



Code of Conduct

Our values and behaviours are the foundation of our Code.

www.nemak.com

Corporate Governance – June 2015

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Introduction

As a leading provider of light-weighting solutions for the global automotive industry, we strive to ensure a positive environment for our employees and to meet the same high standards of business conduct everywhere we operate.

This Code of Conduct (the “Code”) reflects our commitment to a culture of integrity, honesty, and accountability and outlines the basic principles and policies that all employees are expected to follow. Additionally, this Code helps our employees put these principles and policies into practice by providing guidance on actions and behaviors that support our company’s values.

We expect our employees to follow this Code and to consult their Human Resources manager with questions regarding any particular practice or activity. While this Code does not cover all possible scenarios, it is designed to establish a common framework that helps employees to understand their ethical obligations.

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Compliance with Laws and Regulations

We expect all employees to perform their duties in accordance with applicable laws, rules, and regulations and in an ethical manner.

While employees are not expected to know the details of all applicable laws, they are expected to seek advice from their Human Resources manager if they have questions as to whether any particular practice or activity is acceptable.

Additionally, we expect our business partners—including our customers, contractors, suppliers, and other third-parties—to adhere to all applicable laws, rules, and regulations and to this Code in their dealings with us.

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Personnel

3.1 Human Rights

We are committed to ensuring that all employees are treated with dignity and respect. We enforce the following conditions at all our locations:

3.1.1 Child Labor

We do not use child labor. We do not employ any person under the age of 15 or below the legal minimum age, if higher.

3.1.2 Forced Labor

We do not use forced labor in any form.

3.1.3 Compensation

We provide compensation and benefits that are fair and comply with applicable laws.

3.1.4 Working Hours

We comply with all applicable laws regulating working hours.



3.1.5 Freedom of Association

We recognize and respect freedom of association and the right to collective bargaining. In locations where employees are unable to exercise these rights due to legal constraints or other reasons, we provide channels for employee concerns to be heard.

3.1.6 Fair Employment Practices

We are committed to providing our employees with equal employment opportunities irrespective of age, gender, race, ethnic background, national origin, religion, disability or any other personal characteristic.

3.1.7 Anti-Harassment

We support work environments that are free of discrimination, hostility, and physical or verbal harassment. We do not tolerate discrimination or harassment of any kind.

3.2 Substance Abuse

At work, every employee must remain free from the influence of illegal drugs and other substances that may impair his/her judgment or his/her ability to work safely and effectively. We encourage anyone having drug or substance abuse problems to seek appropriate assistance.

3.3 Occupational Health and Safety

We provide and maintain for all personnel a work environment that meets or exceeds applicable legal standards for occupational health and safety. Each employee must follow health and safety rules and practices and must report accidents, injuries, and unsafe equipment, practices, or conditions.

3.4 Environment

We are committed to responsible environmental practices such as waste avoidance, recycling, and energy conservation. We seek to make sustainable use of resources and to minimize environmental impact.

3.5 Political Activities

We respect the rights of our employees to participate in political activities of their own choosing, as long as said participation is strictly on a personal basis and does not interfere with the performance of work-related duties. Employees must not use Nematik's name or logos or any other form of corporate identity for political purposes.

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Business Practices

4.1 Confidential and Proprietary Information

Confidential and proprietary information is a valuable asset and must be managed effectively and securely. Employees often have access to confidential or proprietary information about Nematik, its customers and suppliers, or other third parties. Employees must protect the confidentiality of such information, except when disclosure is authorized or legally mandated.

4.2 Anti-Corruption and Bribery

We are committed to conducting our business with transparency and integrity, and we strive to ensure that all our activities comply with anti-bribery laws. We do not tolerate employees or contractors engaging, ordering, authorizing, promising, conspiring or inducing corrupt practices, either directly or through third parties.

4.3 Money Laundering

At Nematik, we comply with anti-money laundering laws and regulations applicable in the countries where we operate, and we seek to minimize the risk of being involved in activities that may be related to proceeds of illegal origin. We encourage employees to never do business with anyone known of wrongdoing related to financial operations or transactions.

4.4 Protection of Personal Data

Nematik respects the privacy of all its employees. Access to employees' personal information is permitted on a "need-to-know basis" within Nematik, and will be transmitted to other employees or third parties only for necessary business purposes or to satisfy legitimate investigative or legal requirements.

4.5 Integrity of Financial / Company Records

The recording, safekeeping, and preparation of financial and company reports for Nematik's different stakeholders must strictly adhere to national, state, and local laws and regulations, and generally accepted accounting principles and control guidelines. We expect those employees involved in creating, processing or recording information to maintain its integrity. Employees must never alter or falsify documents, records, invoices, payments or reports, or conceal information that may alter the interpretation of financial information.

4.6 Relations with Suppliers and Customers

We value our business relationships with customers and suppliers, and expect employees to treat customers and suppliers honestly and with respect. Employees must never engage in unfair, deceptive or misleading practices in their interactions with customers or suppliers. For further guidance regarding relations with suppliers, see the Nematik Global Sustainability Code for Suppliers.

4.7 Gifts, Services, Favors

Gifts, services, and favors should never be offered or received in exchange for preferential treatment in any business dealing. Any gifts, services, or favors that an employee either accepts or provides to any third parties must not compromise, or appear to compromise, the employee's ability to make objective business decisions in the best interest of Nematik. For further guidance, please consult your Human Resources manager.

