



May 5, 2023

Dear Fellow Shareholders,

Martinrea International Inc. (“Martinrea” or the “Company”) is pleased to announce its annual general meeting of the shareholders of Martinrea (the “Meeting”) to be held, in person, at 10:00 a.m. on Tuesday, June 6, 2023. We invite all shareholders to vote your shares.

We entered 2023 and approach our annual meeting with you with a spirit of renewed optimism. The past year has been a good one, for our people and for our shareholders.

Culture

Let’s start with a state of the union about our people and our culture. We believe our people are the most valuable assets of our company, and so our shareholders should get an understanding of our assets under management, so to speak.

It’s been three years or so since the World Health Organization declared a pandemic, and we, as a company and as an industry, faced a series of monumental challenges that in many respects were unprecedented. Our people faced the challenge with courage and tenacity, and we have never been more proud to work with such a great group, from the receptionists to the shippers in our plants, to the executive team and our support functions. What many felt were the worst of times may have turned out for us to be the best of times, although it certainly was not always a fun time!

We talk about our culture a lot at Martinrea, as all our stakeholders have come to know. Our vision is Making Lives Better by being the best supplier we can be in the products we make and the services we provide. Our mission is basically to take care of our stakeholders - including our people, our customers, our communities and our lenders and shareholders. Our 10 Guiding Principles represent the way we approach our business. Our culture picture - which is standard in all of our internal and external presentations - is reproduced below.

MAKING LIVES BETTER



Sustainability and success, we believe, comes down to culture.

The culture we have cultivated has become a sustainable competitive advantage. To us, the Golden Rule means treating people the way you want to be treated. It covers dignity and respect, teamwork, integrity and truth, diversity and inclusion and good leadership. It makes us a great company. We don't want to say we are a great company because we have diversity. We want to say we are a diverse company because we are great. Think about it. There is a meaningful distinction.

People have to trust you to lead them this way - to trust that you care for them. Leadership is stewardship. Progress travels at the speed of trust.

Some may be skeptical. They may ask, but what do your people say? Let's talk about that. Every year we do detailed employee surveys, administered by third party experts, who perform similar functions for many companies (including some of our competitors and customers). We are told that we are one of the best performing companies anywhere. Our employee surveys are voluntary, but we had almost 15,000 surveys submitted. That's a pretty good sample. We have 58 locations in 10 countries on 5 continents in different product groups. That's also a good sample. 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). While the scores are not perfect - we can always improve and will strive to do so - here are some critical responses to our survey:

- ❖ I fully understand my job role and responsibilities—95% agree
- ❖ Our location works to improve health and safety—89% agree
- ❖ I feel a sense of personal accomplishment at the end of the workday—82% agree
- ❖ I respect my plant General Manager—95% agree
- ❖ Martinrea prioritizes and encourages diversity—89% agree
- ❖ My direct supervisor treats me with dignity and respect—88% agree

In order to get these results, you have to walk the talk. You have to care for your people.

We believe that a happy, motivated, empowered, purpose-oriented workforce is the foundation of company success in the short, medium and long term.

A strong thank you to our people.

Highlights of the Past Year

Last year at this time we indicated that we believed 2022 would be a good year, and our results would improve throughout the year as supply chain conditions became "more normal", as industry volumes would recover somewhat and production schedules became more stable, and as we dealt with cost inflation through negotiations with customers. We knew we would have many challenges, with a war in the Ukraine, energy shortages, and on and on. We predicted that the first half of the year would show profitability, and that the

second half of the year would be better than the first. In general, that is how the year 2022 played out for us. And we are off to a good start in 2023.

Here are some of the key highlights of the last year - the full range is found in our Annual Information Form and our year end and recent quarterly releases:

