

Responsible AI Policy

INFORMATION TECHNOLOGY | ISSUED: January 21, 2026 | Revised: N/A

This Policy establishes Magna's commitment to the responsible use and development of artificial intelligence solutions throughout our operations, products, and business processes. These solutions present opportunities to drive value, but may also create legal, reputational, and other risks for Magna, its employees, and other stakeholders. Your careful compliance with this Policy is critical to promoting safe and responsible use of artificial intelligence to maximize opportunities and minimize its risks.

APPLICATION OF THE POLICY

This Policy applies to Magna International Inc. and all of its operating Groups, Divisions (including controlled joint ventures), subsidiaries and other operations globally. This Policy also applies to all persons who act on Magna's behalf, including full-time or part-time employees of Magna, independent contractors, officers, directors, consultants, and agents - in this Policy, we refer to all such persons as "you" or "Magna Persons."

This Policy outlines requirements for responsible, ethical, and safe use and development by you of:

- all **AI Solutions**, including **Traditional AI Systems**, **Gen AI Systems**, **AI Agents**, and **Agentic AI**; and
- any **AI Outputs** generated by an **AI Solution**.

"**Use**" of an **AI Solution** means that you are using an existing **AI Solution** developed by Magna or a third party to perform:

- simple tasks, such as generating an email or image, summarizing text, or answering a question; or
- more complex tasks, such as supporting Magna's product development, business processes, and manufacturing automation initiatives.

"**Development**" of an **AI Solution** means that you have a higher level of interaction with the solution, which extends to any of the following:

- developing specifications for the **AI Solution**;
- building, designing, refining, or training the **AI Solution's** model and algorithm;
- collecting, processing, or training the datasets underlying the **AI Solution**;
- testing or validating the **AI Solution**; or
- using a third-party tool for **Development**.

Development of an **AI Solution** may be:

- solely for internal purposes (e.g., manufacturing automation);
- for use by external stakeholders (e.g., customers, suppliers, or other business partners); or
- for incorporation into Magna's products.

Additionally, **Development** of an **AI Solution** may be done:

- internally by Magna Persons (e.g., through use of third-party tools, such as NVIDIA Isaac Sim, as well as through **AI** features in traditional systems such as CATIA);
- by a third-party partner for or on behalf of Magna; or
- jointly by a team which includes Magna Persons and personnel of a third-party developer.

In addition to “use” and “development,” other key terms appear in bold within this Policy. Definitions of those key terms are found in **Appendix A** to this Policy.

RESPONSIBLE AI AT MAGNA

Achieving productivity benefits of **AI** while minimizing risks and keeping our employees safe is important to Magna. You play a critical role in helping Magna realize these objectives by carefully following the principles and practices below:

1. Understand and Manage the Risks Associated with Use of AI Solutions

The use of **AI Solutions** can create risks which you need to understand and help manage, including:

- **Bias: AI Solutions** can learn and reinforce biases present in their training data, which may result in skewed outcomes and unintended consequences, such as discriminatory hiring practices. You must be alert to the risk of bias and should bring a critical eye in assessing **AI Outputs** for bias.
- **Cybersecurity Threats: AI Solutions** can be used or exploited to launch cyberattacks, steal identities, and compromise security. You should never use an **AI Solution** for these or any other illegal purposes. In addition, you help protect Magna against cyberattacks and other external threats by not installing unauthorized plug-ins, connectors, add-ons, or APIs on **AI Solutions**.
- **Lack of Transparency: AI** algorithms work in ways that are not well understood and often produce **AI Outputs** that are flawed. As detailed further below, you must exercise oversight over **AI Outputs** to help ensure they are accurate, reliable, relevant, free from bias, and appropriate for the intended use.
- **Confidentiality and Data Privacy:** Many **AI Solutions** collect data as they are used, potentially giving developers access to confidential and/or legally protected data and personal information. You must opt-out of allowing a third-party **Gen AI System** to use **Magna-owned or controlled inputs** (including personal information of Magna Persons) to train, develop or revise its model.
- **Intellectual Property Rights: Gen AI Systems** may create **AI Outputs** that violate third-party intellectual property rights. Examples include utilizing written text without proper credit and citation, unauthorized use or copying of images, artwork, designs, software code, or other materials, suggesting product designs or processes that infringe third party patents.

You must not use **AI Solutions** and **AI Outputs** in a manner which violates third-party intellectual property rights (including copyright, patents designs, and trademarks).

