

Global Labour Standards

HUMAN RESOURCES LEGAL & LABOUR RELATIONS DEPARTMENT |

ISSUED: March 1, 2019 – REVISED: February 23, 2022

INTRODUCTION:

Magna International Inc. (“Magna”) recognizes the importance of balancing our social responsibilities with the pursuit of our business objectives. We accept that our actions must accord with the expectations of various stakeholders, including shareholders, customers, employees, the communities in which we conduct business, governments and others, particularly those related to the fair and ethical treatment of our own employees.

This policy applies to all Magna operating Groups, Divisions, and other affiliated operations globally. This policy also applies to all persons who act on Magna’s behalf, including employees, officers, directors, consultants and agents.

Our respect for individuals and the needs of our employees is reflected in Magna’s unique operating culture that we refer to as “Fair Enterprise”. Our Fair Enterprise business model recognizes employees as key stakeholders in our business, with fundamental rights and obligations set out in cornerstone policies such as the Magna Employees’ Charter, Magna’s Operational Principles and the Magna Code of Conduct and Ethics.

These Global Labour Standards are a further articulation of our Fair Enterprise culture while also serving as a general endorsement of the following frameworks and charters:

- **UN Universal Declaration of Human Rights**
- **ILO Fundamental Conventions**
- **ILO Declaration on Fundamental Principles and Rights at Work**

Our Company’s policy framework is premised upon the basic principles established under various international, national and local laws, including country/state specific legislation, as well as various labour agreements, tariffs and contractual obligations of a local nature.

HUMAN RIGHTS:

We support compliance with internationally recognized human rights. Our policies respect equal treatment and the need to provide fair employment opportunities regardless of personal characteristics. We believe that our diverse and multicultural workplaces provide a respectful working environment where our employees feel safe and welcome, while enjoying opportunities for personal and professional growth.

PROTECTION FROM HARASSMENT, DISCRIMINATION & VIOLENCE:

Consistent with Magna’s Harassment and Discrimination Policies, we will not tolerate harassment or discrimination in our workplaces on the basis of race, nationality or social origin, colour, sex, religion, gender identity, disability, sexual orientation, or any other protected ground recognized by applicable law. We have policies which prohibit workplace violence and bullying. In accordance with the principles of our Employees’ Charter, we strive to promote fair and respectful workplaces, free from favoritism, and any kind of physical, sexual, psychological or verbal abuse.

RIGHTS OF CHILDREN:

We condemn child labour and respect the right of children to education, rest and play. We respect all applicable international and local laws and regulations regarding minimum age for admission to employment or work.

FREELY CHOSEN EMPLOYMENT:

We reject all forms of forced or compulsory labour, such as prison labour, debt bondage, trafficking or serfdom. Magna subsidiaries will not enter into business arrangements with suppliers, recruiters or staffing agencies who utilize forced labour. Magna respects the principle of freely chosen employment.

HEALTH AND SAFETY:

We maintain safe and healthy workplaces that meet or exceed the relevant national and international standards for occupational safety and health. We review our standards on a regular basis and are committed to continuous improvement in this area through a process of comprehensive facility audits and inspections.

FAIR WORKING CONDITIONS:

We recognize the right of our employees to appropriate rest and leisure time. We provide reasonable hours of work within applicable industry practices that safeguard the health and well-being of our employees. We strive to comply with or exceed the requirements of all applicable local laws and regulations with respect to hours of work, break times, vacations, holidays and overtime.

NON-DISCRIMINATORY COMPENSATION PRACTICES:

Consistent with our Magna Employees' Charter principles, we are committed to providing our employees with competitive wages and benefits that reflect the need for internal fairness as well as external competitiveness within the industry and local labour markets where we conduct business. This includes compensating employees on the basis of objective and non-discriminatory criteria, such as skill and ability, qualifications, job performance, and length of service. Our compensation practices conform to national, state and/or local laws and regulations, including various contractual, labour agreement and tariff requirements. Within the context of country specific compensation related legislative and contractual requirements, we support the principle of equal remuneration without discrimination on the basis of gender.

FREEDOM OF ASSOCIATION & GOOD FAITH COLLECTIVE BARGAINING:

We recognize and respect the right of our employees to associate freely and to be represented, in accordance with local laws and regulations, and having regard to applicable industrial relations practices in the jurisdiction concerned. We further recognize that the right to be represented is an individual right, not an obligation, which includes the right of employees to freely decide not to be represented if that is their choice, and for workplace parties to exercise free speech on this issue. We work constructively with legally recognized representatives to promote the interests of our employees in a manner consistent with our Employees' Charter. We respect applicable local laws and regulations to collectively bargain in a spirit of cooperation and mutual respect.

IMPLEMENTATION AND RESPONSIBILITIES:

Responsibility for implementation and compliance with these standards at our operating Groups and Divisions lies with the senior management of Magna's respective Groups and Divisions. Corporate oversight for these standards is provided through various Human Resources audit and inspection processes. Magna's Board of Directors, through its Corporate Governance, Compensation and Nominating Committee, oversees our overall approach to corporate social responsibility, including these Standards. We encourage business partners and suppliers throughout our value chain to adopt and enforce similar policies. We seek to identify and utilize business partners and suppliers who conduct their business and affairs in a manner consistent with these Global Labour Standards.

Employees who believe there may have been a violation of these principles have the ability to report policy breaches through well-established internal complaint procedures, which vary by region. Magna provides a number of concern resolution and investigation procedures for employees, which includes our Employees' Charter Open Door Process, as well as an arm's length Employee Hotline which is responsible for conducting impartial investigations and applying remedial action, where necessary. Consistent with Magna's Anti-Retaliation Policy, no retaliatory action is taken against any employee who makes such a report or who otherwise cooperates in an investigation.

FOR FURTHER INFORMATION:

For further information, please contact your Group Vice President of Human Resources, Magna's Global Director of Labour Relations, or the office of Magna's Chief Human Resource Officer.

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