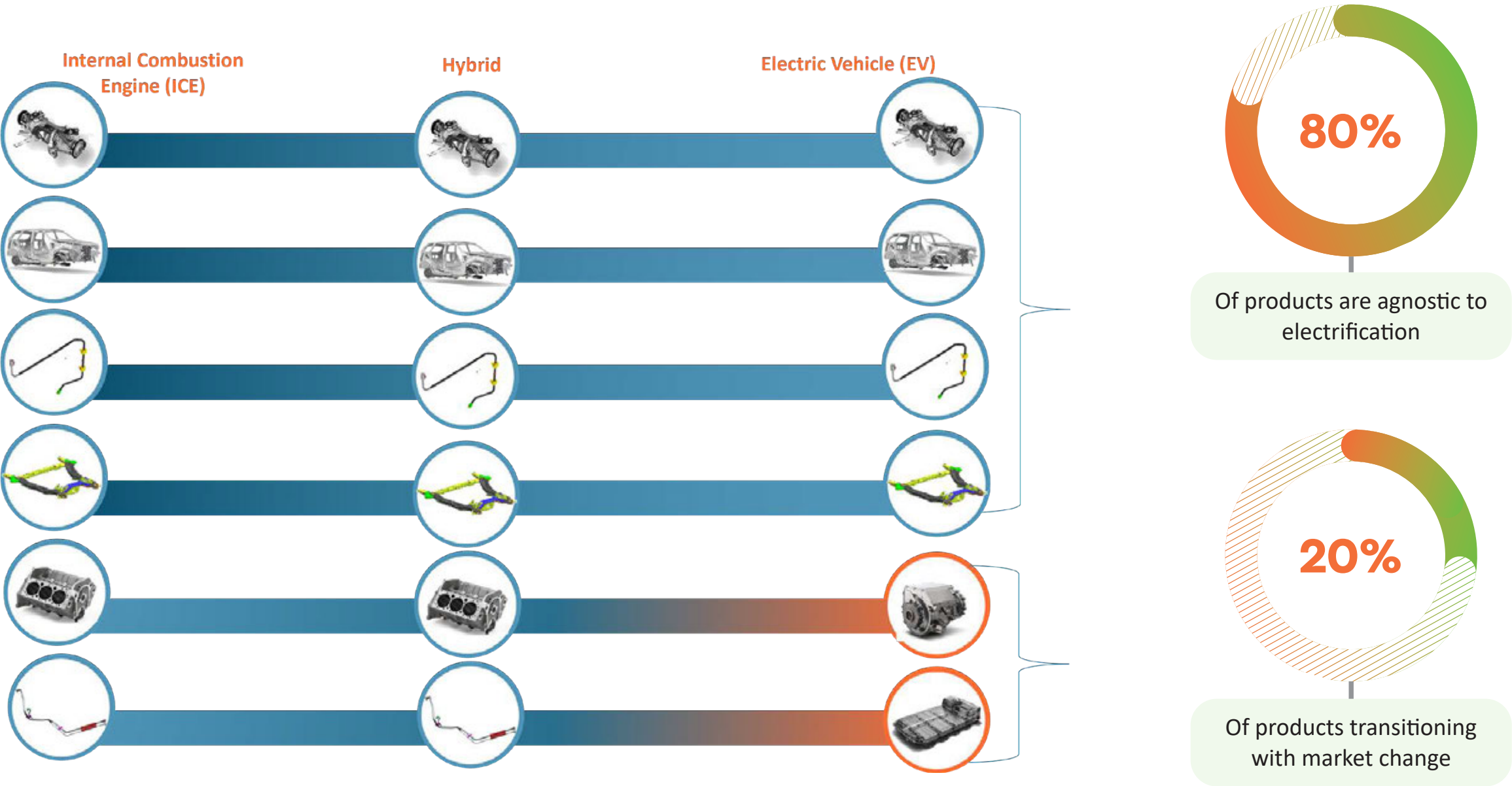
MARKET STRATEGY

Our book of business has evolved, and we expect it will continue to grow, in tandem with the global shift to EVs. Approximately 80% of our products are agnostic to propulsion type. Vehicles require bodies, structures, brake lines and certain other fluids management systems, regardless of how they are propelled.

For the remaining 20% of our business tied to the internal combustion engine (ICE) (i.e., products such as engine blocks, transmission housings and fuel lines), this business can be replaced by EV-specific products in our portfolio like battery enclosures, electric motor housings and thermal management systems as the world transitions to EVs. We believe we have products, capabilities and the skill set to help our customers navigate this transition at whatever pace it unfolds.

To date, we have won a significant amount of new business on a variety of Battery Electric Vehicle (BEV) platforms, including programs with Mercedes Benz, General Motors, Ford, Audi, Lucid and Geely, and a battery tray program with Samsung that has launched, among others. This demonstrates that our EV product portfolio resonates with our customers and gives us confidence that, whatever the future holds, Martinrea will continue to be a leader among Tier One automotive parts suppliers.

Martinrea has been actively developing thermal management products to capitalize on the growing BEV market. With our expertise in extruding plastic fuel tubes and hoses and producing fuel assemblies, thermal management tube assemblies are a natural extension of our product capabilities. We are working on several tube and hose construction options to meet customers’ temperature and pressure requirements. As EVs become more prominent, we are excited to continue developing solutions and growing in this space to support market demand.

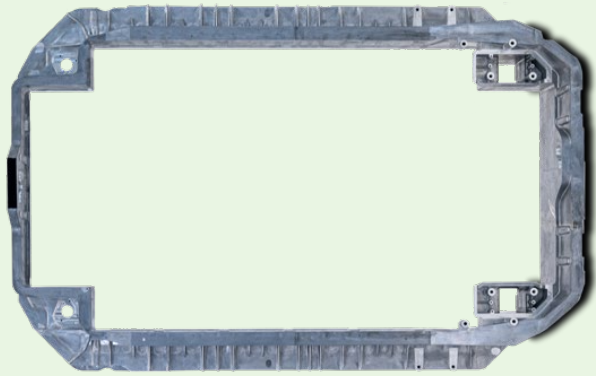


SOP : 2020



Ford Mach-E

Aluminum front and rear subframes



Samsung

Aluminum battery tray

SOP : 2021



Mercedes Benz EVA2

Body and chassis structures



Geely PMA 1

Aluminum rear subframes



Lucid Air

Body and chassis structures

SOP : 2023/2024



Audi PPE

Body and chassis structures, e-motor housing



GM BEV 3

Body and chassis structures, battery thermal management



GM EV Pickup

Body and chassis structures

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The Next Generation of Innovation

We believe that sustainable solutions will require innovation. Martinrea has been, and continues to be, a global leader in the design, development and production of Lightweight Structures and Propulsion Systems that address the automotive industry’s current and future solutions through innovation.

Martinrea incorporates lightweight materials such as high-strength steel, aluminum, or a combination of both, during design which can directly reduce the weight of a vehicle, helping reduce a vehicle’s overall weight and emissions through improved fuel efficiency or driving range per EV charge. Martinrea is a world leader with extensive experience in joining multiple materials and has demonstrated these capabilities through multiple programs.

Martinrea also develops outstanding Propulsion Systems, which is a continuing R&D focus. Our engine, transmission, thermal and fluid management products are built to drive power and performance while contributing to the reduction of vehicle weight.

MARTINREA INNOVATION DEVELOPMENT

Building on our commitment to innovation in all of our operations, in late 2020, we created Martinrea Innovation Development (MiND) with a dual mandate.

First, MiND’s objective is to support innovation within Martinrea. We have many exciting activities inside our walls, and MiND helps inspire this potential through support and learn-across. We have made several innovative advances in artificial intelligence, adaptive welding and vision systems, to name just a few. These activities help support process improvement, enabling us to reduce cost, scrap and our carbon footprint, thereby supporting Martinrea’s sustainability goals. An example of this is the development of MiNDCAN Sustain+™ a metric tracking database platform that can be used globally across all plants to track and monitor energy, water, waste and carbon emissions monthly. By tracking our usage across the company, it allows us to develop targets and track progress against those targets, ultimately helping us reduce our overall carbon footprint.

Second, MiND looks for innovative companies to invest in or partner with, where there will be a strategic benefit for both partners. For Martinrea, the strategic advantage could be enhancing a product or process, a manufacturing opportunity, or an advancement toward our sustainability goals. We provide support to the partner, which helps unlock their potential as they continue to develop their technology.

Some of our recent innovation investments and contributions are highlighted in this section.



EFFENCO

Martinrea acquired the assets of Montreal-based Effenco Development Inc. in 2022. Effenco is an award-winning Green-Tech business that designs, manufactures and markets technologies for the electrification and connectivity of heavy-duty vocational trucks. Effenco’s proprietary hybrid electric solution augments the vehicle’s powertrain and electrifies the onboard equipment utilizing a unique ultracapacitor-based technology. This technology can potentially reduce the vehicle’s GHG emissions by up to 30-40% and also reduce engine usage hours, fuel consumption, noise pollution and related maintenance.

Effenco is enhancing the capabilities of its hybrid electrification solution for large vocational trucks (waste-hauling trucks, port trucks, logistics trucks, cement mixers and others). Effenco’s hybrid system currently operates in refuse collection vehicles and terminal tractors throughout Europe, the US and Canada.





ALUMAPOWER

Martinrea holds a minority equity position in AlumaPower, a private company developing aluminum air battery technology for various end markets, including automotive. AlumaPower’s breakthrough technology is a new kind of dynamic battery. AlumaPower’s solution re-invents the aluminum-air battery as a “galvanic engine” – a long-life energy source that harvests electrons from the oxidization of aluminum. It produces only water vapour and heat as emitted by-products.

Aluminum is the most common metallic element on earth, with an energy density of more than 5x of lithium-ion batteries (at the cellular level). This “stored electricity” can be drawn from recycled or “clean” aluminum and we believe has the potential to displace hydrocarbon fuels while complementing/substituting lithium-ion and similar existing battery technologies in different applications.

We believe the solution is scalable and can have broad applications across multiple sectors and industries, including off-grid power supply. The partnership between Martinrea and AlumaPower will help support green technology innovation.



Photo credit : AlumaPower



Photo credit : Skeleton Technology

SKELETON

In May 2023, Martinrea and Skeleton Technologies signed a collaboration agreement with the goal of developing solutions to electrify and decarbonize refuse collection vocational vehicle fleets in Europe and North America utilizing SuperBattery developed by Skeleton Technologies, to make progress towards electrification growth and net-zero emissions goals. We believe SuperBattery is a ground-breaking technology offering a safer and more efficient alternative to conventional lithium-ion batteries. It can be charged in 90 seconds, has 50,000 life cycles, and is free from cobalt, copper and nickel. It has the potential to reduce up to 40-50% of CO₂ emissions in these sectors while lowering the total cost of ownership.



Photo credit : NanoXplore

NANOXPLORE

Martinrea holds a partial ownership stake in NanoXplore Inc., currently the world’s largest graphene producer. Graphene is a revolutionary carbon material with exceptional attributes. Our investment in NanoXplore enabled us to introduce graphene-enhanced brake lines (i.e., Brake Lines with GrapheneGuard®) to the market – an industry first. When incorporated into nylon, graphene significantly increases durability and chemical resistance, among other benefits. NanoXplore’s unique GrapheneBlack™ product disperses in nylon and provides a much better sustainable solution, enabling unparalleled abrasion resistance.

Martinrea was recognized in 2022 with the *Automotive News* PACE Award for its Brake Lines with GrapheneGuard®, which marks the first use of graphene in an automotive brake line application. Martinrea recognized the potential of graphene and went on to develop the revolutionary GrapheneGuard® coating technology, which incorporates graphene into nylon. The development of GrapheneGuard® is a convergence of material science innovation and process engineering that brings to the automotive market a brake line coating with unmatched properties. The new sophisticated material can provide up to 25% weight savings, leading to potential for GHG emissions reductions, while simultaneously demonstrating superior strength, greater abrasion protection and improved chemical resistance, all while utilizing current manufacturing equipment and processes.



EQUISPHERES

Martinrea has invested in Equispheres, a private company developing technologies for producing and using advanced materials in additive manufacturing. Equispheres has developed a breakthrough technology to make aluminum metal powder for additive manufacturing. We believe this best-in-class powder has solved key obstacles to industrial 3D printing and can provide significant opportunities, eliminating the constraints of traditional manufacturing methods, thereby opening new design opportunities for lightweighting and decarbonization.