Additionally, if using **AI Solutions** to create any work product which Magna may need to protect under intellectual property laws, you must work with Magna’s Corporate Intellectual Property legal team to ensure that Magna is able to protect any work product which may be based on **AI Outputs**.

2. Exercise Oversight

AI Outputs require critical human review prior to being finalized, relied on, and/or shared internally or externally. Since you are accountable for any **AI Outputs** used by you in your work for Magna, you must apply thoughtful evaluation, analytical thinking, and reasoned judgment before relying on **AI Outputs**.

Do not rely on **AI Outputs** which you know were generated by violating Applicable Law or the rights of anyone else, or which could bring harm to Magna’s reputation. Examples may include **AI Outputs** which violate the copyright or trademark rights of others.

If, after making reasonable efforts, you remain unsure about the validity of an **AI Output**, do not rely on it - particularly in situations involving significant legal or reputational risk.

3. Use Magna’s Approved AI Solutions

Magna has verified a number of **AI Solutions** to ensure compliance with our cybersecurity standards, and our confidentiality and data privacy policies. Whenever possible, you should use Magna’s **Approved AI Solutions**, which include:

- **MAVIS;**
- Microsoft M365 Copilot and Copilot Chat assistants;
- GitHub Copilot coding and programming assistant;

- Microsoft Azure AI Foundry Models platform;
- Amazon Bedrock service for accessing and managing foundation models; and
- Databricks platform.

If you want to use an **AI Solution** and you intend to use it with **Magna-owned or controlled inputs**, you must first confirm it is listed as an **Approved AI Solution** on [AI MagNET – AI Solutions and Technologies](#). If not already approved, you are responsible for proposing the tool in [MagNet](#) and following the applicable approval process.

Always assume that there is no confidentiality for any **Inputs** entered into an unapproved **AI Solution**. As a result, any **Inputs** used in an unapproved **AI Solution** could compromise Magna's intellectual property protection rights.

4. Prohibited Uses

You are not allowed to use **AI Solutions** to perform any act or achieve any outcome that is prohibited by law, or which would harm Magna's reputation, including through any form of fraud, discrimination, harassment, intimidation, bullying, or other harm. Additionally, you are not allowed to use **AI Solutions** to do any of the following:

- manipulate the behavior or exploit the vulnerabilities of any person in a harmful manner, including vulnerabilities related to age, disability or specific social or economic situation;
- evaluate or classify a person in ways that could result in discrimination or harm, including based on social behavior or personal characteristics;
- create facial (emotion) recognition databases through the untargeted scraping of facial images;
- recognize the emotions of a person in the workplace; or
- categorize any person based on sensitive or legally protected personal characteristics, including ethnicity, religion, age, sexual orientation, and political opinions, in a manner that could cause discrimination or harm.

5. Inclusion of AI Disclaimers

You should add an **AI** disclaimer in any situation involving **AI Solutions** where failure to do so could reasonably harm or mislead others.

- **Legal Requirement:** In any situation where **Applicable Law** requires inclusion of a disclaimer, you **must** use one.
- **Best Practice:** For routine items, such as everyday emails, a disclaimer is generally unnecessary. In other public-facing or business-critical situations such as work that is heavily **AI**-generated, and/or could significantly influence decisions, a disclaimer **should** be considered.

Other specific circumstances in which an **AI** disclaimer **must** be used include when:

- **AI Solutions** interact directly with humans (e.g., chatbots), and it is not clear to a reasonably informed person that the interaction involves an **AI Solution**;
- **AI Outputs** you are using or sending include manipulated images, audio, or video that falsely appear authentic or could reasonably be perceived as authentic; and
- **AI Outputs** are intended to inform internal or external stakeholders on matters of public interest (e.g., communications about products, services, or safety that may affect customers or other stakeholders) when presented as factual or authoritative.

A suggested form of disclaimer is: "The following content was generated through the use of an artificial intelligence solution."

Certain exceptions apply. For instance, **AI**-generated text does not require labeling if it has been reviewed and edited by a human who assumes editorial responsibility. Additionally, no disclaimer is needed when it is already clear that the interaction involves **AI**.

6. Acquiring or Developing an AI Solution

If you propose to acquire (including by purchasing, licensing, or subscribing) or develop/co-develop an **AI Solution**, you are responsible for following Magna's approval process for **AI Solutions** through the link on **AI MagNET – AI Solutions and Technologies**.

