

## Sustainability Report 2022





#### **ArcelorMittal** Tailored Blanks North America

ArcelorMittal Tailored Blanks North America (AMTB NA) is an automotive supplier engaged in the design, development, and manufacturing of light - weighting solutions for vehicles through the use of laser welding. AMTB NA has over 600 employees in 4 manufacturing locations across Canada, the United States and Mexico.

**ArcelorMittal** Tailored Blanks Americas Limited

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## **Section 1: Introduction**

#### 1a. Sustainability at AMTB NA

Sustainability is at our core. It is central to AMTB NA's pursuit to both reduce vehicle weights and the amount of materials required to build a vehicle through technology. Our business has been driven forward by this purpose and vision for over 25 years. A focus on research and technological developments to reduce automobile weights, resulting in improved fuel economy and electric vehicle range, which in turn reduces emissions, putting sustainability at the very heart of our business. Building from our principal values, AMTB NA supports environmentally responsible business practices embedded across our plants, our partners, and supported and championed by our top tier talent.

Technology and progress propel us forward; proud of our progress but never satisfied with our present position we further look to reduce environmental impacts across our businesses. AMTB NA proudly supports programs that foster inclusive and healthy communities and actively work to create a sustainable future.

#### 1b. Our Purpose and Values

AMTB NA's core purpose is Driving a Safer and Greener Tomorrow. We are committed to developing material saving technologies and identifying the best and safest vehicle solutions for automakers. Our manufacturing expertise and obsession with safety provide customers the confidence to build long-term partnerships, creating safer vehicles for the future. We engineer our product using the highest level of steel joining technologies on the planet.

## **CEO Message**

"Sustainability has been the driver of our technological innovations."

#### - Todd Baker, CEO

Since we started production in 1997, sustainability has been the driver of our technological innovations. Decarbonization and a commitment to net-zero carbon emission are intrinsic to the use of laser welding in automotive design and production.

We play a key part in ArcelorMittal's global mission to fight against climate change. We do so by combining state-of-the-art steel and laser welding technologies. This is enabled by continuous collaboration between our research & development expertise and the global automotive industry. Through this partnership, we can produce sustainable automotive solutions, produce lighter, and safer vehicles with improved fuel economy and range. Through collaborations with our partners and stakeholders, we provide sustainable manufacturing solutions aligned with our decarbonization goals.

AMTB NA is continuously learning and adapting to change. Our origins grew from a passion for engineering in laser physics, and through this, we have continued to exemplify a learning culture across the Americas where each team member possesses their own entrepreneurial spirit. Together, we commit to a safer and greener tomorrow for our future generations to thrive.

In pursuing our vision and mission of a safer and greener tomorrow, AMTB lives and breathes the values which set our foundation.



## **Our People**

"The value of "safety in everything we do" is about producing products that make cars safer, and also building that product safely. Being safe is fundamental to everything we do and everything that matters to us, it goes beyond rules, policies and procedures. It's about building and promoting a genuine culture of care. Our core safety value puts people first. This view is embraced by our leadership and drives our corporate culture."



#### - Shayne May, Director, Safety and Sustainability

"At AMTB the value of "We win together, and we lose together" is put into practice every day. All plants meet to share best practices in safety, quality, environment, and efficiency. We send our most highly skilled people to train new employees to the AMTB standards. We realize that we are stronger as a unified team. There is a culture of support in all areas of the business."

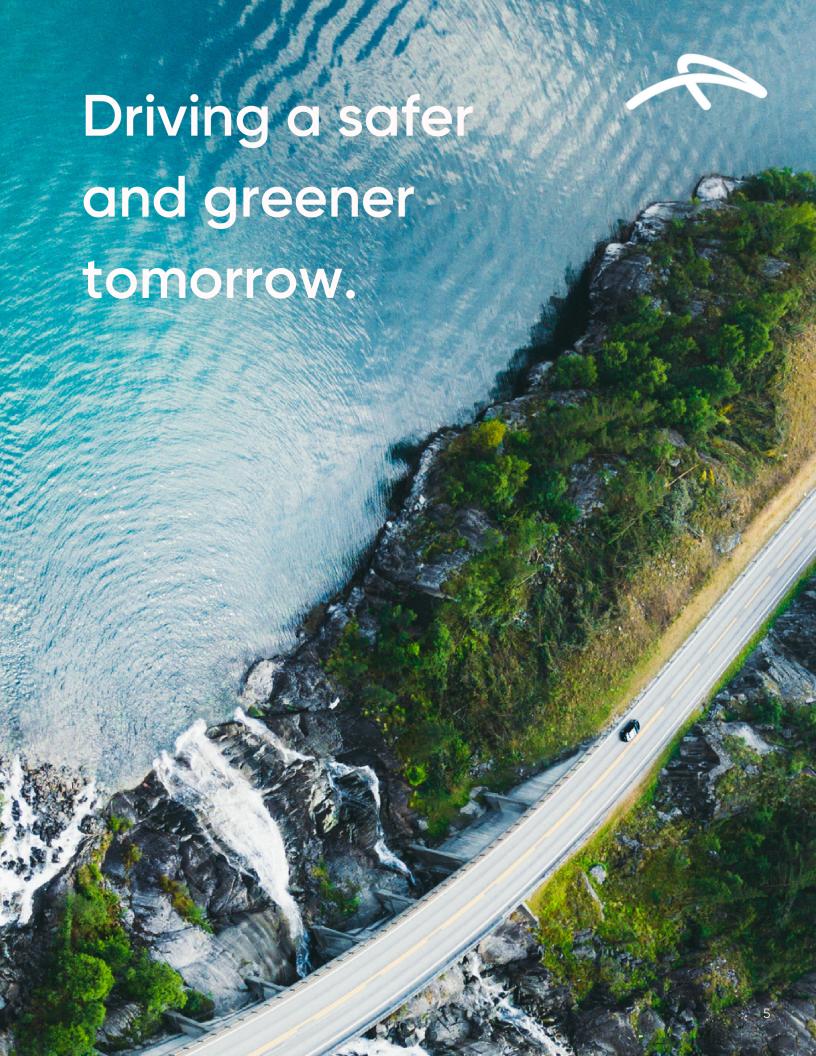


## – Genevieve Wilbur, Senior Manager, WCM & Quality Systems

"The value of: we challenge ourselves and each other, is exemplified by working collaboratively on innovative designs and technology to solve complex solutions for our customers and stakeholders. Our successes in implementing laser welded door rings is a great example of our success in living by this core value."