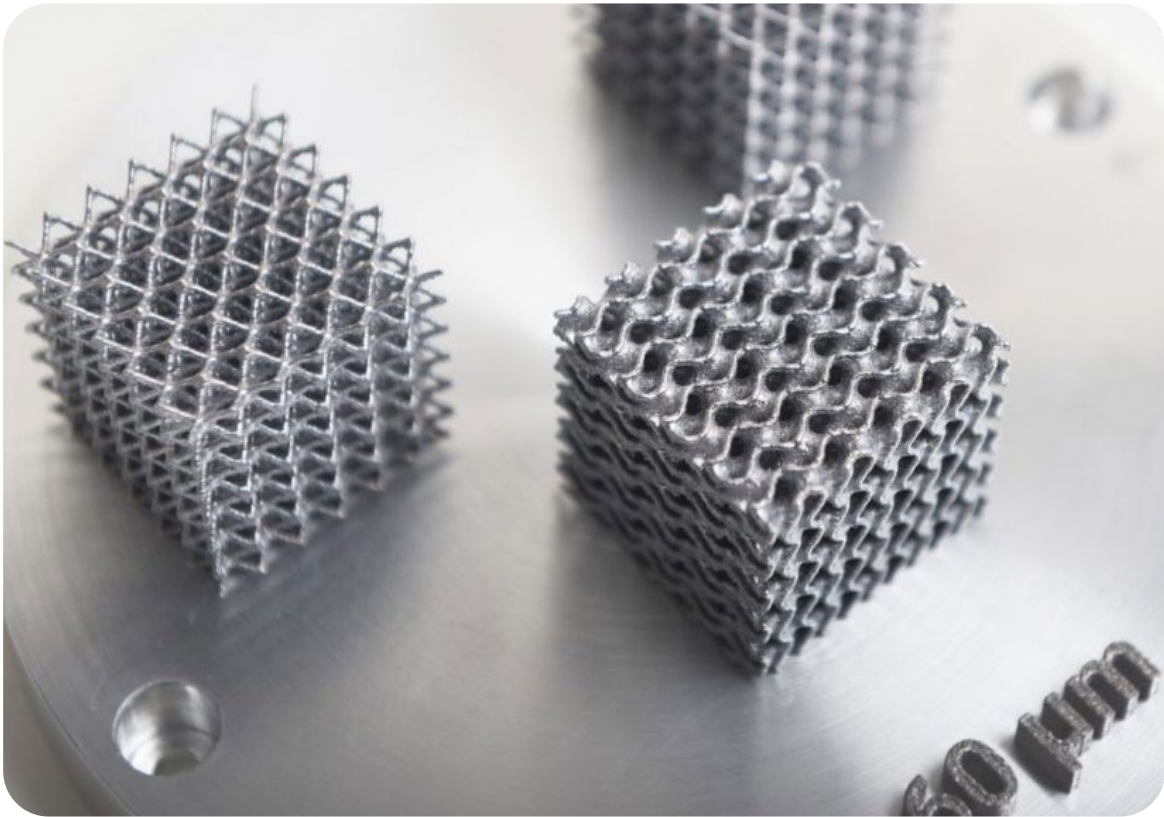


Photo credit : Equispheres

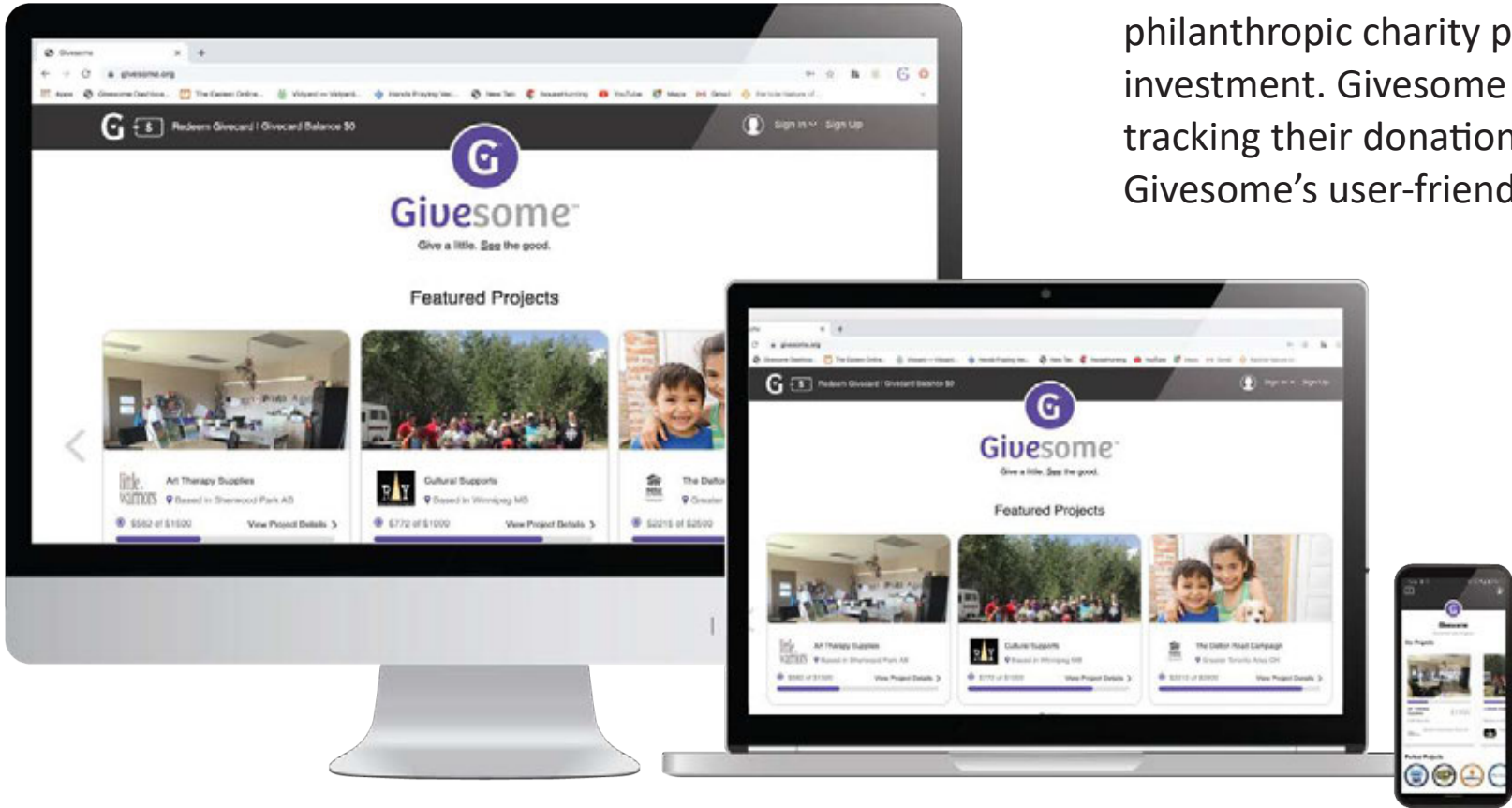


Givesome



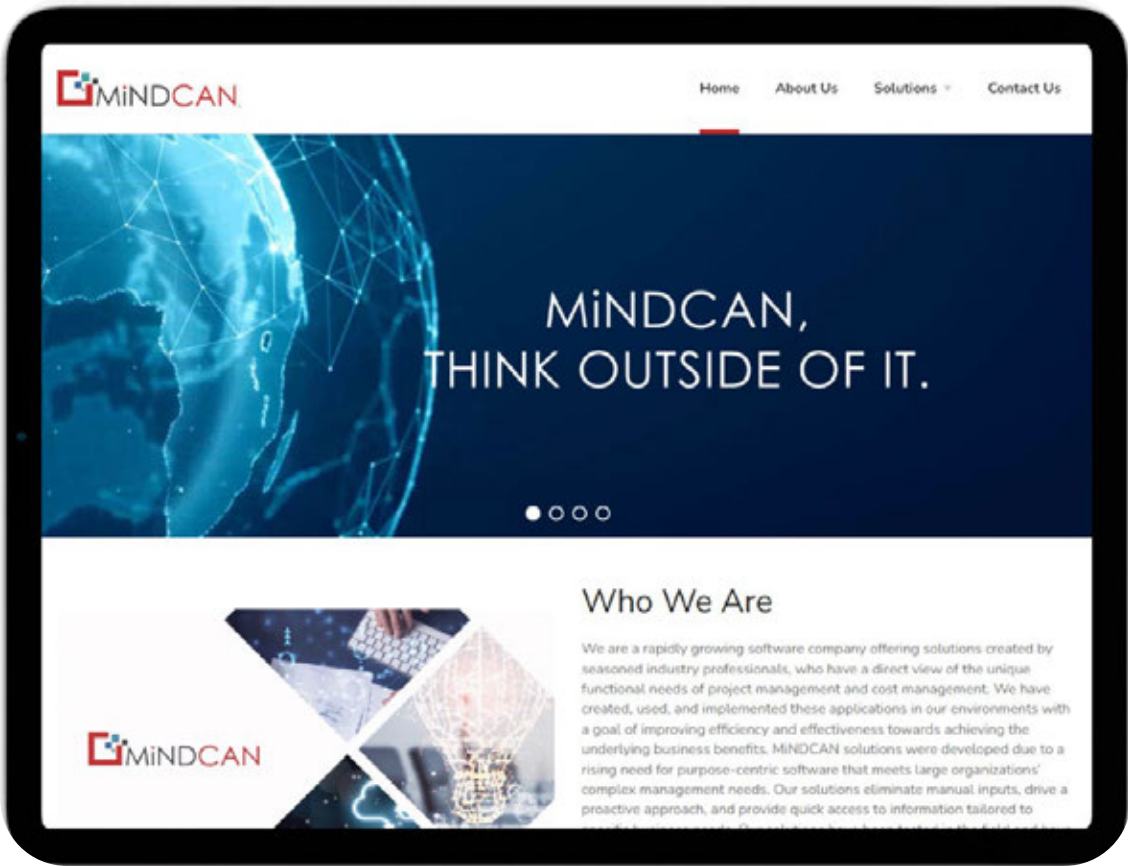
GIVESOME

To broaden our efforts further, Martinrea partnered with, and invested in, a Canadian-based company, Givesome, to connect with philanthropic charity projects globally. We believe enriching lives in our communities offer some of the most significant returns on investment. Givesome provides a web-based technology to encourage employees to give back to their communities and makes tracking their donations and volunteer time easier. We have always supported charities in local communities, but, working with Givesome’s user-friendly capabilities, we can now donate to global projects and see the impact on individuals living there.



MiNDCAN™

Martinrea has launched MiNDCAN Inc., a software company offering solutions to help enhance program management, profit optimization, sustainability reporting and other capabilities. MiNDCAN Inc. offers software solutions created by industry professionals who have a direct view of the unique needs within their respective departments. Martinrea has developed, implemented and utilizes these applications to help improve company processes. MiNDCAN Inc. products are tailored to specific business needs and have demonstrated tremendous success.



PROJECT ARROW

In 2023, the Automotive Parts Manufacturers’ Association (APMA) announced Project Arrow at the Consumer Electronics Show. As Canada’s first zero emissions concept, Project Arrow incorporates cutting-edge technology from over 50 industry partners who utilized their design, engineering and manufacturing capabilities to bring this project to life. It was developed based on Canada’s goal of reaching a zero emission future by 2050. Martinrea is proud to have supplied our award-winning GrapheneGuard® brake lines to this one-of-a-kind vehicle along with parts and assembly expertise. Martinrea was a core collaborator with APMA on this project.



THE NEXT GENERATION OF INNOVATION

As a former Co-operative and Experiential Education (CEE) Employer “Impact in Innovation” winner, Martinrea provides unique opportunities to students, including those from the University of Waterloo. Martinrea encourages the students to “disrupt” and “innovate” during their work terms, allowing students to lead teams and highlight their outstanding initiative in the process. Students, specifically those who return for multiple co-op terms, take on project management roles at Martinrea and help recruit new students for the organization.