This process involves two distinct steps:

- **Step 1:** tracking planned **AI** initiatives, ideas, and use cases to promote transparency, assess business value and financial feasibility, minimize duplication of effort, as well as strengthen governance and risk management; and
- **Step 2:** documentation, categorization, and risk assessment of **AI Solutions** from the prior step which are approved and implemented.

Depending on your role with respect to the **AI Solution** being acquired or developed, you may be deemed as the “developer” of the solution, including for purposes of compliance with this Policy and Magna's **Responsible AI Principles** as well as the **AI Developer Procedures** and the **EUAIA**.

7. AI Agents

You may use **AI Agents** that have been created for your specific work needs through **Approved AI Solutions**. **AI Agents** are **AI Solutions** which are fully subject to this Policy.

If you are the business owner deploying an **AI Agent** for your own or your team's use, you are responsible for obtaining prior approval of the **AI Agent** through the two-step approval process in Section 6 above. Additionally, you are responsible for liaising with the technical team for required monitoring and oversight of your **AI Agents** throughout their lifecycle (i.e., initial design to retirement, including inter-agent communication), which includes compliance with governance requirements, organizational IT standards, and guidelines, as well as the **RAI Principles**. Lastly, you will also need to follow any other requirements outlined in the **AI Developer Procedures** in respect of **AI Agents**.

ADDITIONAL INFORMATION

1. Compliance with Magna Policies and Applicable Law

In all situations involving the **Use** or **Development** of **AI Solutions**, you must comply with **Applicable Law**, Magna's **Responsible AI Principles** and other relevant Magna policies (e.g., Confidential Information Policy, Data Privacy Policy, etc.). Please refer to **Appendix B** of this Policy for a list of such laws and related Magna policies.

In addition, the obligations of Magna and of each person to whom this Policy applies will be subject to **Applicable Law**, and, to the extent of any inconsistencies, they will be interpreted as close as possible to the requirements of this Policy while remaining compliant with **Applicable Law**.

2. Compliance with Customer, Supplier, Vendor and Other Third-Party Requirements and Non-Disclosure Agreements

You must consider contractual limitations, restrictions and prohibitions when handling third party data and information in an **AI Solution**. In some instances, you may not be allowed to use and/or input such third-party data into the **AI Solution**, as it may be in breach of a non-disclosure agreement or other confidentiality arrangements. You should discuss applicable confidentiality obligations, restrictions, prohibitions, and other contractual limitations with Group, Regional, or Corporate Legal Counsel to help Magna avoid any breach of its contractual commitments. Additionally, you must also comply with Magna's Confidentiality Policy.

3. Training

Magna will provide resources and training to help you better understand the capabilities and limitations of **AI Solutions**. You are responsible for completing all required training in a timely manner.

4. Reporting

Monitor, document, and report any malfunctions you experience while developing an **AI Solution**, as well as any biased, harmful, inaccurate, or anomalous **AI Outputs**. In many cases, such reporting can occur directly within an **AI Solution** -

if so, you should use that reporting function. In situations where there is no reporting function in the **AI Solution** itself, or you believe the risks/consequences to be significant, you can report to the **Magna Hotline** through the '**Data Privacy / Artificial Intelligence (AI) Concern**' section.

If you become aware of any suspected violations of this Policy or that Magna's intellectual property rights have been violated, you should report it through the **Magna Hotline**.

Depending on the region and circumstances, reports to competent government agencies may also be necessary; nothing in this Policy precludes you from speaking to governmental agencies in your own, individual capacity.

5. Compliance Monitoring

Magna reserves the right to monitor compliance with this Policy by Magna Persons. Magna will put in place measures to prevent, monitor, and respond to incidents involving **AI Solutions**, including cases of harm and biased outputs, as well as security, confidentiality, and data privacy breaches.

6. Accountability for Violations of this Policy

If you breach the terms of this Policy, you may be subject to discipline, up to and including termination of your employment.

7. For Further Information

For further information or guidance, please reach out to your designated **Global AI Leads** or email **ai.governance@magna.com**.

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Issued By:	Human Resources and Information Technology
Approved By:	Human Resources and Information Technology

APPENDIX A – DEFINITIONS

“**Agentic AI**” refers to **AI Solutions** that can plan, take actions, or complete tasks with some autonomy, while still operating under human oversight (i.e., **Agentic AI** is the capability (AI that can act, plan, or pursue goals)).

“**AI**” means artificial intelligence.