#### - Gagan Tandon, VP Product Development







SAFETY IN EVERYTHING WE DO

WE OPERATE WITH RESPECT



WE DO WHAT

WE DO WHAT WE SAY WE WILL DO



WE WIN TOGETHER AND WE LOSE TOGETHER



WE FIND A
BETTER WAY



WE CHALLENGE OURSELVES AND EACH OTHER

# Section 2: Sustainability Reporting

#### Sustainability Reporting

This Sustainability Report aims to provide our stakeholders with a better understanding of how we approach sustainability within AMTB NA. Sustainability is about more than our environmental responsibilities, it also encompasses social and governance responsibilities. The United Nations Sustainable Development Goals (SDGs) are a call for action to promote prosperity while protecting the planet. The SDGs address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace, and justice, while supporting strategies for building economic growth. We have identified seven SDGs most directly relating to our business at this time, as follows:

















#### 2a. SASB Statement

The report has been structured to align with the Task Force on Climate-Related Financial Disclosures (TCFD) framework and the Sustainability Accounting Standards Board's (SASB) accounting standard, where feasible.

Management views the SASB Auto Part sector standard for Sustainability metrics as appropriate for the company to report against. Currently, not all recommended metrics are tracked, however, the company will disclose more over time as the required data gathering and verification systems are implemented and improved upon on a global basis.

"Driving a safer and greener tomorrow"



## 2b. Sustainability Metrics

d	Dimension	Topic	SASB Code	Metrics	Unit of Measure	2022 Data			
	Energy		TR-AP-130a.1	Total Energy Consumed (fuel and electricity)	MegaWatt Hours (Mwh)	20,014 Mwh			
		Management		% Grid Electricity	Percentage (%)	63%			
1			4	% renewable	Percentage (%)	26%			
				Scope 1 & 2 Emissions	Metric tons of Co2 (mtCo2)	5,445t	1000		
4.6	Environment	GHG Emissions		Carbon Intensity	mtCo2/per million of weld length inch	15.17	CONTRACTOR OF SEC.		
100	Environmental Management Waste			Number on facilities ISO 140001 Certified	Percentage (%)	100%	TO STAN THE		
				Environmental Remidiation Expenses	Reporting Currency (USD)	NIL	STATE AND IN		
			TR-AP-150a.1	Total amount of waste from manufacturing	Metric Tons (t)	12,388	THE REAL PROPERTY.		
		management		Percentage recycled	Percentage (%)	98.93%			
*	**		Employee	Incident Rate	For every 1 miliion hours worked	2.61			
*		Health &		lth &	AND ALL TO SERVICE MANAGEMENT	Number on facilities ISO 45001 Certified	Percentage (%)	75%	
を	Human Capital	calcty		Lost Time Injuries	- 3	0			
		Employee Engagement,		% of women employees	Percentage (%)	22%			
		Diversity & Inclusion		% women in critical/leadership roles	Percentage (%)	19%	No. of Street, or other Persons and Street, o		
	Leadership & Governance	Competitive Behavior	TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Reporting currency (USD)	NIL	The state of the s		
	Business Model & Innovation	Product Design and Lifecycle Management	TR-AP-410a.1	Revenue from products designed to increase fuel efficiency and/or reduce emissions	Percentage (%)	100%	The second second		



#### 2c. Stakeholder Engagement

Our corporate responsibility efforts are most impactful when we focus on the issues that matter most to our business and stakeholders. We refine our approach and strategy by regularly engaging with various internal and external stakeholder groups, including our employees, customers and investors, and our communities. To do this, we use a variety of engagement methods, including conversations, forums, surveys, and community outreach.

#### Customer:

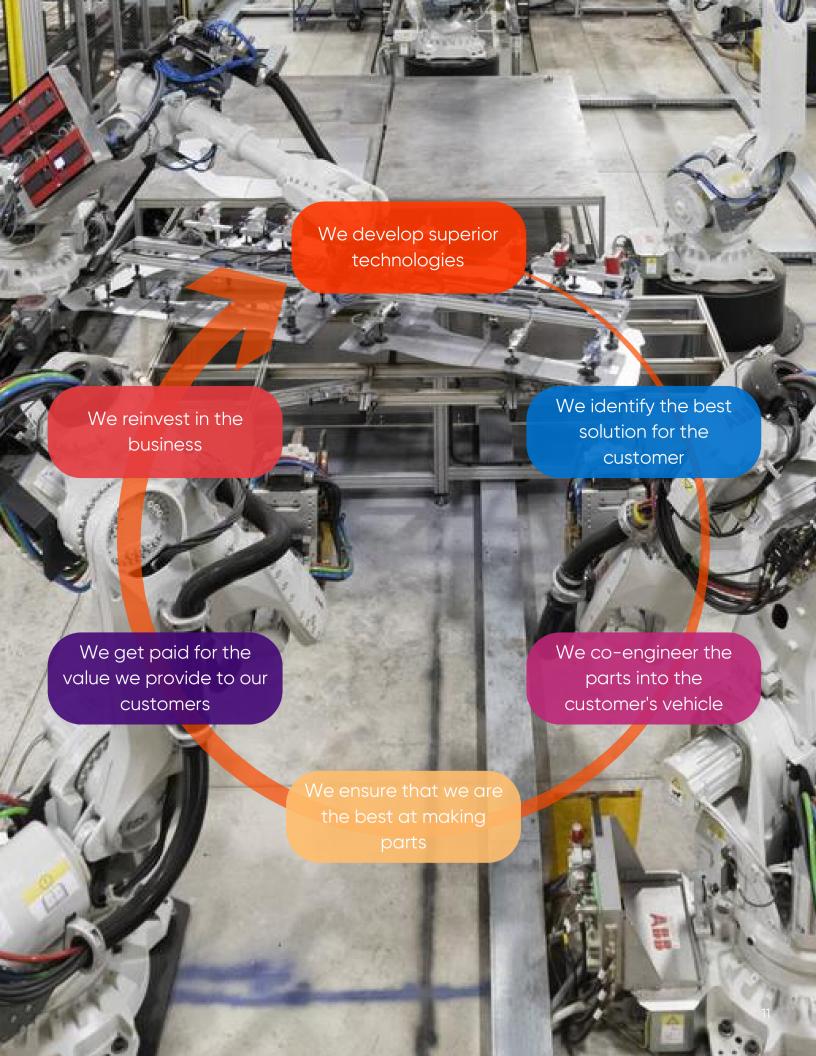
To be the Supplier of Choice for our customers. We place a strong focus on meeting or exceeding the Original Equipment Manufacturer's ("OEM's") environmental and social standards. We design and implement strategies that allow us to focus on what matters most to customers – creating high-quality products that result in lower carbon emissions, through lighter and safer vehicles. Focusing on ways to help customers make safer and greener vehicles helps us to win more business. By doing so, we can bolster our market penetration while working to further expand our product portfolio, allowing us to offer our products to more customers for the expansive applications our industries demand.