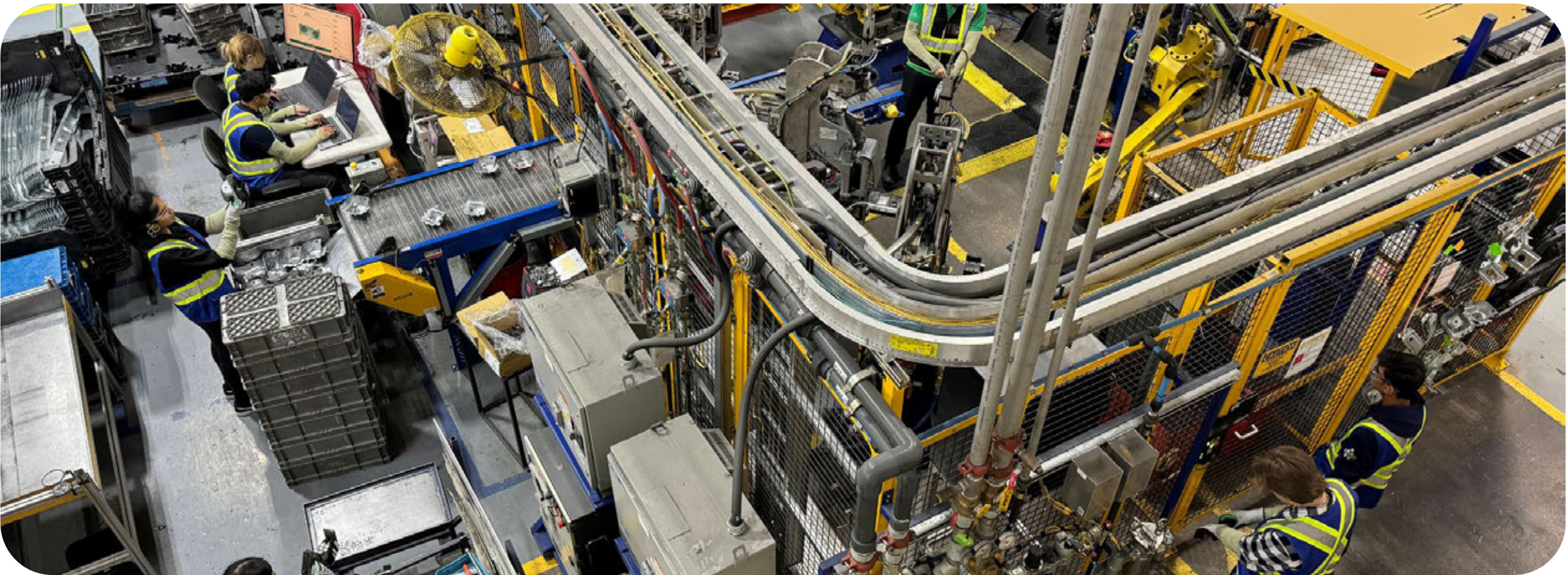
A great of example of fostering a new generation of innovators at Martinrea includes Hussein Hassanali, our Design Engineering Supervisor at our plant in Alfield, Canada. Hussein started off as a co-op student from the University of Waterloo. Once hired at Martinrea, Hussein helped in the development of computer vision products focused on increasing part and process quality, safety and efficiency. In addition, he helped lead a team to apply a first-principles engineering approach to environmental sustainability analytics and innovation. Hussein volunteers with Engineers Without Borders and has built carbon capture devices, implemented alternative protein research and launched small-scale energy generation devices in remote villages with efforts being recognized and supported by leading global institutions.



They are naturally more comfortable with technology, and challenging innovation. By allowing them to be project managers, they give us the opportunity to gain insight into their experiences to ensure we are making lives better.



STUART FRASER
VICE PRESIDENT,
OPERATIONS, METALLICS
BUSINESS UNIT



The skill I have practiced most at Martinrea has been creativity, leading me to being deeply involved in important and meaningful work. It is important to practice sustainability especially in a field where it has traditionally not been a priority. Through piloting initiatives at the plant level, I have been able to see how innovation in sustainability is attractive to young employees like myself and further development would be a way to both achieve environmental gains and create an exciting environment for new talent.



HUSSEIN HASSANALI
DESIGN ENGINEERING
SUPERVISOR, ALFIELD

ENVIRONMENT

Leave it Better

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Environmental
Management



Martinrea’s goal for environmental sustainability is to ensure the responsible use of natural resources and the prevention and reduction of negative environmental impacts like emissions, energy and water consumption, or waste generation, from its operations. We monitor operations to ensure compliance with environmental requirements and standards and take action to prevent and correct problems if needed.

Martinrea embraces a Martinrea Operating System (MOS) embodying lean culture. The elimination of waste removes unnecessary costs, making us more competitive. Lean manufacturing can simplify processes to create a safer, cleaner, more efficient and more sustainable workplace. Using Lean manufacturing principles can reduce materials, equipment, energy use and waste in our operations, which can lead to reduced Scope 1 and 2 emissions. Lean manufacturing supports the sharing of ideas to drive continuous improvements across the Company, for example, when implementing energy efficiency and water optimization projects. This sharing of ideas helps to reduce inefficiencies and operating costs.

ENERGY EMISSIONS

In 2022, Martinrea committed to a long-term target of a 35% reduction in Scope 1 and 2 emissions by 2035. To help achieve this target, our overall sustainability strategy will focus on continued energy optimization initiatives at our plants, while working on a phased-in increase of renewable electricity sources globally. For Martinrea, we work to be a truly sustainable company by first increasing energy efficiency, followed by using renewable energy, where applicable, using carbon offsets only where necessary.

ENERGY

We aim to minimize energy waste (and resultant emissions) from our manufacturing operations and have activities in place to increase energy efficiency. To promote this efficiency in our plants, we have developed energy reduction targets for each Business Unit, in alignment with climate-related principles. In order to achieve these reduction targets, the following energy reduction initiatives have been implemented in many of our plants:

- Phased approach to conversion of fluorescent lamps to light-emitting diode (LED) lighting across our facilities
- Addressed air leaks through management of air compressors, and used smaller air compressors, where applicable
- Utilized variable speed air compressors vs. fixed speed, where applicable
- Implemented gas savers in cylinders of welding areas
- Identified and repaired heat leaks in curing ovens
- Installed occupancy sensors to automatically turn off lights when not in use
- Added sensors/timers to monitor usage of equipment and automatically turn off when not in use
- Automated climate controls

- Installed air curtains on shipping doors to avoid heat loss
- Recycled air compressor heat back into plant via duct system
- Converted A/C welding systems to spot D/C welding

Several of our European manufacturing facilities have also received ISO 50001:2018 certification through the International Organization for Standardization of Energy Management. We continue to explore implementing ISO 50001:2018 in additional plants, as we determine applicable.

While we are focused on optimizing energy use, which can lead to carbon emissions reductions and cost savings, we continue to forecast growth in sales and the number of facilities over time. As a result, we anticipate our aggregate energy consumption may increase. Accordingly, we are focused on becoming more energy efficient (measured by energy consumption relative to sales).

In 2023, Martinrea internally set a target to reduce energy intensity (energy consumption relative to sales) by 3% across our business units relative to the previous year (2022). Energy consumption and intensity in 2023 is summarized in [Appendix A – Summary of Sustainability Metrics](#).



Seeking to preserve natural resources in our daily activities is an act of conscience and responsibility. Our results provide a better world for our generations. ”



EUGENIA MONTES
ENVIRONMENTAL
HEALTH AND SAFETY
COORDINATOR, SALTILLO



ENERGY EMISSIONS

RENEWABLE ENERGY

Approximately 36% of our electricity usage globally is obtained through utility grids using varying percentages of renewable sources. Many of our manufacturing plants are located in areas with relatively high and increasing levels of renewable energy production within their utility mixes, including Canada, Brazil and Europe. This provides an advantage for our overall carbon footprint. We are also exploring procuring additional renewable energy supply through our utility partners for our manufacturing plants globally.

In 2023, our location in Spain successfully installed solar panels across their facilities’ rooftops to power approximately 10% of the facility’s electricity demands. This is in addition to procuring 100% green electricity from their local utility, further reducing Martinrea’s carbon footprint. This exciting development aligns perfectly with the Company’s mission to “Leave it Better,” helping to ensure a positive environmental impact.



CARBON EMISSIONS

OPERATIONAL EMISSIONS

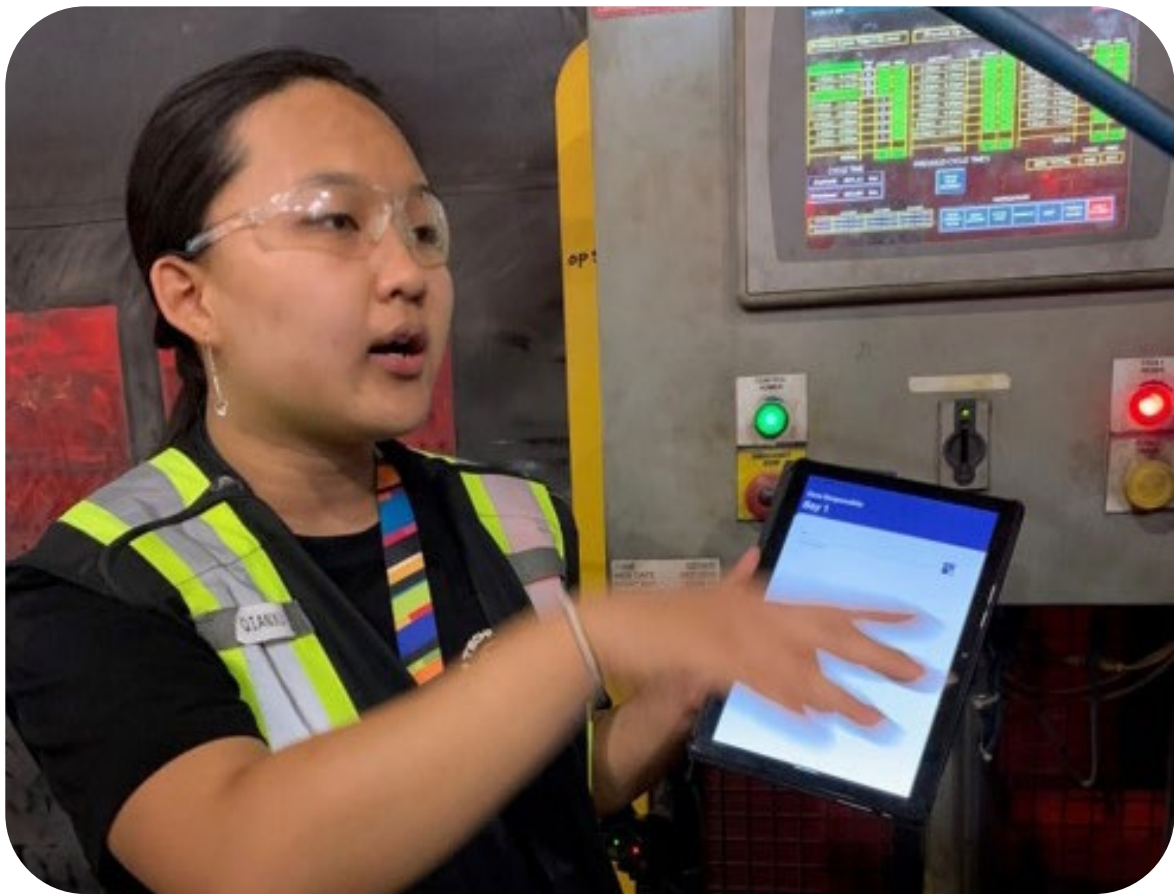
Through our active energy management system, we can calculate our carbon emissions by referencing GHG Protocol, an international standard. Our manufacturing processes rely heavily on natural gas and electricity usage as our primary energy sources, making up the majority of our Scope 1 and Scope 2 emissions, respectively.

Martinrea internally set 3% year-over-year carbon intensity and absolute carbon reduction targets (Scope 1 and 2) from our 2019 baseline year for our Company as a whole. Carbon emissions data in 2023 is summarized in [Appendix A – Summary of Sustainability Metrics](#). The short term strategy to achieve these targets involve energy efficiency initiatives across our operations, the purchase of renewable energy through our utilities, where feasible, and implementation of on-site solar, as was completed at our facilities in Spain. We continuously evaluate our progress towards our long-term targets towards carbon neutrality, recognizing that results may change from year to year as our production levels fluctuate and our efficiencies continue to improve.

SUPPLY CHAIN EMISSIONS

We recognize Scope 3 emissions generally comprise the vast majority of a company’s overall carbon emissions. We are developing strategies to collect this information. To help to understand our Scope 3 impact (including direct and through the value chain), we utilized the GHG Protocol’s Scope 3 Screening Evaluator, which helped estimate that a large percentage of our Company’s total carbon footprint may come from our supplier’s emissions. To deepen our understanding of our supplier’s emissions, Martinrea launched a comprehensive sustainability survey in 2023 with our primary suppliers to help us determine their impact. We expect to be able to utilize this collected information to help further assess supplier carbon emissions and allow us to provide training to suppliers to help them implement new strategies for emissions reduction.

We are adopting various measures with respect to logistics to help reduce carbon emissions. These measures include attempting to get our carriers committing to using cleaner fuels, optimizing our dedicated transportation routes, using localized suppliers where feasible and using reusable packaging. We are also measuring our trailer utilization to ensure we maximize our trailers to avoid unnecessary trucks. We can now monitor and measure our emissions more closely and continue to look at different modes of transportation to help reduce emissions. Switching to greener means of transportation across our supply chain will continue to improve our efforts and help reduce our Scope 3 carbon footprint.



