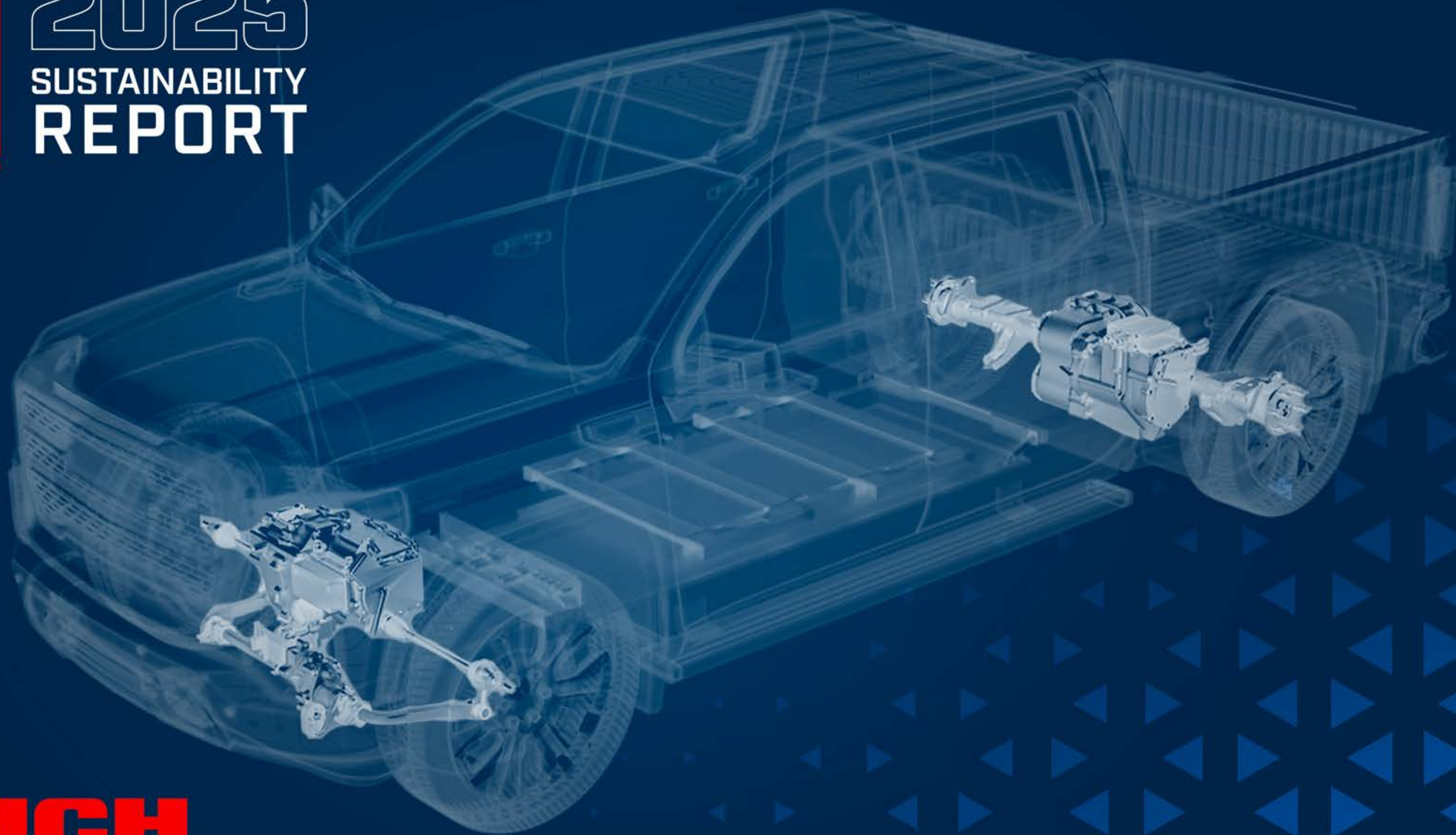




2025 SUSTAINABILITY REPORT



DAUCHTM



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COMPANY OVERVIEW AND HIGHLIGHTS

Dauch Corporation (formerly American Axle & Manufacturing Holdings, Inc.) is a premier Driveline and Metal Forming supplier serving the global automotive industry with a powertrain-agnostic product portfolio supporting electric, hybrid and internal combustion vehicles that is headquartered in Detroit, Michigan. As a result of the acquisition of Dowlais Group plc and its subsidiaries – GKN Automotive and GKN Powder Metallurgy – in early 2026, the company now has operations that span 24 countries and more than 175 locations.

Going forward, all sustainability reporting will be carried out on a combined basis through Dauch, which will continue to focus on environmental, social, and governance (ESG) areas. Commitments from the prior organizations will be reviewed as part of our larger integration process, including revised baselines and strategies. This retrospective report provides information on the 2025 sustainability efforts of AAM on a stand-alone basis.

For more than 30 years, our customers relied on AAM to design, engineer, validate and manufacture the driveline and metal forming technologies that POWER their vehicles.