#### Employee:

To be the Employer of Choice for our current and prospective employees. We take pride in engaging a diverse group of motivated, enthusiastic people to help us accomplish our growth goals. We believe that healthy and safe workplace environments are critical to our people and to our performance. Our commitment to improving the world around us matters to our people as well. They want to know they are making a difference, that what we make, and how we make it, are doing something positive for the world. A part of being the Great Place to Work certified and Living Wage Employer means giving back to the communities we operate in.

#### Financial:

Being the Investment of Choice means a consistent and sustainable return on investment to our shareholders and investors. Sustainability and return work in lock step. Developing products that reduce environmental impact wins business and also drives returns. We know sustainability matters to our shareholders and investors; it matters to us too. We are proud of what we are doing in our business for our people, our environment and our communities; we are thrilled our shareholders and investors want that too!



## Section 3: Climate related risks and opportunities

#### Climate related risks and opportunities

At AMTB NA, sustainability means generating sustainable economic, environmental, and social impact for our stakeholders, i.e., our customers, employees, investors, business partners and society as a whole. Sustainable development is therefore part of the core of AMTB NA and a guiding principle in our actions and all our interactions with our customers. This means that rather than being supplements to the business strategies, sustainability issues are an integral component of them.

In the context of financial planning, risks and opportunities are considered with an observation period of up to five years. Climate-related risks and opportunities are assessed as part of the risk management process. Examples include physical risks, market risks on the acceptance of electric vehicles, legal and political framework conditions to reduce emissions and consumption levels.

#### Physical risks:

Automotive suppliers may face physical risks associated with climate change, such as extreme weather events, floods, and droughts. These events can disrupt supply chains and production processes, resulting in financial losses.

#### General market risks and opportunities:

The risks and opportunities for the economic development of automotive markets are strongly affected by the cyclical nature of the global economy. The assessment of market risks and opportunities is linked to assumptions and forecasts about the overall development of markets in North America. The development of markets, sales and inventories is continually analyzed and monitored by the management; and if necessary, specific negotiations and targets are implemented. Volatilities with regard to market developments can also lead to business opportunities if the overall market for the automotive industry is developing better than the internal forecasts and premises. Opportunities may also arise from an improvement in the competitive situation or a positive development of demand. The utilization of opportunities is supported by commercial discussions.

#### Risks related to the legal and political framework:

The automotive industry is subject to extensive governmental regulation in North America. Risks and opportunities from the legal and political framework have a considerable influence AMTB NA's future business success. Regulations concerning vehicles' emissions, fuel consumption, safety and certification, as well as tariff aspects and taxes in connection with the sale or purchase of vehicles or vehicle parts, play an important role. AMTB NA constantly monitors the development of the legal and political framework and attempts to anticipate foreseeable requirements and long-term objectives at an early stage in the product development process. Changes in the legal and political framework at short notice can be associated with additional costs or higher investments.

#### Risks and opportunities from research and development:

Technical developments and innovations are of key importance for the safe and sustainable mobility of the future. The transformation towards electric mobility and comprehensive digitization have resulted in ambitious development targets and the market launch of new technologies. In addition to the resulting opportunities, decisions in favor of certain technologies and the continuously growing scope of emission, consumption and safety requirements to be met are associated with risks and opportunities from research and development.

#### Risks and opportunities from purchasing and logistics:

Interruptions in global supply chains, especially caused by bottlenecks for electronic components and other important parts, as well as possible failures in supply from energy providers, can cause bottlenecks in automotive production and can affect the growth of our business. To avoid such bottleneck situations we place importance on being able to offset capacity bottlenecks through forward-looking planning.

#### Legal risks:

The automotive industry is subject to extensive governmental regulations worldwide. Laws in various jurisdictions govern occupant safety and the environmental impact of vehicles, including emissions levels, fuel economy, noise, as well as the emissions of the factories where vehicles and parts are produced. Non-compliance regulations in different regions could result in significant penalties and reputational harm.



We believe that it is our mission to contribute to  $CO^2$  - neutral mobility around the world. AMTB NA realizes that achieving this target will require a high level of investment. In order to finance it, we intend to increasingly use new tools such as Green Bonds in the future.