“ We recognize that our supply chain partners are critical in this journey toward sustainability. Forming strong partnerships with suppliers that value sustainability is key towards future progress. ”



MEGAN HUNTER
EVP, PROCUREMENT AND
SUPPLY CHAIN OPERATIONS

WASTE

Martinrea’s commitment to sustainability is demonstrated through our responsible use and disposal of materials. Consistent with Lean manufacturing, we consider all waste a sign of inefficiency. While our manufacturing operations generate various waste streams, primarily rubber and nylon scrap, sand, plastic, cardboard, wood pallets and aluminum and steel scrap, all waste is viewed as a resource that can be reduced, reused, repurposed, composted or recycled. To promote a circular economy, Martinrea aspires to further reduce our waste stream through our Zero Landfill program. Zero Landfill encourages the use of fewer new raw materials and aims to send no waste materials to landfills or the environment. This program includes education at our plants to encourage staff to rethink how they view waste, waste segregation and our Zero Landfill Policy.

In 2023, Martinrea awarded 29 plants from across Martinrea’s global operations for their efforts in 2022 in diverting more than 90% of all waste from landfills through diversion efforts, including recycling, reuse and composting. The Zero Landfill certificates were awarded to celebrate Earth Day and reinforce how important waste diversion is for the environment.

[Generated waste data from 2023 is summarized in Appendix A – Summary of Sustainability Metrics.](#)



After installing gardens at MIC, we decided to add nutrients by composting our own food waste. MIC built the composter on premises and have achieved success in producing high quality compost. Not only is this an innovative sustainability initiative to support our gardens, it also helps reduce our overall waste.



DAVID CLARK
GENERAL MANAGER, MIC

SPOTLIGHT

ESTAMPADOS

In 2023, our Estampados plant, located in Ramos Arizpe, Mexico, successfully reduced metalworking lubricant consumption in their operations by 171,000 litres, even with a significant increase of parts produced that year. Not only were there significant operational cost savings associated with the reduction of metalworking lubricants, the plant was also able to reduce waste such as rags by 50%, along with an overall improvement to safety and cleanliness in the press area. These efforts were integral towards helping the Estampados plant achieve the state awarded Industry Verde (Green Industry) Sustainability Certification.



It’s been extremely exciting to work with the engineering department on all of our operational strategies including our environmental and sustainability initiatives. We have always been conscious of the amount of metal working lubricant used in our press shop so we structured a plan using industry standards to develop a reduction target, and then executed that plan to target. We plan to share these reduction efforts across all of Martinrea’s plants to inspire further reductions across the company.”



NAREG HACATOGLU
GENERAL MANAGER,
ESTAMPADOS

WATER

As water is a limited natural resource, implementing best practices related to it is included in our environmental program management at our plants.

Our goal is to reduce our total water usage from all of our manufacturing plants through continuous improvements in water reductions and utilizing internal wastewater treatment for water reuse within our facilities. Currently, Martinrea incorporates multiple water use reduction/water optimization initiatives at many of our facilities, including:

- Disciplined water utilization programs
- Determined and addressed water leaks
- Internal treatment of wastewater through evaporator technology to reuse wastewater in our processes

To ensure we target areas where we can make the most significant impact with water reductions and optimization, we assessed overall water risk and water stress areas utilizing the World Resources Institute (WRI) Aqueduct Global Maps. We identified 13 manufacturing plants located in high to extremely high areas of overall water risk. All of these plants are located in Mexico or China. We plan to explore additional water reduction/optimization efforts targeting these locations.

In our most recent manufacturing plant construction in Ramos Arizpe, Coahuila, Mexico, Martinrea incorporated water-saving considerations during the design phase. Xeriscape landscaping was implemented using only rocks and native Mexican plants that require little water, negating the need for irrigation. While this is common practice in Mexico, these practices can be shared across our other facilities, regardless of location for best practices for reduction.

We recognize that water recirculation is a technology that can be utilized to increase water usage optimization. Many of our facilities already incorporate some forms of water recirculation, especially in the geographic locations where water risk has been identified as high (e.g. Mexico).

Water usage data from 2023 is summarized in [Appendix A – Summary of Sustainability Metrics](#).

ENVIRONMENTAL MANAGEMENT

Martinrea developed a global environmental compliance program, requiring its manufacturing facilities to receive, where required, ISO 14001 or functionally equivalent environmental certification. ISO 14001 specifies the requirements of an environmental management system and is a systematic approach to handling environmental issues within an organization. We are proud to report that currently, 92.5% of Martinrea’s manufacturing facilities are ISO 14001 certified (and all required manufacturing facilities are ISO 14001 certified). Third-party and internal audits or inspections are conducted regularly across our plants.



Martinrea is committed to implementing reductions in waste, water and energy use across all of our facilities to achieve our long-term sustainability targets. To achieve these reductions, it requires a strong team dedicated to working together to make a difference through the sharing of best practices.



RACHEL HANDBURY
DIRECTOR, SUSTAINABILITY



SPOTLIGHT

LEAVE IT BETTER AWARDS

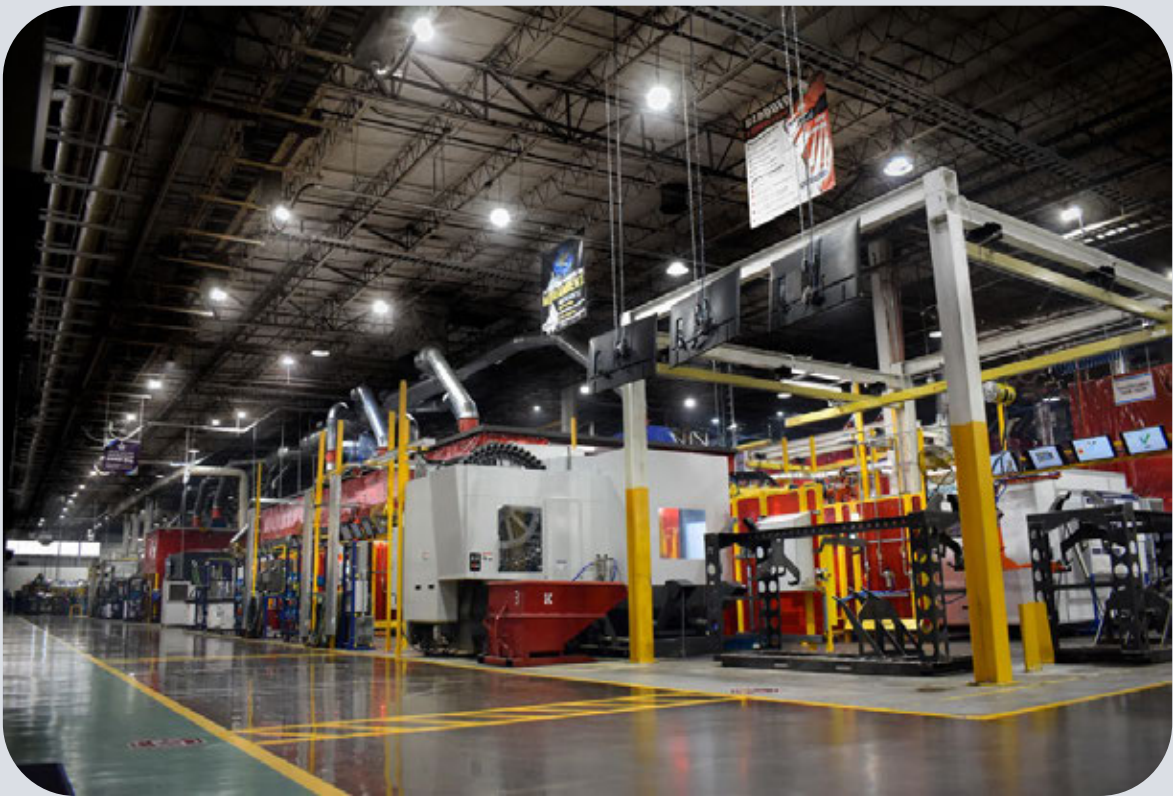
In 2022, we developed our first annual internal Leave It Better award, recognizing a Martinrea manufacturing plant for outstanding sustainability efforts. This internal award inspires healthy competition amongst our plants to push for sustainability efforts, ultimately benefiting the Company as a whole, as well as our environment and communities. The criteria to be considered for the award included energy intensity reductions, waste reductions, community efforts, cybersecurity, innovation and diversity, amongst other criteria, ensuring that our manufacturing plants are not just producing high quality parts, but also acting to ‘Leave It Better’ in the communities they operate. The following finalists were chosen for their stand-out sustainability efforts in 2023: Fluids Business Unit’s North Vernon plant in Indiana; Metallica Business Unit’s Hermosillo plant in Mexico; FMG Business Unit’s Hermosillo Modules plant in Mexico, and Aluminum Business Unit’s Meschede plant in Germany.

The overall Leave It Better award was presented to Metallica Business Unit’s Hermosillo plant, located in Hermosillo, Mexico. Our Metallica Hermosillo plant was ultimately chosen as the overall winner due to their well-rounded entry which included energy intensity reductions, efforts towards achieving zero landfill, significant water savings from their e-coat process and waste water reuse efforts, impressive diversity and accessibility program in place, including a very strong Women in Manufacturing program encouraging women employees to become trained as forklift drivers and Tool and Die apprentices, to help further their careers at Martinrea. The Metallica Hermosillo plant involved their employees, as well as their family members in an impactful ocean shoreline clean up to support their nearby community and local wildlife. We are incredibly proud of all of our plants for their competitive spirit in aiming to become the most sustainable plant. This award will be presented annually, further inspiring the drive towards sustainability on a global scale for Martinrea.

WINNER

Hermosillo Assembly - Metallica

- 8% reduction in energy intensity from 2022, 0% landfill
- Extensive community outreach efforts
- Accessibility and inclusion program in place for employees
- Support for employees during time of crisis
- Significant water savings from e-coat process and reuse initiatives
- LED conversions, automatic lighting
- Impressive Diversity and Women in Manufacturing program
- Plogging – ocean cleanup by employees and families



SOCIAL

Making People's Lives Better

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Public Policy Involvement



Photo Credit : CADIA/Nadir Ali

The Company’s approach to health, safety and inclusion is at the core of Martinrea’s culture of making people’s lives better. We treat people with dignity and respect. We promote sustainability by respecting the environment and laws, supporting universal human rights and contributing to communities worldwide. Martinrea’s sustainability efforts include providing a healthy and safe workplace for all team members while supporting a diverse and inclusive environment. The Company has adopted many policies related to sustainability to ensure commitment across its global operations, addressing a variety of human rights issues, including the Corporate Sustainability Policy, which covers the following (but is not limited to):

- Child labour
- Compensation, forced labour, work hours
- Freedom of association and collective bargaining
- Harassment, discrimination and diversity
- Health and safety
- Community engagement and Indigenous populations
- Bribery and corruption
- Environment
- International standards, including human rights and social responsibility

Our corporate governance policies are located on our [website](#) under Investors Relations.

COMMUNITY INVOLVEMENT

Martinrea is committed to our vision of “Making Lives Better,” not just in our facilities but also in the communities in which we operate. Being leaders in our communities is one of our mission pillars. From working with nonprofits on sustainability efforts and assembling an intramural sports team, raising funds for children in need, hosting food drives for communities, planting trees to support the environment, to developing young talent through nationwide Manufacturing Days and international cohort programs, to being involved in public policy at the local, state, national and international level, Martinrea is actively involved in the communities where we work. Read on for several examples.

Earlier in 2023, our Jonesville, Michigan facility received recognition and appreciation for being the 1st Platinum Sponsor in the history of Children’s Charity Ball for Child Abuse and Prevention Awareness (CAPA). CAPA’s mission is to serve its community by working to ensure every child is cared for properly and lives in a loving home. Through educational programs, events, fundraisers and other activities, they work towards making a difference for children and families. We are very proud of our plants for all of their efforts within their communities. We are honoured to work towards “Making Lives Better.”