- Our industry leading safety metrics continued to improve; we take safety seriously. Our Total Recordable Injury Frequency, or TRIF, was 1.21 in 2022, an improvement of 12% over 2021, but more impressively, a 86% improvement over 2014 when we made it our priority. Note that a TRIF of 1.21 is less than half the industry standard of 3.1. As many of you know, over the past two decades we have bought a number of troubled plants, where a safety culture often had to be instilled. We are very proud of this improvement. A safe plant is generally a good and profitable plant.
- We recorded record revenues of \$4.76 billion, an increase of 25.7% from 2021. We saw increased revenues from some of our key programs, but we also have launched many new products in 2021 and 2022 that are driving some of the revenue growth – all during the pandemic. Our first quarter revenues of over \$1.3 billion were a quarterly record.
- We saw a return to growing operating margins during the year, after a difficult 2021. On a quarterly basis, Adjusted Operating Income Margins grew from 3.8% in the first quarter of 2022 to 5.5% in the fourth quarter. We expect margins will continue to improve in 2023, and our first quarter Adjusted Operating Income Margin was 5.8%.
- We generated a record level of EBITDA during the year. Each of the third and fourth quarters showed record quarterly EBITDA. This operating cash flow also translated in Free Cash Flow in the second half of the year of approximately \$80 million. Our first quarter 2023 EBITDA was \$152.5 million, a very strong quarter, and a quarterly record.
- Our 2022 fully diluted earnings per share of \$1.76 (adjusted) or \$1.65 (unadjusted) was significantly higher than the \$0.41 (adjusted) and \$0.45 (unadjusted) in 2021. Our first quarter also improved significantly year-over-year.
- Our balance sheet improved throughout the year, ending the year with a net debt:ebitda ratio (excluding IFRS 16) of under 2:1, the best it has been since before the pandemic. Our first quarter ratio improved further.
- We maintained our dividends to our shareholders in 2022 and year-to-date; during the pandemic, we have not reduced dividend payments.
- Quality is important to us and our customers - many of our products are safety parts, and we won a number of quality awards in many of our plants.
- We continued to invest heavily in the business, given the significant amount of new business we have won. We note that in the past three years we have spent close to a billion dollars on Capex, the highest for a three year period in our history. But the majority of this spend was to launch work we had won. We did not slow down our investment activity during the pandemic, and that is a primary reason we are coming out of it with significantly higher revenues – not many automotive parts suppliers have a similar experience.
- We do not believe in perfect launches - we believe in better ones each time - we had many good ones.

- Not only have we grown our business, we have significant content on the vehicles our customers are making - electric, hybrid or ICE; our portfolio is matching what the industry is making. Our lightweighting technologies are precisely what our industry needs.
- We continue to invest in and utilize leading edge technologies, in our regular operations and through Martinrea Innovation Development, or MiND. We have investments in graphene and graphene-enhanced batteries through our NanoXplore relationship, aluminum air battery technology through AlumaPower, and several others such as Effenco using super capacitor technology.
- Our innovation efforts were recognized in 2022 with Martinrea being awarded a PACE award for our GrapheneGuard®-enhanced brake lines; this is generally regarded as the most prestigious technology award in the automotive industry - a big congratulations to our team.
- We continue to drive sustainability initiatives at Martinrea, and we encourage you to read our 2022 Sustainability Report. A few highlights:
 - ✓ Carbon Reductions: Carbon intensity (carbon emissions relative to sales) has reduced by 19% since 2019 baseline
 - ✓ Energy Reductions: Energy intensity (energy consumption relative to sales) has reduced by 16% since 2019 baseline
 - ✓ Prudent, Profitable Growth: Martinrea's 2022 sales have increased year-over-year by 25.7%, adjusted net income increased by 329% and number of employees increased by 10%
 - ✓ Renewable Energy: Approximately 42% of electricity consumed comes from renewable sources
 - ✓ CDP Score: Increased score to 'B' for management of climate issues (up from 'C' in 2021)
 - ✓ Health and Safety: Accident Frequency Rate has improved by 86% since 2014 and is less than half the industry standard
 - ✓ Long-Term Targets: In 2022, we set a target to reduce our carbon emissions by 35% by 2035 (without the use of carbon credits)
 - ✓ Diversity: CEO led Diversity Committee formed additional subcommittees to focus on mental health (MindsMatter), Women at Martinrea (W@M), Young Professionals (YoPro) and women in manufacturing.

Largely as a result of our performance in all these areas, as well as market forces, we are pleased that Martinrea's share price has appreciated significantly in the past year since our last annual shareholder meeting.

As we look to the rest of 2023 and beyond, we do so with renewed confidence. We have been through a tough three year period. We believe we will see better industry sales and production growth, especially in North America where most of our operations are located. There is pent up demand, vehicle inventories remain low, and while interest rates have risen and may remain elevated this year and maybe beyond, automotive financing is available often at competitive rates, and consumers, especially in the United States, have generally strong household balance sheets and good jobs. Our 2023 outlook shows growth in revenues, Adjusted Operating Income Margin and Free Cash Flow from 2022.

We believe sustainable companies with great cultures will be around for a long time. Our future is great. We look forward to sharing it with you!