Green bonds offer environment-oriented investors the opportunity to directly participate in the implementation of our technological strategy. However, the broad-based success of low-emission mobility requires not only sustainable investment but also the corresponding framework conditions. In order to achieve its long-term climate-protection goal of becoming CO<sup>2</sup>-neutral, AMTB NA will grow its business further towards electric vehicles. Our capital allocation is moving accordingly from providing parts for internal combustion to electric-only. Investments into combustion engines and plug-in hybrid technologies will drop by 80% between 2022 and 2026.

In 2021, we developed requirements and guidelines for the calculation of CO<sup>2</sup> emissions. AMTB NA has committed itself to consistently reducing CO<sup>2</sup> emissions caused by part production and energy supply at its plants, or to eliminate them completely wherever possible. The procurement of green electricity plays a key role in these efforts. Beginning in 2024, one of AMTB NA's production plants will only procure electric power from renewable sources. Similar efforts for other plants are underway.





## Section 4: What we do - Products, Innovation and Technology

#### 4a. Products

#### Laser Welded Blanks

AMTB NA is a world leader in the production of laser welded blanks ("LWB"s) with design and production facilities across North America. An LWB is a sheet of steel made of different steel grades welded together. Each blank can have different grades, thicknesses and/or coatings. AMTB NA utilizes ArcelorMittal's ultra-high strength cold stamping steels and hot stamping Press Hardenable Steels (PHS), Usibor® and Ductibor® for our LWBs. These steels make ideal LWBs for the hot stamping processes and enable OEMs to achieve excellent weight reductions across the vehicle.

By welding steel sheets together into LWBs, we produce materials that fit the needs of our customers

- Strength is concentrated where it is most needed for crash resistance.
- Overall material thickness is reduced, decreasing weight and the materials required to make the part, including set emissions and increasing performance.
- Manufacturing, material and transport costs are reduced, adding to customer's profits or consumers' demand for affordable cars.

• Allows for Multi-Part Integration, thereby reducing assembly costs, and the overall manufacturing footprint for our customers.

PERFORMANCE

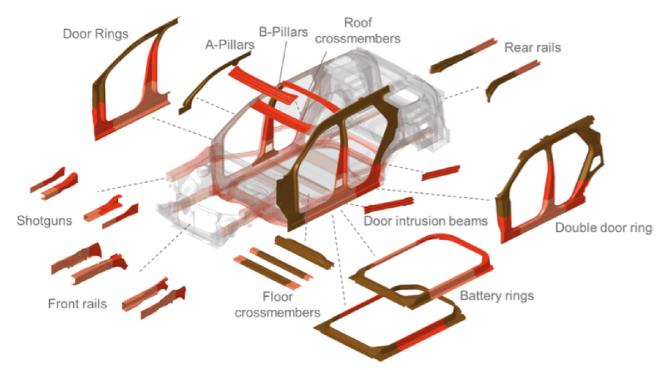
WEIGHT

#### LWBs offer the following benefits:

- Lower CO<sup>2</sup> footprint of all parts as steel usage is reduced through improved material utilization, light weighting of design and lower footprint joining process
- Laser energy sources are much more efficient than competing solutions such as spot welding operations
- The CO<sup>2</sup> footprint of logistics and part assembly is reduced through consolidation of parts at the blank level

A broad catalogue of LWB's has been developed to offer solutions for numerous different applications. These applications can be found throughout the vehicle, from Door Rings in the side structure, to rails and battery rings in the underbody. Each of these parts can be tailored to the requirements of the specific application to provide the greatest benefit.

#### Examples of LWB applications:



#### Patched blanks:

A patch is a piece of steel which is welded directly to a 'mother' blank before stamping. The steel grade and/or the thickness of the patch can differ from that of the mother blank.

Using a patch enables OEMs to tailor a specific area of a final component. For example, a patched blank can cost-effectively improve a vehicle's crash performance. Patched blanks are ideal for managing energy absorption and are already helping automakers to meet crash test requirements.



An example of a patched blank before stamping

#### Advantages of patched blanks:

Patched blanks provide a localized solution to improve the behavior of a part and avoid the risk of failure. By using a patch made from a different grade or thickness to the mother blank, the properties of the final assembly can be tailored very precisely.

Patched blanks give OEMs a high degree of flexibility. For example, patches of different grades or thicknesses can be used for different versions of a vehicle. In this way, OEMs can use the same part design for a battery electric version and a plug-in hybrid version of the same vehicle.

Using patches also enables OEMs to reduce the number of tools required. The nesting of

blanks for different vehicle models can be optimized using the same cutting die. The total cost of the part is reduced significantly due to these advantages. As the

stamping operation is done in just one stroke for both the part and reinforcement, cycle time is also reduced. Patched blanks provide flexible solutions for all types of vehicles, particularly when they are combined with LWBs.

#### 4b. Innovation and Technology

The automotive industry faces two major challenges today: emissions reduction and improvement of safety standards. Reducing vehicle weight by using lighter solutions is an obvious way to cut emissions and steel offers unbeatable crash protection. To support OEMs on these challenges and minimize the need to invest in new technology, AMTB NA offers innovative solutions for both hot and cold stamping processes. AMTB NA's LWBs combine the benefits of latest automotive steels and state-of-the-art laser welding and blanking technology.