Martinrea is proud to work with Drive Staffing Solutions, a program helping people secure employment and improve their living standards by earning a consistent income. The program works with several local shelters, including the Jackson Interfaith Shelter in Michigan, and helps people find employment through various means, for example hosting a weekly job fair. Drive Staffing Solutions has increased the Interfaith Shelter’s employment ratio from <5% to over 60% and has maintained high employment since inception. Eric Rice, the owner of Drive Staffing Solutions and former General Manager at our Bishop Circle Assembly (BCA) plant, located in Michigan, teamed up with Martinrea to help these individuals secure manufacturing jobs at BCA. The team helps break down barriers to employment in multiple ways, such as by

providing free transportation to and from work. With Drive Staffing Solutions’ assistance and Martinrea’s positive work environment and culture, over 40 people from the shelter have begun working at the Company. Thanks to the program’s life-changing impact, many individuals are grateful for a second chance to return to the workforce and improve their lives. Martinrea is proud to contribute towards making people’s lives better and having these team members join our family.

In recognition of Earth Day, our facilities celebrated globally through tree planting, shoreline cleanups, community park cleanups and other initiatives aimed toward environmental improvement. In 2023, Martinrea’s manufacturing plants collectively planted 1,107 trees as part of their tree-planting initiatives. This endeavor is estimated to have absorbed approximately 24 metric tons of CO₂. Through these actions we are proud to help our communities reduce pollution.



MAKING PEOPLE’S LIVES BETTER



WOMEN WITHIN CAMPAIGN

Rollstar, Canada held a "Women Within" campaign, encouraging female employees to pursue non-traditional jobs such as forklift, co-ex operator and technical roles in the plant. Women were provided extensive training regarding the safe operation of forklifts, and all who participated became licensed forklift operators. Three supervisors became certified material handlers and licensed forklift operators.



PRIDE WEEK

Silao, Mexico celebrated Pride Week, prioritizing engagement through awareness talks, communication announcements and various activities to honor and recognize the diversity of our employees. The initiative aimed to foster a supportive and inclusive workplace environment for everyone.



SUICIDE AWARENESS WALK

Hopkinsville, Kentucky participated in a community Suicide Prevention Walk. They walked to support suicide prevention and gave a plant-wide donation. Suicide awareness is critical for fostering empathy, reducing mental health stigma and creating a supportive environment, with the goal to ultimately saving lives.



TREE PLANTING

Bergneustadt, Germany planted 30 maple trees together with the city. They chose maple trees because they are bee-friendly, tolerant of heat and frost and resistant to heavy rain, road salt, disease and pest infestation. It is fitting that maple trees were planted since the national flag of Canada features a maple leaf.



DRiVE STAFFING PROGRAM

North Vernon, Indiana partnered with Bishop Circle Assembly (BCA), Michigan to work with DRiVE Staffing, a program that focuses on helping homeless people secure employment and improve their living standards by earning a consistent income. By working with this program, Martinrea has helped by offering employment and having these team members join our family, impacting many lives.



FUTURE COMMUNITIES AWARD

The San Luis Potosi (SLP) Government awarded SLP Structures, Mexico with the Gold Category for Future Communities Award. This award recognizes outstanding performance with the UNSDGs, highlighting SLP Structures’ commitment to creating a positive impact on both local communities and global sustainability initiatives.

MAKING PEOPLE'S LIVES BETTER



COMMUNITY DONATION

Meschede, Germany joined forces to make a significant donation to a noble cause. They presented a generous donation towards rescuing unsold food and distributing it to those in need.



FOOD BANK COLLABORATION

Saltillo, Mexico collaborated with the local food bank of Mexico to observe World Food Day. Our dedicated employees generously donated over 1,000 kg of food, positively impacting and benefiting more than 5,000 communities.



BRING YOUR CHILD TO WORK DAY

Rollstar, Canada held a “Bring your Child to Work Day” event. They hosted various interactive activities to engage and provide the next generation with a hands-on experience similar to their parents’ lives at the workplace. Activities included training on personal protection equipment (PPE), a detailed tour of the facility, a safety walk and a friendly competition at mock workstations.



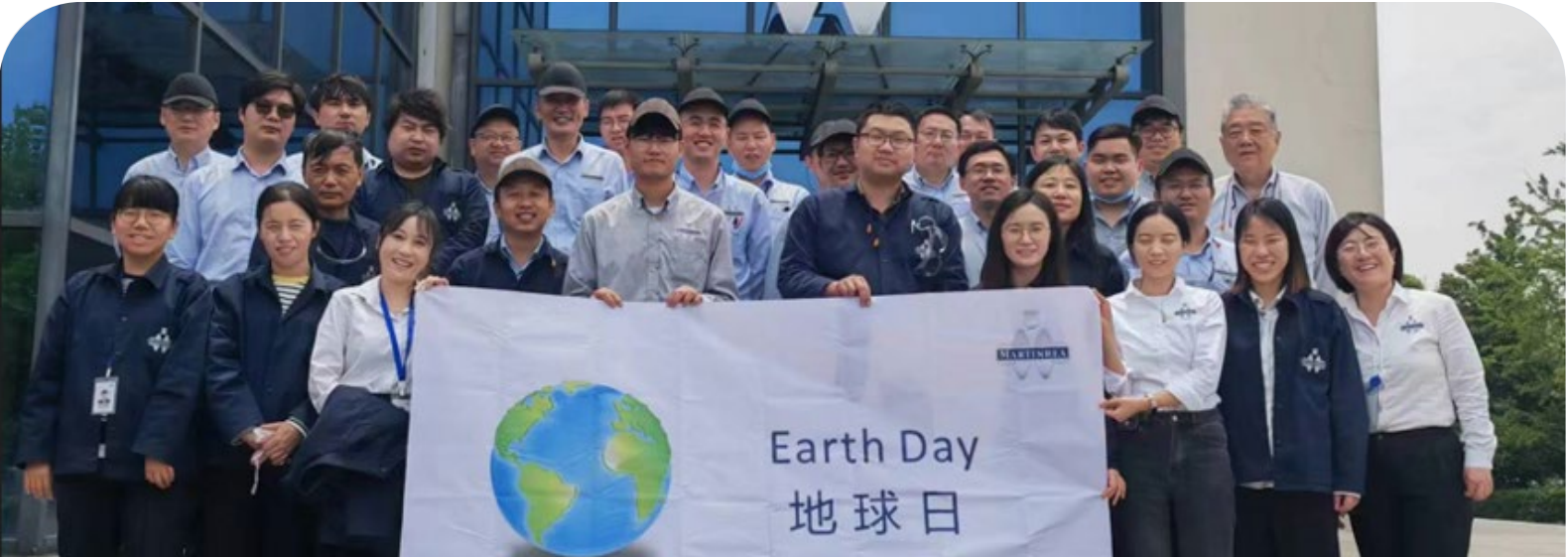
LOCAL GROUNDS CLEANUP

Atlas, Canada took the initiative to clean up the debris accumulated over time around the local area and decided to host a monthly cleanup moving forward. Hosting monthly cleanups brings team members together while positively impacting the environment.



FOOD DRIVE

MIC, Canada employees held a food drive and raised over 500 kilograms of food and perishable goods for the Vaughan Foodbank! Their collective effort not only made a significant impact in addressing food insecurity but also highlighted the company's commitment to making a difference in their local community.



EARTH DAY

Yuyao, China cleaned up debris in the local area and collected six bags of trash in celebration of Earth Day, promoting environmental stewardship.

WORKPLACE HEALTH AND SAFETY

Martinrea is strongly committed to workplace health and safety and the prevention of occupational injury and illness; it is core to our principle of making lives better by keeping our employees safe. Our objective is to apply continuous improvement to our health and safety performance and to outperform industry standards based on key safety performance indicators.

A safe and healthy workplace is created through leadership and employees’ combined effort and participation. Leadership is responsible for establishing and maintaining health and safety policies, programs, safe work practices and resources, and employees are responsible for maintaining safe and healthy work conditions by following the safety standards and training provided. Prevention is the goal.

We accomplished this through the Company’s strong culture and belief in “Making Lives Better,” including:

- Protection for employee health and safety is a core principle in the Company’s Employee Bill of Rights
- Commitment to providing people with a healthy and safe work environment, free from harassment and violence
- Adoption of health and safety best practices throughout the organization, with a focus on identifying and eliminating risks pertaining to health and safety, industrial-hygiene, ergonomics and emergency preparedness
- Incorporation of regulatory changes, learnings from near misses and accidents and changes to industry standards into our global safety management system
- Development of emergency preparedness and response plans at each facility to ensure timely response and communication in the event of an emergency, and incident investigation procedures to ensure incidents are investigated with corrective action implemented to prevent recurrence

- Implementation of a Joint Health and Safety Committee at each plant and office helps to ensure compliance with local and global standards through routine and unscheduled audits designed to address documentation requirements, assess physical conditions at the plant and ensure compliance to legal requirements
- Completion of audits and inspections to develop action plans addressing deficiencies and/or best practices
- Incorporation of the Health and Safety Management System, abiding by international and regional standards, including: OHSAS 18001, Canadian Standards Association (CSA) and American National Standards Institute (ANSI), as well as country-specific safety regulations
- Initiation of Health and Safety Committees to hold regular conferences with representatives of our manufacturing facilities to reinforce our commitment to providing a safe and healthy work environment and share best practices with respect to occupational health and safety

Martinrea has consistently improved accident rates, year over year. Our company wide Total Recordable Injury Frequency (TRIF) rates have improved by 87% since 2014 and 50% since 2019. Even within the last year, our TRIF rates have improved by 9%.

Approximately 28% of our manufacturing plants are ISO 45001 certified for Management Systems of Occupational Health and Safety. We are phasing in this certification across our manufacturing plants over time.

Health and Safety data from 2023 is summarized in [Appendix A – Summary of Sustainability Metrics](#).



One of the key aspects to create a safe and healthy working environment for employees and to prevent incidents in our industry is ergonomics. We work on workplace design, as well as other external factors such as healthy habits, and we continue to research new technologies. I am very proud of how our company integrates health and safety into our strategy and applies policies that promote a culture of prevention and improve employee’s well-being, productivity and commitment. ”



JAVIER GARCÍA RUIZ
HEALTH AND SAFETY
MANAGER, SPAIN

DIVERSITY, EQUITY AND INCLUSION

The Company believes sound DEI policies and practices are important attributes of a well-functioning Board and an efficient team of executive officers. The Company has policies and processes aimed at increasing DEI for its directors, executives and employees. In a progressively more complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills and experiences through the talent of our team members is critical to our success, improving productivity and innovation. Martinrea believes in creating a diverse, equitable and inclusive workplace, based on its Golden Rule culture – treating people the way we want to be treated, with dignity and respect. We believe a great work environment allows everyone to reach their full potential.

Our objective is to further encourage DEI throughout the Company, including on our Board and among senior management. Our conduct with each other is characterized by respect and tolerance, free of discrimination or harassment due to gender, identity, race, ethnicity, national or social origin, age, religion, political or sexual orientation, physical or mental disability or other characterizations protected under law. Tolerance and equal opportunity are prerequisites to a pleasant work environment. When all of these different views are shared collaboratively, amazing things can happen. Fair treatment, dignity and respect are core principles in the Company’s Employee Bill of Rights and 10 Guiding Principles. These principles, which are discussed and reinforced through monthly employee meetings, Martinrea News (publication provided for employees), Global Leadership Conference, training and in daily life, also encourage diversity. Our Diversity Policy promotes an inclusive work environment.

Martinrea has a Global Diversity Steering Committee with subcommittees such as Awareness and Engagement, Opportunities in Manufacturing, Mentorship Programs and Women’s Resource Group, among others. The Committee meets regularly on initiatives and engages in planning activities. Since establishing this Committee, team members work to increase DEI awareness and engagement, implement DEI training and maintain compliance.

Martinrea also values cultural traditions in all countries we are proud to represent. In honour of the World Day for Cultural Diversity, our employees embraced the richness of their diverse backgrounds. Our global locations hosted various celebrations, including dressing in traditional attire, providing dishes from their respective countries and engaging in heartfelt conversations about their unique cultural heritage.



SPOTLIGHT

CADIA AWARDS FOR DIVERSITY



Photo Credit : CADIA/Nadir Ali

Martinrea was recognized as 2023 Center for Automotive Diversity, Inclusion and Advancement (CADIA) Impact Awards Winner of Systemic Change for advancing DEI goals and initiatives across the company. CADIA highlighted Martinrea’s clearly defined leadership structure, including a steering committee and various subcommittees who meet regularly, with developed DEI Key Performance Indicators (KPIs) to monitor the impact, progress and effectiveness of DEI initiatives. Martinrea was also recognized for the recent creation of several employee resource groups, and its efforts to increase gender diversity within the company through community engagement, in-house training programs for women and constant evaluation of effectiveness measures for attracting and developing women to work in manufacturing.

As the lead for Martinrea’s global DEI strategies, Deanna Lorincz, Global Director of Communications and Marketing, was recognized as the Winner of Leadership Commitment. She led a team of over 100 passionate DEI volunteers throughout the organization and her dedication to fostering an inclusive workplace has significantly impacted promoting DEI across all levels of the company.