4.8. Conflict of Interest

All employees have the obligation to act honestly and ethically, and in the best interest of the company. A conflict of interest occurs when your personal interests or those of a third party conflict, or appear to conflict, with the interests of Nematik. Any employee who is facing a real or potential conflict of interest must contact Alfa's Transparency Helpline or his/her Human Resources manager.

4.9 Business Relations with Direct Family Members

If a direct family member* of an employee is employed by or has investments in a competitor or supplier of Nematik or a bank servicing Nematik, this can create a conflict or an apparent conflict, especially if the employee has discretionary authority in dealing with any of these companies as part of their job at Nematik or their relative deals with Nematik on behalf of the other company. Such situations call for extra sensitivity to security, confidentiality, and conflicts of interest. The closeness of the relationship might lead the employee to inadvertently compromise Nematik's interests.

Any employee who becomes aware of a conflict or a potential conflict involving a direct family member should notify his/her Human Resources manager.

**Spouse, partner, parent, step-parent, child, step-child, sibling, step-sibling, nephew, niece, aunt, uncle, grandparent, grandchild and in-laws.*

4.10 Insider Trading

In the course of employment, one may learn "inside information" about Nematik or other companies. All non-public information should be considered inside information and should never be used for personal gain. If an employee learns of material non-public information about Nematik or another company, he or she is prohibited from disseminating that information, buying or selling stock or other securities, or making other investments in that company/those companies until the information is publicly disclosed.

4.11. Proper Use of Company's Assets

All employees are responsible for protecting Nematik assets and ensuring that they are used in accordance with this Code. Assets may include, but are not limited to: facilities, equipment, phones, smartphones, computers, e-mail, internet software, supplies, documents, money, intellectual property and any other services that help you perform your work-related duties.

4.11.1 Use of Information Technology Infrastructure (internet, e-mail, telephones and other electronic devices)

Employees must not make any illegal, unethical, unauthorized, or disruptive use of Nematik's Information Technology infrastructure. This includes, for example, accessing, transmitting or storing inappropriate material (i.e. adult content, pornography, violent material, chain letters, offensive/demeaning material related to age, race, ethnic background, gender, religion, national origin, disability, or sexual orientation). For further guidance, please see Nematik's IT Infrastructure Acceptable Use Policy.

05 Violations

4.12 External Communications

4.12.1 Mass Media

Employees are not permitted to share information about the company's business activities or financial performance with representatives of the mass media or other external organizations unless they receive authorization from their respective Business Unit Director or VP. Please refer any media inquiries to your regional communications manager and the Global Communications department (inquiries@nematik.com).

4.12.2 Social Media

Employees who like to publish or post information in social media that mentions Nematik, and are not the official spokesperson of the Company, need to clarify that the posting is a personal opinion that does not represent in any way and official statement of Nematik.

For further guidance regarding external communications matters, please see Nematik's Global Communications Policy.

We expect employees to report all known or suspected violations of laws, regulations, policies, or this Code. If you are unsure about the proper course of action or how this Code should be interpreted in any particular situation, be sure to seek guidance from your Human Resources manager. Employees may raise concerns or report violations as follows:

WITHIN THE BUSINESS UNIT OR GLOBAL STAFF AREA

Generally, an employee's Human Resources manager will be able to resolve any concerns or questions he/she might have.

GOVERNANCE & COMPLIANCE

Employees may report concerns to the Governance & Compliance Manager by sending an e-mail to: governance@nematik.com

ALFA'S TRANSPARENCY HELPLINE

Nematik's parent company, Alfa, has established a Transparency Helpline that is accessible toll-free in the countries listed on the next page. Employees may submit reports to the Helpline anonymously, or indicate that they wish to be contacted.

Argentina	0800-444-5685
Austria	0800-293-215
Brazil	0800-892-2016
China	10-800-140-1817
Czech Republic	800-701-160
Germany	0800-180-8939
Hungary	06-800-16476
India	000-800-100-5794
Mexico	01-800-265-2532
Poland	00800-112-4028
Slovakia	0800-606-251
USA	1-866-482-1957
Russia	88003017408
Spain	900-937-915
Turkey	+90-850-7662441
Canada	1-866-238-2860

Employees may also submit a report via e-mail to:
transparency@alfa.com.mx

All reports are handled confidentially. Alfa and its subsidiaries, including Nematik, prohibit any form of retaliation against individuals who, in good faith, report suspected violations or who cooperate in an investigation of a suspected violation reported by someone else.

For more information, please visit:
<http://www.alfa.com.mx/CONT/transparency.htm>

5.1 Penalties for Breaches

Employees or contractors in breach of this Code are subject to disciplinary actions ranging from a warning to termination of employment or contract. The severity of such disciplinary actions will depend on the seriousness of the breach and on whether the breach came from an error, willful misconduct, or negligent action. Employees or contractors may also be subject to civil and criminal penalties if the law has been breached.

If a supplier is found to have breached this Code, Nematik may develop a corrective action plan and monitor the progress of the supplier for a specified time-frame (depending on the severity of the breach). Nematik may terminate its relationship with any supplier that repeatedly and knowingly violates this Code and refuses to implement improvement plans.



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