## The combined offerings of ArcelorMittal and AMTB NA provide automotive partners with the following advantages:

- Concentrated strength in vehicle parts where it is most needed for crash resistance
- Reduced overall material thickness, which decreases vehicle weight and emissions and increases its performance
- Reduced manufacturing, material and transport costs

#### 1. Better together with solutions for automotive industry transformation challenges.

Automakers trust AMTB NA to help them create the safer, lighter, cleaner vehicles of tomorrow, wherever they are in the world. We are proven global technical leaders and innovators, working in close collaboration with our customers right from the start. AMTB NA provides technical services at all stages of the vehicle's life, including:

- Assisting carmakers to develop new vehicles up to six years before they come to market
- Assistance in vehicle industrialization through early vendor involvement (EVI)
- Ensuring quality management and cost reduction by proactively responding to customer requests to optimize products and/or the processes for current production vehicles

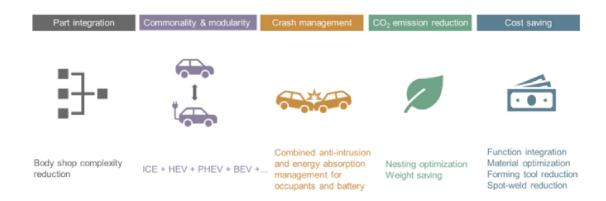
Today, mobility is evolving at a greater pace than ever before. New powertrains are challenging the dominance of the internal combustion engine (ICE) and creating almost unlimited opportunities to transform vehicle design. It's an exciting time to be part of the industry, and AMTB NA is continuing to adapt and evolve to support it. Battery Electric Vehicles (BEVs) are the future of mobility – identifying ways to extend range, improve the ease of vehicle construction, enhance safety and reduce emissions and cost are imperatives for its success. .

AMTB NA's light-weighting solutions provide OEMs solutions to reduce the weight of their vehicles, thereby improving the range per charge. In addition to optimized weight, cost and performance, AMTB NA's LWB solutions provide huge sustainability benefits to OEMs by optimizing material usage on parts and using renewable energy in our manufacturing plants.

ArcelorMittal's portfolio of smart steel products and solutions, coupled with the added value of AMTB NA and a world-class R&D team, are proven strategies to help automakers overcome these challenges and achieve their business and climate objectives.

Topic	SASB Code	Metrics	Unit of Measure	2022 Data
Product Design and Lifecycle Management	TR-AP-410a.1	Revenue from products designed to increase fuel efficiency and/or reduce emissions	Percentage (%)	100%

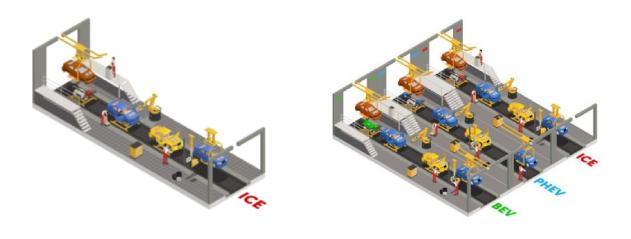
LWB's offers carmakers the optimal balance of strength, performance, and mass reduction with the least impact on the environment. We're proud to be a part of the solution- together with our customers and suppliers- to achieve a sustainable, net-zero future.



#### 2. Lightening the load with a modular solution for multiple powertrains

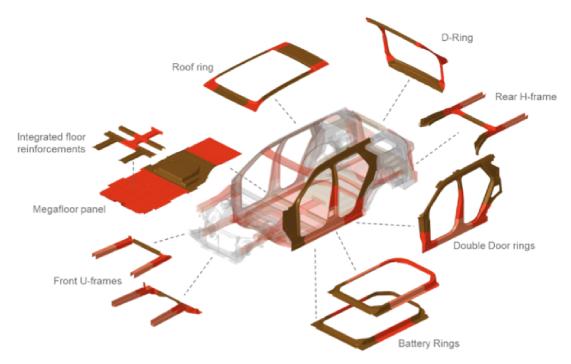
OEMs worldwide (existing and new) have launched numerous electrification and sustainability initiatives. Existing assembly lines are being retooled and brand-new assembly lines are being installed at a hectic pace to produce and integrate the new powertrains. Multi-powertrain solutions (ICE, Hybrid, PHEV, BEV) coupled with modular platforms and sustainability initiatives requires re-imagining and rethinking the car body structures and assembly process.

AMTB NA in collaboration with ArcelorMittal Global R&D has developed the Multi Part Integration (MPI) concept designed to incorporate many parts stamped from one LWB, thereby reducing body assembly complexity.

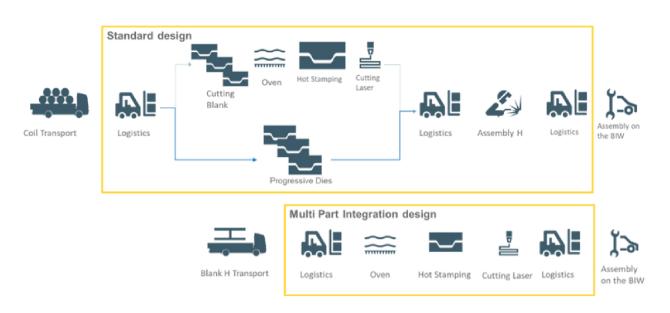


With the goal of simplifying production for automakers, MPI uses PHS and patented laser-welding technology to create the single part, which can be further enhanced with varying patches to meet different crash requirements that adapt for different powertrains.

#### **AMTB NA's MPI Solutions**



#### Standard Design vs. MPI Design



In addition to simplifying the vehicle production process, the Multi Part Integration (MPI) concept offers crash optimization and increased sustainability due to a lighter finished vehicle through material usage optimization. It reduces carbon emissions in a way only steel can. ArcelorMittal MPI may also offer customer cost savings of up to 10 percent.

#### 3. Advanced nesting can lead to lower waste and costs

AAdvanced nesting can lead to lower waste and costs. Many manufacturers are using more steel than they need to obtain the parts required. A study from AMTB NA has demonstrated that much higher yields can be obtained from a single coil. By optimizing the number of blanks used to form a part, and designing a better layout of the blanks on a sheet of automotive steel, wastage can be reduced dramatically. Using advanced nesting in this way, OEMs can create a more sustainable and costefficient production process for vehicle parts.

Optimizing steel usage with advanced nesting opens the door to significant cost reductions for OEMs without affecting the part's mechanical properties. And it significantly reduces scrap which increases sustainability.

Nesting is commonly used to produce blanks. However, there is room to make this process more efficient and more sustainable for some specific parts using LWBs. ArcelorMittal has completed a study into an A-pillar to showcase the potential benefits of combining LWB technology and nesting optimization.