Deanna’s dedication has been a driving force in developing and fostering DEI at Martinrea. She plays a crucial role in assisting our committees to develop robust business plans and KPIs, fostering an environment where individuals can develop and support one another.



ARMANDO PAGLIARI
EVP, HUMAN RESOURCES

EMBODY DIVERSITY

We believe in creating a diverse, equitable and inclusive workplace, based on our Golden Rule culture.



Follow us:     

OUR SOCIAL MEDIA HIGHLIGHTS



„...I also like the diversity of my job, there is always something new happening, and it enables me to grow and learn new skills.“



Our Tuscaloosa team annually partners with the Alabama Department of Human Resources to bring holiday cheer to a deserving family. This time, the team brightened the lives ...



“...A whole working life full of great experiences and achievements, during which I have met many outstanding and leading personalities ...”



Martinrea Queretaro, LPDC celebrated Three King’s Day! The plant was honored with a surprise visit from the 3 Wise Men, who spread joy with a plant tour...



“My favorite part of working at Martinrea is the principle of “we are a team...”

DIVERSITY, EQUITY AND INCLUSION

GENDER DIVERSITY

In 2015, the Company adopted a Diversity Policy and has implemented proactive steps to increase the number of women in leadership positions through training, succession planning and other activities. We are committed to increasing the representation of women in crucial roles in the Company, including in senior management.

The Company aims to increase the number of women, and other diverse candidates, in operational roles through strategies we have implemented to ensure exposure and opportunities for these candidates. We recognize diversity is an essential consideration in the selection process for executive officers and have implemented diversity strategies in our recruitment and succession planning practices. In 2023, women made up approximately 23.6% of positions within Martinrea’s global workforce, and 32.2% within Martinrea’s Canadian workforce. In critical positions (management and above) at Martinrea, women made up approximately 22.1% within the Canadian workforce and 20% globally.

We aim to increase gender diversity within Martinrea, through community engagement, in-house training programs for women and constant evaluation of how we can attract women to work in manufacturing. We participate in promoting the automotive sector as a career for women, such as by sponsoring student and university co-op programs, as well as supporting the development of the next generation of talent in Science, Technology, Engineering and Mathematics (STEM), including programs that engage and encourage young women to enter STEM fields such as First Robotics.

Martinrea’s Rollstar facility in Canada is an excellent example of our Company’s diversity values as they employ team members from many different countries. In fact, the plant has achieved great strides in gender diversity, with females comprising half of the workforce in various roles, from operators and forklift drivers to supervisors and managers. Rollstar has launched the “Women Within” campaign, to promote diversity further, encouraging and supporting women to take on non-traditional roles like forklift drivers and Tool and Die apprentices. This campaign has been successful, resulting in an increase in certified female forklift drivers from one to eight in 2023.

BOARD DIVERSITY

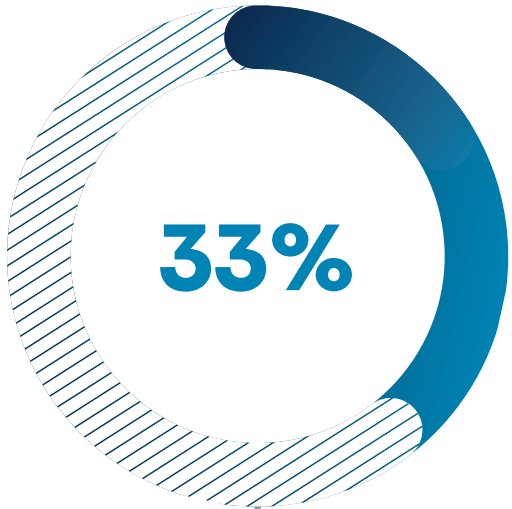
The Board of Directors currently has three female directors out of nine directors, meaning 33% of the Board (and approximately 43% of the independent directors), are women. The selection of Board members is ultimately a function of the skills, experience, character and other qualities director candidates bring to the table. The Company considers diversity as directors retire or a determination is made to expand the number of directors on the Board. Gender Diversity data from 2023 is summarized in [Appendix A – Summary of Sustainability Metrics](#).



Of the workforce are women



Of the critical positions are women



Of the the Board are women



SPOTLIGHT

WOMEN IN TOOL AND DIE

In 2015, the Company adopted a Diversity Policy and implemented proactive steps to increase the number of women in manufacturing and leadership positions through training, succession planning and other activities. Martinrea is proud to expand the promotion of gender diversity even further by encouraging and supporting women to be trained in non-traditional roles such as forklift drivers, coextrusion operators and Tool and Die makers.



FENIX DEL CARMEN CERRITOS SOTELO
Tool and Die apprentice

"I am very happy for the opportunity that Martinrea gave me. I take responsibility for doing my tasks in an unparalleled way, putting all my effort and abilities to precisely achieve the set objectives."



JESÚS FRANCISCA MARTÍNEZ BALLESTEROS
Tool and Die apprentice

"Thank you very much Martinrea, my team leader, supervisor and area manager for trusting me and valuing my work. I have loved being part of this project, I have enjoyed and learned a lot."



LAURA DENISSE MURRIETA CORELLA
Tool and Die apprentice

"I want to show my most sincere gratitude for giving me the opportunity to work at Martinrea. I feel very proud to be part of the team in this recognized and respected company."

DIVERSITY, EQUITY AND INCLUSION

SUPPLY CHAIN DIVERSITY

To Martinrea, our mission of Making People’s Lives Better includes supporting diverse-owned businesses in the communities in which we operate. Supplier diversity means something slightly different in each region of the world. For this reason, we define a diverse supplier as a company that is majority-owned (51%) and operated by an individual or group that has been historically underrepresented or underserved in the economy.

Our Supplier Diversity program strives to promote an inclusive approach to procurement globally by delivering broader societal benefits through generating economic opportunities for disadvantaged communities, ultimately helping to build a more diverse business ecosystem. Additionally, an inclusive procurement strategy widens the pool of potential suppliers and promotes competition in the supply base, helping to improve product quality and reduce costs. By providing more sourcing options, inclusiveness can also make supply chains more resilient and agile.

Martinrea’s Supplier Diversity program has expanded to include purchases in excess of \$300 million from over 150 diverse companies. We support various organizations both through financial commitments and sponsorships and through attending multiple tradeshows, events, conferences and procurement fairs.

We are proud to have received awards for our supplier diversity efforts from many customers over the years; in 2023, we were recognized by Nissan North America.



Below are some of the organizations we support:



ASIAN PACIFIC AMERICAN CHAMBER OF COMMERCE (APACC)



MICHIGAN HISPANIC CHAMBER OF COMMERCE (MHCC)



NATIONAL LGBT CHAMBER OF COMMERCE (NGLCC)



CANADIAN ABORIGINAL MINORITY SUPPLIER COUNCIL (CAMSC)



WOMEN’S BUSINESS ENTERPRISE NATIONAL COUNCIL (WBENC)



WOMEN’S BUSINESS ENTERPRISE CANADA (WBE)



GREAT LAKES WOMEN’S BUSINESS COUNCIL (GLWBC)



MICHIGAN MINORITY SUPPLIER DEVELOPMENT COUNCIL (MMSDC)



NATIONAL VETERANS BUSINESS DEVELOPMENT COUNCIL (NVBDC)

Since I was three years old, I have had severe profound bilateral hearing loss. Martinrea is a great place to work where they develop a culture of diversity, respect for people and inclusion for all.”



**PRISCILIA ACUNA
DÁVILA**
DIRECT BUYER, SUPPLY
CHAIN OPERATIONS

DIVERSITY, EQUITY AND INCLUSION

ACCESSIBILITY

Martinrea is committed to preventing and removing accessibility barriers from our workplaces where possible and meeting accessibility requirements in the facilities in which we operate. We believe in integration and equal opportunity and aim to create an inclusive culture.

For example, Martinrea’s manufacturing facility in Saltillo, Mexico has taken significant strides towards inclusivity by employing individuals with hearing impairments since 2014. The team has adapted work areas, established custom training programs, customized clothing and implemented certificate processes, among other activities. Through these adjustments, Saltillo, Mexico seeks to foster an environment that accommodates and actively encourages hiring individuals with hearing impairments, to increase equal opportunities in the workplace.



DIVERSITY, EQUITY AND INCLUSION

EMPLOYMENT

In pursuing our objective to be a state-of-the-art business and in developing the key elements of our business strategy, the Company developed Martinrea’s 10 Guiding Principles which provide the foundation for our approach to dealing with all aspects of our business, including our people.

The Company is committed to the fair treatment of employees, a safe, healthy and diverse workplace, competitiveness of wages and open communication. We believe providing employees with a safe and pleasant working environment, based on dignity and respect, is an important factor in maintaining labour productivity and goodwill to produce quality products that exceed customer expectations. The future success of Martinrea depends in part on its ability to attract and retain qualified people.

In addition to our 10 Guiding Principles, Martinrea adopted an Employee Bill of Rights in 2001, still relevant today, as follows:

- **Job Security** – Every employee is an important member of the Martinrea team. Together, we build our future and protect our job security – exceeding customer expectations while remaining competitive within our industry.
- **Health and Safety** – Our employees work in a safe, healthy environment and an ergonomically friendly workplace.
- **Fair Treatment** – Our employees shall be treated with dignity and respect. Accordingly, we provide equal opportunities in a workplace free from discrimination and harassment.
- **Compensation** – Our wages and benefit programs are reviewed annually to ensure that employees receive fair compensation for our industry and the communities in which they live.

- **Coaching** – Regular feedback will be provided so our employees know where they stand at all times and can build on their strengths.
- **Training** – Employees shall be provided the opportunity to develop to their full potential through ongoing training and continuous learning.
- **Communication** – We believe in open, honest two-way communication supported by visible, responsible action in a timely manner. If any employee feels his or her rights under the Martinrea Employee Bill of Rights are not being met or if they have any questions, concerns, or suggestions, they are encouraged to approach any member of the management team up to and including the CEO.

Every year, Martinrea completes detailed employee surveys, administered by third party experts. Our employee surveys are voluntary, but we had almost 15,000 surveys submitted (approximately 80% of all Martinrea employees). In 2023, we scored very well in the general categories: the way we work (health and safety, work environment, teamwork and collaboration); supporting our people (communication, fair treatment, diversity and inclusion); value and recognition (compensation and incentives, career advancements, appreciation); and shaping the future (personal goals, performance feedback, growth and development). We utilize the surveys to determine where we can improve and will strive to do so. We believe that a happy, motivated, empowered, purpose-oriented workforce is the foundation of company success in the short, medium and long-term.

To further support our most important resource, our employees, we developed an Employee Resource Group (ERG) Steering Committee to manage the implementation of ERGs throughout the Company and create plans to develop these groups as resources for our employees continuously. ERGs serve different individuals based on their needs and passions (or interests), including Minds Matter (mental health support), W@M (Women’s Resource Group) and YoPro (Young Professionals).



There are a lot of great things about working for Martinrea. I would have to say the best is the culture and our people. I have learned a lot from some truly inspiring people and have had the opportunity to work in a variety of positions. ”



TYLER GIBSON
REGIONAL LEAN MANAGER



DIVERSITY, EQUITY AND INCLUSION

EMPLOYEE RESOURCE GROUPS



MINDSMATTER

Our MindsMatter ERG aims to promote mental health awareness, reduce stigma, foster employee support and make mental health awareness a movement within Martinrea. This group provides training and education on mental health, shares important information and resources with team members and supports internal and external events relating to mental health causes. Resources cover various topics, including work-life balance, stress management, how to seek help, healthy eating, suicide prevention, substance abuse and positive thinking. To raise awareness about various mental health issues, Martinrea initiated a monthly podcast series to equip our employees with the knowledge and tools to recognize potential mental health challenges and navigate difficult periods.



WOMEN AT MARTINREA (W@M)

Our W@M ERG focuses on supporting, empowering and developing women, professionally and personally. This group hosts internal and external events to encourage professional growth and community building, provides training for skill development and hosts programs to recognize and celebrate accomplishments. Every few months, this group releases a “Health Spotlight” newsletter, shedding light on various health topics while also providing a platform for the women of Martinrea to share their stories.



YOUNG PROFESSIONALS (YoPro)

Our YoPro ERG aims to engage, connect, develop and retain young employees by providing growth opportunities through networking, leadership events and an ambassador program. This group serves as a network for young professionals, facilitating connections and exposure with peers, mentors and senior leadership. In addition, it supports early career team members in their workplace journey. Through navigating one’s early career, gaining the necessary tools and connections is essential to build their way forward.