Governance

Martinrea remains committed to having a strong and diverse board and management team to carry out our duties and responsibilities. We implemented a board diversity policy in 2015 and undertook a rigorous review of our skills matrix to make sure we assemble the right mix of skills, experience and good qualities, as described in our Circular. We have continued our diversity initiatives and upgrading our board skills consistently since then. The following are the independent directors up for re-election this year, who you supported strongly last year with your ballots:

- Fred Olson brings a deep knowledge of the automotive and automotive supplier industry, having been a senior executive and director of a major automotive parts supplier as well as having roles at various suppliers and OEMs during his automotive career.
- Terry Lyons brings a broad range of operational, manufacturing, financial and governance experience.
- Sandra Pupatello brings tremendous international experience, having led investment and trade missions to industrial capitals on five continents and, as the former Minister of Economic Development for Ontario with oversight of the automotive portfolio, has strong connections with many automotive OEMs.
- David Schoch brings to the Board a deep and intricate knowledge of the automotive industry, financial, operational, public company chief financial officer and senior executive experience, as well as knowledge of global markets. He has spent the bulk of his career at very senior levels at Ford Motor Company, in North America, Asia, South America and Europe, all areas in which the Company has operations.
- Molly Shoichet brings to the Board a deep knowledge of science, technology and innovation, corporate and public policy experience and an entrepreneurial spirit. She brings a unique perspective to the Board, building on her interdisciplinary research at the intersection of engineering, science and medicine where she is able to bring diverse groups together to solve common problems.
- Ed Waitzer brings to the Board a deep knowledge of legal, regulatory and corporate governance issues, mergers and acquisitions and sustainability.
- Maureen Midgley, our most recent addition to the Board, is up for election for the first time. Maureen joined the Board officially on January 1, 2023, after an orientation process in 2022. She brings to the Board a deep, intricate knowledge of the automotive industry, with vast experience in manufacturing, engineering and supply chain. Maureen retired from Amazon in 2022, where she was most recently Global Vice President.

As noted in our Management Information Circular, by our Annual General Meeting of Shareholders in 2023, the Board made a commitment to have a minimum of 30% female directors. Presently, one-third of our directors are female, and three of seven, or 43%, of our independent directors.

As noted above, I believe great companies attract diversity, as we strive to do. Our diversity and inclusion policies are outlined in some detail in our Circular and in our Sustainability Report. In an international company such as Martinrea, with the vast majority of our sales and employees outside Canada, we are very

proud that our local operations are generally staffed by local people. And they have the opportunity to progress in their plant, in their division and in the Company up to and including the executive level. Half our executive team are immigrants or children of immigrants, from multiple countries; 15% are women; and 23% are visible minorities. Our Company is increasingly multi-cultural and diverse.

We are a technology and innovation driven company, specializing in automotive parts. We also have an industrial group. Our directors as a group have significant expertise in this challenging industry, from a variety of perspectives. We address corporate strategy and risk oversight, which are critical aspects of our responsibility. Our Board members are dedicated, knowledgeable and all focused on the best interests of Martinrea. All directors serve on one or more committees. All directors are invited to and typically attend all committee meetings.

Our directors are fully engaged in regular meetings, but also in a broad range of activities listed in the proxy materials, ranging from industry events to facilities visits to conferences. In the past year, our ability to meet face to face, to travel, and to visit our facilities, has returned to pre-pandemic levels. We also hold many update sessions during the year. Directors typically receive company, industry or relevant macro economic or geopolitical information weekly. Our Board is informed, engaged and involved appropriately, and gives good insight and advice to management.

We conduct board assessments to increase the effectiveness of our board, committees and directors. We are all stakeholders, and will continue to build our equity ownership. All directors are paid an annual retainer, at least one-half of which is paid in DSUs, to build equity ownership.

In addition to the independent directors, Pat D'Eramo and I are nominees. Pat leads our team in developing and fulfilling our strategy, and driving operational excellence throughout the Company. I have been with Martinrea since it was formed. We are both proud to serve this Company and our people that work hard for us all every day.

Martinrea continues to have a great future - we are seeing it unfold every day. I believe our industry is in good shape overall, with positive momentum for the next decade, especially in North America, where we have a very strong footprint. We are dealing with industry challenges with a tremendous sense of focus, dedication and resilience and we will continue to be a leader in our industry.

We have a highly experienced and dedicated management team and a strong independent board of directors, dedicated to creating shareholder value for years to come. On behalf of the Board, we would like to thank our shareholders for your ongoing support as we move forward together to building a stronger Martinrea.

Please help us continue as we enter our third decade of growth and success!

Sincerely,



Rob Wildeboer

QUESTIONS MAY BE DIRECTED TO THE PROXY SOLICITATION AGENT:



**NORTH AMERICAN TOLL FREE:
1-877-452-7184**

**COLLECT OUTSIDE NORTH AMERICA:
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