Common nesting configuration has been observed at OEMs who produce A-pillar blanks. The configuration places the monolithic blanks face-to-face on the line. The net weight of each monolithic blank is 5.6 kilograms. But due to wastage, 10.6 kg of steel is required to produce each part. Effectively, 48 percent of the steel in the coil is scrapped and recycled. This considerable volume of scrap must be handled and transported for recycling.

#### Monolithic A Pillar



Standard nesting of monolithic A-pillar blanks: 48% material lost

Advanced nesting optimization: a smarter way to produce blanks

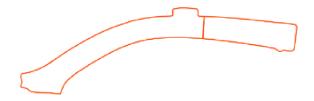
Using advanced nesting, OEMs can create two sub-blanks instead of a single monolithic blank. That enables the position of the blanks to be optimized on the sheet and reduces the amount of steel required.

#### Laser Welded A Pillar



The process requires 7.3 kg of instead of 10.6 kg - reducing the scrap rate to just 23 percent

After blanking, the sub blanks are laser welded together to form one part. The position of the weld can be varied, depending on the part's design. The mechanical properties of the part remain unchanged compared to those of a monolithic blank. The net final weight of the part also remains unchanged.



Joining both sub-blanks using laser welding to form the A-pillar blank

The advanced nesting optimization process provides a range of benefits. For the A-pillar alone, material usage is reduced by almost 30 percent. Cost is also reduced by around \$1.00 per car due to the material savings.

If the volume of steel utilized can be reduced by 30%, the nested LWB solution provides a corresponding 30 percent reduction in CO2 emissions. That emissions reduction is accessible immediately.



#### 4. Collaboration and Innovation pushes sustainability ahead

AMTB NA works directly with OEMs to develop state-of-the-art LWB solutions to meet the OEM's weight, cost and performance targets. AMTB's co-engineers work with the OEM to optimize these LWB solutions through nesting for material utilization, manufacturing feasibility and Computer Aided Engineering for vehicle performance improvements.

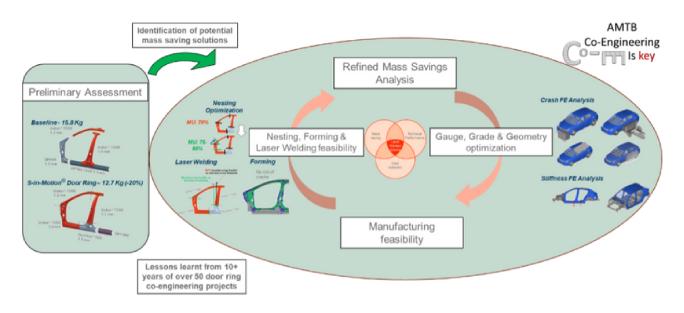


Figure: AMTB NA's Co-Engineering Concept





AMTB NA has co-engineering projects with most automotive OEM's to develop LWB solutions. Multiple OEMs are currently investigating MPI concepts on their vehicle platforms.

AMTB NA is working collaboratively with Automotive Parts Manufacturer Association on their Project Arrow (https://projectarrow.ca/) concept vehicle as part of Canada's vision of a Zero-Emission future by 2050. Project Arrow is a fantastic opportunity for AMTB to market our best-in-class MPI solutions to the global automotive community.





### **Section 5: Environment**

#### 5a. Environmental Resources & Corporate Responsibility

Our entire business is centered on providing sustainable business choices to our customers. Through collaborative product design, we have designed and developed unique vehicle parts that utilize multiple innovative new grades of advanced high strength steels with a revolutionary laser-welding technology that reduces the overall weight of the vehicle. These design improvements are critical parts of a vehicle's safety cage and have inherently made vehicles even safer while making them more sustainable. These innovative product designs have had a positive net social and environmental impact- looking not only at a product's use phase, but also at their end-of-life and recycling phase.

AMTB NA aims to gain the trust of all our various stakeholders that we are good stewards of air, land and water resources. Our stakeholders trust us to share these vital resources responsibly. We continue to underpin this trust by operating responsibly and transparently, demonstrating that we want to reduce negative environmental impacts, and by working in collaboration with partners and local communities to enhance the natural resources we all rely on. This is key to our environmental stewardship. As part of being a leading auto solutions company, AMTB NA is committed to leading our industry's efforts to decarbonize, and to be part of the solution to the world reaching net-zero by 2050.

AMTB NA's current generated CO<sup>2</sup> emissions from its manufacturing processes are mainly driven from electricity provided for the LWB process. Approximate annual CO<sup>2</sup> emissions for 2022 (Scope1 – natural gas & propane, and Scope 2 – electricity) from all AMTB fully owned facilities is 4,753 tones of CO<sup>2</sup>. As part of the ArcelorMittal group of companies, AMTB NA's operating emissions goal is to be carbon neutral by 2050. We plan to accomplish this goal by 1) using greener steel in our manufacturing process; 2) sourcing clean electricity and 3) offsetting residual emissions. We have made progress towards this goal by signing an agreement with DTE, our electricity provider in Michigan to provide AMTB Detroit with 100% renewable electricity starting in 2024.

	Dimension	Topic	SASB Code	Metrics	Unit of Measure	2022 Data
		Energy Management	$I$ TR- $\Delta$ P- $I$	Total Energy Consumed (fuel and electricity)	MegaWatt Hours (Mwh)	20,014 Mwh
				% Grid Electricity	Percentage (%)	63%
	Environment  GHG Emissions		% renewable	Percentage (%)	26%	
		CUC Emissions		Scope 1 & 2 Emissions	Metric tons of Co2 (mtCo2)	5,445t
		GIIG EMISSIONS		Carbon Intensity	mtCo2/per million of weld length inch	15.17

## 5b. Low Emission Technologies - Working Towards Zero Waste & A Circular Economy

AMTB NA continues to identify opportunities for implementation of flexible, low emissions technologies in its operations and the elimination of all unnecessary landfilling of any residues coming from our operations through the efficient use of resources and high recycling rates.