HUMAN RIGHTS

Our approach to human rights consistently flows from our vision of Making Lives Better and our Golden Rule culture. Martinrea’s Sustainability Policy and its Human Rights Policy set forth our values regarding human rights, including child labour, forced labour, human trafficking, modern slavery, diversity and inclusion, freedom of association, collective bargaining, safe work environment, working hours and wages and benefits. Our policy aligns with the United Nations Universal Declaration of Human Rights and additional guidance contained within the International Bill of Rights. Our Sustainability Policy applies globally, including all our worldwide subsidiaries, affiliates, partnerships, ventures and other business associations that Martinrea controls. All our employees are subject to these policies. Martinrea believes in compensating employees to help them to meet their basic needs, while providing them the opportunity to improve their skills and abilities to enhance their social and economic opportunities. The Company rejects all forms of physical, sexual, psychological or verbal abuse of its employees.

Our suppliers, contractors and other business partners with whom we do business are also expected to adhere to our standards, including human rights and labour practices.

RESPONSIBLE SOURCING

GLOBAL WORKING CONDITIONS IN OUR SUPPLY CHAIN

We expect our supply chain to adhere to our Supplier Code of Conduct and Ethics (“Supplier Code”), which prohibits the use of forced or child labour. Our Supplier Code is an integral part of our supplier package, which emphasizes the importance of maintaining global working conditions and standards for the dignified and respectful treatment of all employees within all our global operating locations, as well as those of our supply chain. Suppliers are expected to respect internationally recognized human rights. A failure by any of our suppliers to comply with the Supplier Code may result in the termination by Martinrea of the supply relationship.

There is increased global legislation mandating due diligence of supply chains. To help comply with laws across different jurisdictions in which we operate, we conduct risk assessments as we determine necessary as a part of our broader enterprise risk management systems. The assessments help to identify, avoid and address related financial risks and opportunities to key business areas, human rights issues, environmental issues and economic impacts.

CONFLICT MINERALS

Martinrea’s Conflict Minerals Policy provides a general overview of our commitment to ethical and socially responsible business practices, including promoting the protection of human rights. Martinrea completes conflict mineral reporting as we determine necessary to help ensure conflict minerals such as gold, tantalum, tungsten and tin, as well as cobalt and mica, sourced from mines under the control of armed groups in the Democratic Republic of Congo and certain neighbouring countries, are not used in our automotive parts and assemblies.

This Policy plays an important role in Martinrea’s commitment to source components and materials from companies that act in an ethical and environmentally responsible manner and respect for human rights.

Martinrea strives to have a conflict-free supply chain and is committed to working with its suppliers to increase transparency regarding the origin of minerals in its products. Suppliers we determine to be “high-risk potential” will be audited by Martinrea, in accordance with our procedures, to reduce risk within the supply chain. Failure to meet our standards may result in the termination by Martinrea of the supplier relationship. This helps to reduce our liability as a company and sets expectations and our position on ethical standards.

We report annually to our customers on supply chain due diligence and use our International Materials Data System and the Responsible Minerals Initiative to perform due diligence queries of our supply chain.



PUBLIC POLICY INVOLVEMENT

In addition to participation in multiple associations, Martinrea leadership actively engages with governments and policy makers in the countries and communities it operates in to inform public policy. We view this a corporate citizenship responsibility -- to all of our stakeholders, and is part of our mission of being leaders in our communities and our vision of making people's lives better in all we do.



AUTOMOTIVE PARTS MANUFACTURER’S ASSOCIATION (APMA)

Martinrea’s President and CFO has served as Chairman of the APMA, leading the continuous focus on the interests of the membership in particular and on the industry in general. He remains a director of APMA. The APMA is Canada’s national association representing producers of parts, equipment, tools, supplies, advanced technology and services for the global automotive industry. The Province of Ontario rewards innovative companies, provides opportunities for investment in Ontario and creates jobs while moving to a low-carbon economy.



MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION (MEMA)

Martinrea’s CEO serves as a board member of the association, steering decisions. Martinrea’s Executive Vice President, Procurement and Supply Chain Operations, serves as a member of MEMA’s Chief Procurement Officer Council. The mission of MEMA is to champion the business interests of automotive original equipment suppliers. The association addresses issues of common concern and advocates on behalf of the supplier community. MEMA fosters collaboration throughout the supply chain, represents the supplier voice in Washington, D.C. and helps members make critical business decisions. Motor vehicle suppliers are leading the way in sustainability and developing new vehicle technologies. MEMA feels that suppliers are a driving force in the automotive industry, transforming mobility through innovation and technology while leading improvements in environmental sustainability and vehicle safety. The organization reinforces the image of original equipment suppliers as a strong contributor to the global economy.



INDUSTRIA NACIONAL DE AUTOPARTES, A.C. (INA)

Martinrea’s Executive Vice President, Fluids Business Unit, Lead for Propulsion Systems Commercial Group, and FMG, serves as a board member of the association. INA is an essential part of the supply chain for automotive assembly plants in North America. INA’s mission is to support its members’ growth and sustainable development through the promotion of the global market and the manufacturing of the automotive and auto parts sector in Mexico.



CANADIAN AUTOMOTIVE PARTNERSHIP COUNCIL (CAPC)


Martinrea’s Executive Chairman has served as the co-chair of the Council, leading decision-making and public policy recommendations. CAPC aims to help Canada become the location of choice for automotive manufacturing within North America, driven by an environment that is globally competitive, promotes research and innovation and develops the people, skills and technology necessary to succeed today and in the future.



CENTER FOR AUTOMOTIVE DIVERSITY, INCLUSION AND ADVANCEMENT (CADIA)


Martinrea’s Global Director, Communications and Marketing, serves as a co-chair for CADIA’s DEI roundtable group. The CADIA DEI Roundtable Series is a forum for the open exchange of information and best practices for diversity and inclusion in the automotive industry for DEI champions from automotive OEM and supplier companies.

PUBLIC POLICY INVOLVEMENT




ACCELERATE ALLIANCE

Martinrea serves on the Manufacturing Task Force for Accelerate Alliance. The group’s mandate is to bring together key players across Canada, from mining to mobility, R&D to commercialization and vehicle assembly to infrastructure to ensure growth and success.




AUTOMOTIVE INDUSTRY ACTION GROUP (AIAG)

Martinrea is a member of AIAG. OEMs, suppliers at all tiers, service providers, government agencies and universities work collaboratively to improve product quality, drive service chain efficiencies and promote social and environmental responsibility. Martinrea’s Director of Sustainability also serves on AIAG’s Environmental Sustainability Advisory Group.




CEO COALITION FOR CHANGE

Martinrea’s CEO serves as a Founding Member of the peer group, contributing and leading the advancement of DEI within the automotive industry. CEO Coalition for Change represents automotive CEOs who have committed to making meaningful strides in diversity, equity and inclusion to leverage diverse talent, better engage the workforce and create economic opportunity in the communities in which they operate and serve.



AUTO/STEEL PARTNERSHIP

Martinrea’s Chief Technology Officer serves on the Board of Directors. The Auto/Steel Partnership is a consortium of steel mills, Stellantis, General Motors Company, Toyota and other tier-one affiliates. Formed in 1987, the partnership leverages the resources of the automotive and steel industries to pursue research, validation and education that help automakers enhance vehicle safety and fuel economy while improving design and manufacturing. Through the Auto/Steel Partnership, automakers, steel companies and tier suppliers have worked to drive improvements from concept through realization in vehicles on the road today. The Auto/Steel Partnership’s mission is to deliver, to the automotive industry, future steel innovations and solutions that meet society’s needs for sustainable vehicles.



MISSION FROM MARS

Martinrea’s Executive Vice President of MiND serves as a coalition advisor. Mission from MaRS' mandate is to identify Canada’s most promising climate-technology ventures with the potential to rapidly reduce GHG emissions. The initiative aims to eliminate barriers to adoption that prevent such ventures from realizing their global potential. The first mission, the Climate Impact Challenge, sought to identify and scale the adoption of ten Canadian climate tech solutions with the highest potential to reduce GHG emissions, while economically meeting industry needs.

In addition, Martinrea executives, as leaders in industry, automotive and advanced manufacturing, routinely work with local, state or provincial and national governments on issues of trade, finance, labor, immigration, tax and innovation and other policies.

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BOARD OVERSIGHT

As noted above, the Board of Directors oversees the Company’s sustainability strategy concerning major plans of action, risk management policies, performance objectives and overseeing major capital expenditures. The Board of Directors has implemented various policies designed to promote good corporate governance and sustainability practices, including many of the policies discussed in this report.

MANAGEMENT

The importance of making demonstrable progress with environmental (including climate), social and governance sustainability goals requires CEO-level engagement and direction to ensure organizational alignment. As noted above, Martinrea has designated executive champions for environmental (including climate), social and governance-related sustainability matters. Day-to-day management of Martinrea’s sustainability program is handled by cross-functional teams from across the Company. Strategic direction is managed by the CEO and a Sustainability Steering Committee consisting of the CEO, Vice President, Lean Manufacturing, General Counsel and Corporate Secretary, Executive Vice President, Procurement and Supply Chain Operations, and Director, Sustainability. Representatives from other functional areas, including Investor Relations, Finance, Human Resources, Global Communications and Sales, are also involved, as needed. Activities and goals are included in annual business plans that are reported at CEO staff meetings to ensure progress. Management is further discussed in more detail earlier in the report.

EXECUTIVE COMPENSATION

To attract and retain key management employees, the Company compensates these individuals by various means. Senior executives are paid a base salary plus bonuses based on pre-tax profits. They may receive options to purchase the Company’s common shares or other equity-based compensation, such as units under the Company’s performance and restricted share unit program. The Company has share ownership guidelines in place for executives and has geared certain bonus payments to the purchase of the Company’s common shares by the executives.

Senior executives have share ownership requirements and the Company uses equity in its compensation program, as the Company believes equity ownership helps to ensure that executives act like owners. The Company’s employee compensation principles are determined by the Compensation Committee and administered by each facility’s Human Resources Department with the assistance of the Company’s Executive Vice President, Human Resources, if necessary. Compensation outcomes are driven in part by the success achieved by our Business Units in reducing costs and innovating products to meet the climate-related priorities of our customers, driving increased profits. We refer you to the Company’s most recent management information circular available on www.sedarplus.ca for more information on the Company’s approach to executive compensation.





Business ethics are essential to Martinrea, anchoring its operations in trust, integrity and transparency. By prioritizing ethical conduct, we help to ensure our business practices are responsible and respected, benefiting all stakeholders.”



KERRI POPE
GENERAL COUNSEL AND
CORPORATE SECRETARY

BUSINESS ETHICS

The Company’s most important assets are its people and its reputation for integrity, in its products and in how they are made. We believe it must be clear what the Company stands for, and it must honour its commitment to its people, customers, owners, lenders and communities. The Board expects our leadership to manage the Company in a manner that enhances shareholder value, is consistent with the highest level of integrity and is within the law. Martinrea’s Board of Directors has adopted a Code of Conduct which sets out the Company’s expectations to:

- Act honestly and ethically and in the best interest of the Company
- Comply with all applicable laws, rules and regulations
- Not use or disclose any confidential information acquired as a result of a person’s role with the Company
- Avoid all actual or apparent conflicts of interest between personal and professional relationships, ethically handling such actual or apparent conflicts of interest
- Not take any opportunity that belongs to the Company or is discovered through the use of corporate property, information or position, or use any corporate property, information or position for personal gain
- Not compete with any business activity of the Company
- Promptly and accurately provide all necessary information to assure that the Company’s public reports, documents, filings and communication are full, fair, accurate, timely and understandable and that the Company’s public disclosure requirements are fully met
- Promptly report any known violations of the Code to the Audit Committee Chair

- Not permit retaliation of any kind against good faith reports or complaints of violations of the Code or other illegal or unethical conduct. The Code of Conduct is an integral part of Martinrea’s ethical backbone. In today’s world, our customers, partners and shareholders trust we will maintain and uphold the law and the highest possible standards of conduct

The Code of Conduct gets reviewed at least annually. We conduct training to help our people understand and apply key rules to help ensure all business activities are conducted with the highest level of fairness, honesty, integrity and ethical standards. Employees know where they can go for guidance if ever unclear about the right course of action. We have numerous corporate policies in place (in addition to the Code of Conduct) to ensure ethical and legal compliance. Examples include policies addressing health and safety, workplace violence and harassment, antitrust compliance, privacy and cybersecurity.