“**AI Agents**” refers to specific tools or systems that use agentic capabilities to perform tasks or workflows on a user’s behalf within controlled parameters (i.e., **AI Agents** are the tools or systems that use this capability to perform tasks in practice). Examples include: **AI** agents in Microsoft Teams to help schedule meetings or answer employee questions; specialized **AI** assistants, etc.

“**AI Developer Procedures**” refers to the **AI Developer Procedures**.

“**AI Outputs**” means any content (including text, images, audio, video, and software code), results, recommendations, decisions, and/or other outputs generated by an **AI Solution**.

“**AI Solution**” means all AI systems, features, use cases, products, platforms, and tools, including **Traditional AI Systems**, **Gen AI Systems**, **AI Agents**, and **Agentic AI**.

“**Applicable Law**” as defined in **Appendix B**.

“**Approved AI Solutions**” means **AI Solutions** which meet Magna’s IT security protocols and confidentiality requirements and have been approved and deployed for use in Magna’s business. The list of Magna’s **Approved AI Solutions** can be found [here](#).

“**Development**” of an **AI Solution** means that you have a higher level of interaction with the solution, which extends to any of the following:

- developing specifications for the **AI Solution**;
- building, designing, refining, or training the **AI Solution**’s model and algorithm;
- collecting, processing, or training the datasets underlying the **AI Solution**;
- testing or validating the **AI Solution**; or
- using a third-party tool for **Development**.

Development of an **AI Solution** may be:

- solely for internal purposes (e.g., manufacturing automation);
- for use by external stakeholders (e.g., customers, suppliers, or other business partners); or
- for incorporation into Magna’s products.

Additionally, **Development** of an **AI Solution** may be done:

- internally by Magna Persons (e.g., through use of third-party tools, such as NVIDIA Isaac Sim, as well as through **AI** features in traditional systems such as CATIA);
- by a third-party partner for or on behalf of Magna; or
- jointly by a team which includes Magna Persons and personnel of a third-party developer.

“**EUAIA**” means the *EU AI Act*.

“**Gen AI Systems**” refer to **AI Solutions** that are primarily designed to generate new content (e.g. text, images, audio, video, or code etc.) or to autonomously plan and execute multi-step actions towards goals based on patterns learned from data, rather than just analyzing or classifying existing data.

“**Inputs**” means any inputs, data, queries, commands, information, or documents entered into an **AI Solution**.

"Magna" means Magna International Inc. and all of its operating Groups, Divisions (including controlled joint ventures), subsidiaries, and other operations globally.

"Magna-owned or controlled inputs" means data, information, or documents in the care, possession, or control of Magna and belonging to Magna, Magna Persons, or Magna's customers, suppliers, or other business partners.

"Magna Persons" or **"you"** means all persons who act on Magna's behalf, including: a full-time or part-time employee of Magna; independent contractors, officers, directors, consultants, and agents.

"MAVIS" refers to the Magna AI Virtual Information System assistant.

"RAI Principles" refers to the **Responsible AI Principles**.

"Traditional AI Systems" refer to **AI Solutions** that use statistical/machine-learning models and/or rule-based logic to analyze or classify existing data and produce outputs such as predictions, recommendations or decisions, and are not primarily designed to generate new content or to autonomously plan and execute multi - step actions toward goals.

"Use" of an **AI Solution** means that you are using an existing **AI Solution** developed by Magna or a third party to perform:

- simple tasks, such as generating an email or image, summarizing text, or answering a question; or
- more complex tasks, such as supporting Magna's product development and manufacturing automation initiatives.

APPENDIX B – APPLICABLE LAW AND MAGNA POLICIES

Applicable Law

“**Applicable Law**” means all laws, statutes, regulations, rules, ordinances, codes, directives, orders, judgments, guidelines, and governmental requirements that may come into effect from time to time that are relevant to how **AI Solutions** are selected, used, developed, or deployed, including

- Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence (“EUAIA”)

Relevant/Related Magna Policies

- **Magna’s Confidential Information Policy**
- **Magna International Inc. Corporate Disclosure Policy**
- **Magna International Inc. Data Privacy and Protection Policy, Procedures and Guidelines**
- **Magna Information Classification Policy**
- **Magna Corporate Security Policy**
- **Magna’s Global Email, Internet/Intranet and Social Media Policy**
- **Magna IT/OT Security Policy**
- **Magna International Inc. Cyber Security Incident Response Policy**
- **Magna Health, Safety and Environmental Policy**