One such innovation was to reduce our helium usage when the world was facing a global shortage of helium by moving from CO<sup>2</sup> lasers to fiber lasers. Our goal is to ensure that our products and facilities are contributing to a circular economy and recycling is an integral part of that mission to ensure we do not have a negative environmental impact. We continue to look for opportunities to improve our manufacturing processes to get to our goal of zero waste. We are doing this by working with our partners up and down the supply chain.

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2022 Data
Environment	Environmental		Number on facilities ISO 140001 Certified	Percentage (%)	100%
Environment	Management		Environmental Remidiation Expenses	Reporting Currency (USD)	NIL

#### 5c. Environmental Management System

AMTB NA has a global environmental compliance program, which requires its manufacturing facilities to be ISO 14001 or functionally equivalent environmental certification. ISO 14001 specifies requirements of an environmental management system and is a systematic approach to handling environmental issues within an organization. Third party and internal audits or inspections are conducted regularly across our plants. The Company is also subject to environmental regulation by governmental authorities in the jurisdictions where it operates. Our operations produce various wastes, which must be handled, stored, transported and disposed of in accordance with applicable environmental laws and regulations. We have a strong track record in complying with environmental laws and regulations. We are proud to say that 100% of AMTB NA's manufacturing facilities are ISO 14001 certified

Dimension	Topic	SASB Code	Metrics	Unit of Measure	2022 Data
Environment	Environmental		Number on facilities ISO 140001 Certified	Percentage (%)	100%
Environment	Management		Environmental Remidiation Expenses	Reporting Currency (USD)	NIL



### Section 6: Social

#### 6a. Health & Safety

At AMTB NA, Safety is a core value. We live and breathe, "Safety In Everything We Do" because we put human safety above all. Nothing is as important to our business as every worker safely returning home each day to their family and our customers producing safer cars.

No facility can consistently sustain world class injury results where employees do not believe that safety is a core value of the organization. Leadership creates those beliefs and values over many years by reinforcing what is important through their personal behavior. Employees will only believe that safety is a core value of the organization when they see leadership behavior consistently demonstrating that safety is a part of our culture. At AMTB NA, we have developed a culture of ownership and continuous improvement where every employee has the desire and capability to identify, correct and report unsafe acts, conditions or behaviors to prevent accidents from occurring.



#### Risk Management, Audits and Inspections

AMTB NA's Health, Safety and Environmental Management System is based on a number of standards, these standards are founded on regulatory compliance requirements, best management practices, ISO 14001, ISO 45001 and other recognized industry standards. Each AMTB NA facility is audited and inspected regularly by AMTB NA's corporate staff, ensuring each facility is meeting and complying with our HSE Standards. Changes to legislation, industry standards and accident trends are incorporated into AMTB's annual program review.

Topic	SASB Code	Metrics	Unit of Measure	2022 Data
		Incident Rate	For every 1 miliion hours worked	2.61
Employee Health & Safety		Number on facilities ISO 45001 Certified	Percentage (%)	75%
		Lost Time Injuries	-	0

#### 6b. Our People

#### **Living Wage**



AMTB NA has been recognized as a Living Wage Employer. This recognition is a testament to our commitment to ethical and responsible business practices, and our efforts to ensure that our employees receive fair and equitable compensation.

The Living Wage is defined as the hourly wage required for a worker to afford the necessities of life, such as food, housing, and transportation. It is a measure of social and economic justice, and an important benchmark for employers who wish to ensure that their employees can live and work with dignity.

By certifying as a Living Wage Employer, we have demonstrated our commitment to investing in our employees and supporting the communities in which we operate. This recognition is a testament to the hard work and dedication of our employees, who are the foundation of our success. We will continue to demonstrate our commitment to responsible business practices and our efforts to promote social and economic justice in the communities where we operate.



#### **Employee Development & Training**

AMTB NA has established itself as a learning organization, where employee development and training are paramount. Our focus on continuous learning and development is a key part of our commitment to responsible and sustainable business practices.

A learning organization is one that can adapt and respond to changes in the industry and the marketplace. It is an organization that values the knowledge and skills of its employees and fosters an environment of continuous learning and improvement. We are committed to providing our employees with the tools and resources they need to excel in their roles and develop new skills. Our training and development programs are designed to support both individual and organizational growth, and we are constantly seeking new and innovative ways to enhance these programs.

In addition to providing technical training and skills development, we also place a strong emphasis on leadership development and promoting a culture of diversity, equity, and inclusion. We believe that by investing in our employees, we are investing in the future of our company and the communities where we operate.

#### Great Place to Work Certified

AMTB NA has been recognized and awarded the Great Place to Work certification in all its facilities across the Americas.

This certification demonstrates our commitment to creating a positive work culture and ensuring that our employees feel valued, supported, and engaged. It is a result of the efforts of all our team members who have worked tirelessly to make AMTB NA a great place to work.



The Great Place to Work certification is based on a rigorous assessment of our workplace culture, policies, and practices. It is a prestigious recognition that is highly regarded in the industry and among job seekers. It demonstrates that we have created an environment where employees are empowered to perform at their best, where diversity and inclusion are embraced, and where innovation and collaboration are encouraged.

We have proudly displayed the Great Place to Work logo across our facilities, our website, and our recruitment materials. It will serve as a reminder of our commitment to creating a workplace where everyone feels welcome, respected, and appreciated to work.



#### Health & Wellness Days

AMTB NA has implemented a policy that invests in mental health resources and provides up to three flexible days off for employees to attend to their physical and mental health needs. This policy demonstrates the company's commitment to promoting a healthy and supportive work environment for all employees.

The health and wellness policy are proactive steps towards creating a positive work culture and supports the well-being of our employees. This policy will help in reducing absenteeism, promote work-life balance, and encourage our employees to prioritize their health and well-being.

We understand the importance of employee health and wellness in achieving business success and sustainability goals. Therefore, we encourage all employees to take advantage of this policy and prioritize their well-being.