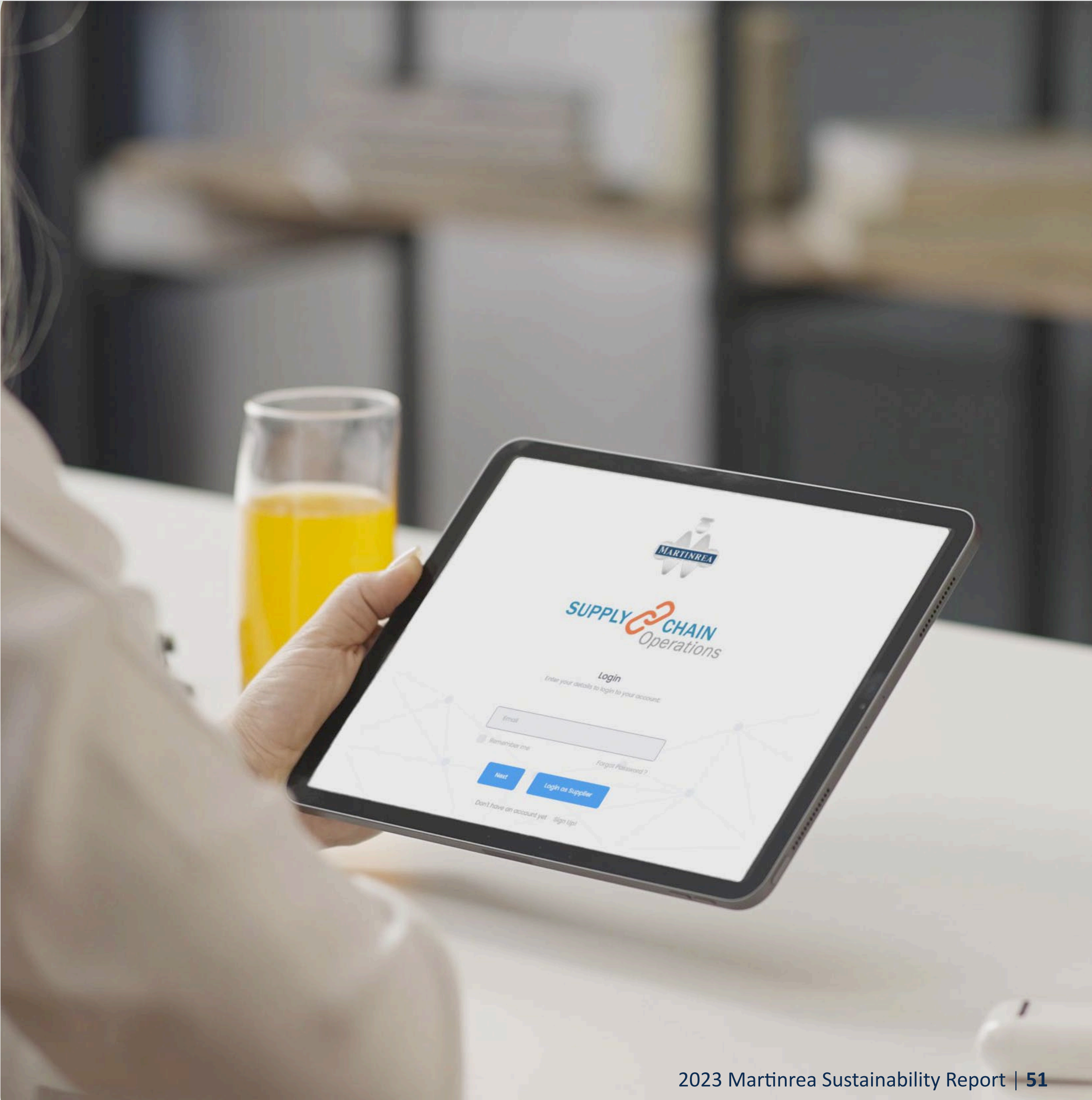


SUPPLY CHAIN RESPONSIBILITY

Martinrea’s Supplier Code outlines the principles we set at Martinrea, as well as our expectations we have for every company that supplies goods or services to Martinrea, relating to, but not limited to:

- Responsible sourcing of materials
- Respect for human rights such as forced and child labour
- Employee health and safety
- Promotion of diversity and inclusion
- Privacy and cybersecurity
- Prohibitions against counterfeit parts
- Environmental protection
- Global trade compliance (export, import and sanctions)
- Ethical business conduct, such as compliance with antitrust/competition, anti-corruption laws
- Integrity of financial reporting and financial controls, protection of intellectual property
- Data security and cybersecurity protection

Martinrea expects the standards set out in the Supplier Code to be met by all of our suppliers, even in jurisdictions where meeting such standards may not be considered part of the common business culture. We communicate to our suppliers our expectations that their suppliers abide by the principles of the Supplier Code as well. Martinrea reserves the right to audit a supplier’s compliance with the Supplier Code. We perform limited audits, as needed, on suppliers identified to be potentially high risk. Failure to meet our standards detailed within the Supplier Code may result in the termination by Martinrea of the supply relationship. This can help to reduce our liability as a Company, setting the precedent of our expectations and how seriously we take our position on ethical standards. The Supplier Code resides on our website under the [suppliers webpage](#). Martinrea also requests an annual supplier self-assessment from our production supplier partners, which includes questions related to sustainability, code of conduct and cybersecurity for example. These assessments aid in our determination of high-risk suppliers and identification of the best suppliers for collaboration.





MARTINREA WHISTLEBLOWER

We have policies for employees to safely communicate suspected violations of the Code of Conduct and the Employee Bill of Rights. We maintain a confidential and anonymous whistle-blowing line, administered by a third party and available for employees and any other stakeholders (including customers and suppliers) to make submissions.

The anonymous hotline can be used to report violations, specifically illegal business practices or potential human rights violations. All reports cascade to Martinrea leadership, allowing any risks to be immediately addressed, strengthening our corporate governance.

INFORMATION TECHNOLOGY AND CYBERSECURITY

Standardization, a cyber secure culture, on-time delivery of solutions and ensuring sustainable and high-performing Information Technology (IT) systems are primary objectives of Martinrea’s IT department. This strategy is designed to align with industry standards and customer expectations. Martinrea is devoted to continuing as a trusted supplier to our customers and maintaining our commitment to addressing cybersecurity risks in our environment while protecting our customers and industry.

Martinrea is committed to ensuring that we have appropriate measures in place to reduce the likelihood of cybersecurity attacks and any loss from possible attacks. Martinrea’s current threat-intelligence-based stack mitigates today’s full spectrum of attacks by proactively protecting using a behavioral profiling approach that is continuously learning. The Company also relies on third-party experts, where necessary, to assist in preventing, detecting and responding to cybersecurity threats.

Our goal is to establish secure, easy-to-use, flexible and rapidly provisioned best-in-class IT services and the Company uses a cybersecurity maturity roadmap to help ensure it has platforms, structures and organizational processes to address future issues and challenges. The Board of Directors receives regular cybersecurity updates from the Company, providing oversight and visibility. As part of our cybersecurity strategy, we recognize that our employees are our best defense in keeping our Company cyber-secure. Annual cybersecurity training is mandatory for all employees, not just IT staff. Phishing training campaigns are frequently executed, and targeted test campaigns are conducted regularly.

LEGAL DISCLAIMER

This report, and language in any sustainability video and content that is posted on our website, contains or may contain forward-looking statements within the meaning of applicable Canadian securities laws, including statements related to the Company’s intentions, beliefs or expectations as to its current or future sustainability strategy and initiatives, benefit of those strategies to the Company and/or its customers, and/or the environment. The words “continue”, “expect”, “anticipate”, “estimate”, “may”, “will”, “should”, “views”, “intend”, “believe”, “plan”, “outlook” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances, such as expected sales and industry production estimates, current foreign exchange rates (FX), timing of product launches and operational improvements during the period and current Board approved budgets. Many factors could cause the Company’s actual results, performance or achievements to differ materially from those expressed or implied by the forward- looking statements, including, without limitation, the industry trends and risk factors outlined in the Company’s Annual Information Form, Management Discussion and Analysis, and other public filings which can be found at www.sedarplus.ca. These factors should be considered carefully, and readers should not place undue reliance on the Company’s forward-looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The information in this report, including financial information, has been prepared to the best of Martinrea's knowledge based on the information available to Martinrea on the relevant dates and has not be reviewed or verified by any third party. Martinrea has not independently verified information provided to it by third parties. Key metrics in this report are collected and calculated according to Martinrea’s policies and procedures, which may change from time to time. We caution readers that our processes to collect and validate the energy, emissions and water data provided throughout report are not as mature as those related to financial data, but we are committed to enhancing both the data collection/validation processes and thus the quality of the data, in the coming years. The information in this sustainability report is not exhaustive of all of the Company’s sustainability risks and opportunities. Please refer to the Company’s Annual Information Form and the Company’s Management Discussion and Analysis for the fiscal year ended 2023, and other public filings for more information on sustainability risks and opportunities applicable to Martinrea, which can be found at www.sedarplus.ca.








The common shares of Martinrea trade on The Toronto Stock Exchange under the symbol “MRE.”

1- Based on Martinrea's Management Discussion and Analysis for the 2023 fiscal year end, a copy of which can be obtained on www.sedarplus.ca.

APPENDIX

Sustainability Metrics

APPENDIX

Topic	UNSDG	Metric	2023 Data ⁽ⁱ⁾	2022 Data ⁽ⁱⁱ⁾	2019 Data ⁽ⁱⁱⁱ⁾	Baseline Year	Change from Baseline
Energy Management		Natural Gas (MWh)	395,116	413,927	360,634	2019	↑ 9.6%
		Electricity (MWh)	568,221	552,860	543,562	2019	↑ 4.5%
		Aggregate amount of energy consumed (MWh)	963,337	966,787	904,196	2019	↑ 6.5%
		% grid electricity	100	100	100	2019	no change
		Amount of on-site renewable energy (MWh)	301	0	0	2019	minimal
		Energy Intensity (MWh/\$1000 CAD sales)	0.180	0.203	0.234	2019	↓ 23%
Carbon Emissions		Absolute Scope 1 Emissions (mtCO ₂)	74,936	78,507	68,396	2019	↑ 9.6%
		Absolute Scope 2 Emissions (mtCO ₂)	196,022	193,692	220,323	2019	↓ 11%
		Total Scope 1 & 2 Carbon Emissions (MtCO ₂)	270,958	272,199	288,719	2019	↓ 6%
		Carbon Intensity (mtCO ₂ /\$1000 CAD Sales)	0.051	0.057	0.075	2019	↓ 32%
Waste Management		Total manufacturing waste generated (tonnes)	1,839,448	1,408,344	-	2022	↑ 31%
		Total hazardous waste (tonnes)	4877	-	-	2023	first year tracking
		% hazardous waste	0.20%	-	-	2023	first year tracking
		Total non-hazardous waste to landfill (tonnes)	7,504	8,662	-	2022	↓ 13%
		% waste recycled, composted, repurposed	99.6%	99.4%	-	2022	↑ 0.2%
		% waste to energy	0.1%	0.1%	-	2022	no change
		% of manufacturing plants with >90% landfill diversion rate	73%	70%	-	2022	↑ 3%
Water Management		Annual water use (1,000 cubic meters)	2,532	2,580	-	2022	↓ 1.9%
		Annual water consumption (1,000 cubic meters)	725	774	-	2022	↓ 6.3%
		% of water usage in high water stress areas	7.20%	8.5%	-	2022	↓ 1.3%
Environmental Management		% of facilities with ISO 14001 Certification ⁽ⁱⁱⁱ⁾	92.5%	92.5%	91.2%	2019	↑ 1%
Health and Safety		Total Recordable Injury Frequency (TRIF) - # of recordable injuries per month x 200,000/total hours worked in each month	1.1	1.21	2.21	2019	↓ 50%
		Lost Time Injury Frequency (LTIF) - # of lost time injuries per month x 200,000/total hours worked in each month	0.51	0.56	1.03	2019	↓ 50%
		% of facilities ISO 45001 certified	28%	23%	-	2022	↑ 5%
Gender Diversity		% women employees in Canada	32.2%	31%	-	2022	↑ 1.2%
		% women employees globally	23.6%	23%	-	2022	↑ 1.6%
		% women employees in Canada in leadership (manager & above)	22.1%	19%	-	2022	↑ 3.1%
		% women employees globally in leadership (manager & above)	20%	18%	-	2022	↑ 2.0%
		% women on the Board of Martinrea	33%	33%	14%	2019	↑ 19%

(i) 2023 data with respect to Water Withdrawals, Emissions, Energy Management, and Waste Management is preliminary.
(ii) Items indicated by a dash were not tracked fully in referenced year.
(iii) Note - all required manufacturing facilities are ISO 14001 certified - facilities not certified include offices and tooling locations



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