#### School & Youth Hiring

AMTB NA offers intern and co-op opportunities across the organization with the potential for full-time hiring.

We believe that our intern and co-op program offers a unique opportunity for students and recent graduates to gain hands-on experience in our industry and learn from our talented team of professionals. Our co-op program is open to students pursuing degrees in engineering, business, finance, IT, and other related fields. We offer competitive compensation, flexible work schedules, and a supportive work environment that encourages creativity, innovation, and continuous learning. To promote our intern and co-op positions to students of all backgrounds, all co-op and intern jobs are paid positions.

Our intern and co-op program has a proven track record of preparing students for successful careers in various industries, including automotive, manufacturing, and engineering. Many of our students have gone on to become full-time employees at AMTB NA, leveraging the skills and knowledge they gained during their work terms. We are proud to say that AMTB NA has a strong retention rate and a vibrant alumni network.

In addition to our intern and co-op program, we are also actively recruiting full-time employees to join our team. We have various opportunities available across our organization, from engineering and production to finance and IT. We value diversity, equity, and inclusion and encourage applicants from all backgrounds to apply.



#### Equity, Diversity & Inclusion

An Equity, Diversity & Inclusion "ED&I" culture is imperative for the success of our business here at AMTB NA, thus, we have an established ED&I council that consists of two representatives from each facility, who meet monthly to plan, discuss, and organize employee-related activities and ensure our organization operates with the highest ED&I standards.

The ED&I Council is committed to fostering an inclusive workplace where all employees feel valued, respected, and supported. They will work together to identify areas where we can improve, develop initiatives to promote diversity and inclusion, and ensure that our policies and practices align with our commitment to ED&I.

The council members are selected based on their interest, commitment, and leadership in advancing ED&I within our organization. They bring their unique perspectives and experiences to the table and collaborate with their colleagues to create a more diverse, equitable, and inclusive workplace.

We believe that the ED&I Council will help us achieve our goals of building a culture of respect, collaboration, and innovation. We encourage all employees to support and engage with the council members in their efforts to promote ED&I in our workplace.

Topic	SASB Code	Metrics	Unit of Measure	2022 Data
Employee Engagement		% of women employees	Percentage (%)	22%
Employee Engagement, Diversity & Inclusion		% women in critical/leadership roles	Percentage (%)	19%



## 6c. Community Engagement – Alliance & Partnership with Key Councils/Organizations

AMTB NA is an industry leader in automotive manufacturing and innovation, with a strong commitment to corporate social responsibility (CSR). We recognize that our success is intertwined with the well-being of the planet and its people, and therefore strive to operate in an ethical, sustainable, and socially responsible manner with the core purpose of Driving a Safer and Greener Tomorrow.

AMTB-Detroit is proud to share its partnership with the Detroit Police Department's 11th Precinct as members of B.U.O.Y.11 (Business United with Officers for Youth). Working together, we provided gift cards and in-kind donations to help make community events and holiday celebrations more enjoyable for neighborhood children. Our liaison, Neighborhood Police Officer, assists us with safety concerns like traffic congestion, and provides us with important safety training such as workplace violence awareness and active shooter response.

Across all facilities, we have an established partnership with the Wildlife Habitat Council (WHC) to demonstrate our commitment to sustainability and social responsibility and implement community initiatives focused on STEM and biodiversity.

Through this partnership, AMTB NA has taken significant steps to reduce its impact on the environment, particularly in the areas of air, land, and water. The company has raised awareness about the importance of social communities, and biodiversity and provided opportunities for employees to take action to protect nature. The company has also established habitat restoration projects, created pollinator gardens, and implemented measures to improve water quality and conserve natural resources.

Moreover, the community initiatives implemented by AMTB NA, related to STEM and biodiversity, have been successful in engaging employees and contributing to the community. The initiatives, which include educational programs for schools, community events, and volunteer activities, have fostered a culture of environmental awareness and activism. By uniting employees around a common theme, AMTB NA has created a sense of purpose and pride among its workforce through its strong commitment to corporate social responsibility (CSR).



## **Section 7: Governance**

Compliance with regulations is a core responsibility, but this alone is not enough. Organizations today must strive to create a positive culture in which everyone wants and knows how to do the right thing. At AMTB NA we embody this daily, in our culture through our core value of: "We Operate With Respect".

We regard integrity and reputation as key assets that must be preserved at all times and aim to comply fully with our obligations. Demonstrating responsibility and respect for our colleagues and all stakeholders, and actively listening and responding to their concerns, is central to our business. <u>Our code of business conduct</u> sets out the standards of behavior we expect from our directors, officers, and employees, and anyone who acts on our behalf.

Compliance is becoming more demanding, and the voluntary codes driven by stakeholders or regulated by law are broadening the scope of what governance covers. For example, disclosure of how we implement human rights and environmental standards, and how we plan to align with the Paris agreement on climate change, are all now part of good corporate governance.

So, while compliance with regulations is a core responsibility, this alone is not enough. Organizations today must strive to create a positive culture in which everyone wants and knows how to do the right thing.



#### Sustainable development governance

We understand that fully integrating sustainable development (SD) into the business is essential to creating long-term value for our shareholders and other stakeholders, while maintaining a profitable market share.

Our progress on the ground in our business units, at individual sites and on specific projects is overseen by management and the Board. The Board of Directors is ultimately accountable for our sustainable development performance and strategic direction.

The Sustainability Committee (SC) oversees sustainability issues under six management themes: i) product innovation, ii) health and safety, iii) environment, iv) climate change, v) customer reassurance and vi) community relations

Management has nominated senior leadership teams to take responsibility for each of the six themes, who report on progress against plans and targets and are supported by corporate functions covering strategy, technology, R&D, government affairs, corporate responsibility and communications. The Company also convenes a number of working groups on particular topics, tracks stakeholder expectations as well as long-term trends and considers their implications for the business. SD is integrated into each operating plant's reporting.