Our success was built on a disciplined approach and a longstanding commitment to quality and operational excellence. Through continuous evolution of our processes and products, we have strengthened our technology leadership to meet the changing needs of our customers – and the world.

With locations across North America, South America, Asia and Europe, AAM offered a unique global resource that delivered higher-performing, next-generation driveline and metal forming products and technologies. We worked collaboratively with our customers to efficiently develop cost-effective solutions to improve vehicle performance.

DRIVELINE

AAM's Driveline business unit was a global leader in rear-wheel drive (RWD), all-wheel drive (AWD) and four-wheel drive (4WD) systems for internal combustion, hybrid electric and full electric vehicles. Our product portfolio optimized mass and increased efficiency without sacrificing performance.

METAL FORMING

In our Metal Forming business unit, AAM supplied critical components for engines, transmissions and driveline systems, and safety features for electric vehicles, light vehicles, commercial vehicles and off-highway vehicles, as well as products for various industrial sectors. With our global capabilities, we invested in advanced forging, machining, high-pressure die casting and powder metal technologies, focusing on manufacturing lightweight, highly precise and power-dense products.



VISION

To POWER a more sustainable future while providing value to our stakeholders.

MISSION

Advancing global mobility through innovative technologies and sustainable solutions.

SUSTAINABILITY MISSION

To deliver POWER and build a safer, greener and sustainable future for our Associates, customers, communities and the environment.



As a leading global Tier 1 Automotive and Mobility Supplier, AAM specialized in designing, engineering and manufacturing driveline and metal forming technologies for electric, hybrid and internal combustion vehicles. With its headquarters in Detroit and nearly 75 facilities across 15 countries, AAM drove the future forward for a safer and more sustainable tomorrow.

*Includes full-time, part-time and joint venture Associates, along with co-ops, contractors, etc., as of December 31, 2025.

2025 HIGHLIGHTS



Achieved 81% zero waste-to-landfill across manufacturing facilities globally



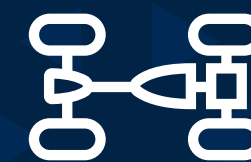
Received 16 quality performance awards



Maintained 100% renewable and carbon-free energy in the U.S. — achieved a year ahead of our 2025 goal



Contributed more than \$1.2 million (USD) in monetary donations and volunteered ~6,800 hours worldwide



Launched 7 major global product programs



Increased percentage of supplier diversity spend year-over-year for 5 consecutive years



CHAIRMAN & CEO LETTER



2025 was a defining year as we set out on a path to transform AAM into a larger, stronger, and more capable organization, marked by our acquisition of Dowlais Group plc (Dowlais) in early 2026. At the same time, we stayed firmly focused on performance while adapting to changes in global trade policy and evolving consumer powertrain preferences. By concentrating on what we could control, we leveraged our resilient, time-tested business model—one built on operational excellence, disciplined cost management, high quality standards, technological leadership, and a largely region-for-region manufacturing footprint.

AT A GLANCE

At AAM, we understand that sustainability is especially important, and our success depends on a strong connection to the environment and to our Associates. Environmentally, AAM has multiple global commitments that support key areas such as net-zero emissions, renewable energy, and zero waste-to-landfill. In addition, AAM’s focus on talent attraction, development, and retention includes efforts such as Associate Resource Groups (ARGs), which are based on shared experiences, characteristics, or backgrounds. These groups are designed to promote a sense of belonging, provide support, enhance career development and contribute personal growth inside and outside of AAM.

Throughout the year, safety and quality remained priorities across the company, resulting in several manufacturing facilities achieving important milestones and receiving customer recognition awards.

Focusing on energy and emissions, we maintained 100% renewable and carbon-free energy in the U.S. — attaining the achievement a year ahead of schedule in 2024.

We also strengthened our biodiversity efforts by extending our Wildlife Habitat Council membership into 2026 to support sustainable ecosystems and the communities that surround them.

In 2025, we also continued to support the communities where we live and work, volunteering approximately 6,800 hours and contributing over \$1.2 million (USD) in monetary donations worldwide.

ADDITIONAL HIGHLIGHTS INCLUDE:

- ▶ Achieved 81% zero waste-to-landfill across manufacturing facilities globally.
- ▶ Received 16 quality-related awards from our customers and other organizations.
- ▶ Successfully completed 7 major global product and program launches.
- ▶ Increased our percentage of supplier diversity spend year-over-year for 5 consecutive years.

At AAM, we are dedicated to listening, learning and taking meaningful action to advance our company, strengthen our communities and be responsible environmental stewards. As you read through this report, you’ll see the meaningful progress we’ve made.

I’m proud of what our teams have achieved across our global operations. As we move forward, we are eager to further build upon the strong legacy of AAM and Dowlais, now unified under the Dauch brand.

Thank you for your continued support and partnership!

Sincerely,

David C. Dauch

Chairman of the Board and CEO

AAM'S MATERIAL TOPICS



CLIMATE APPROACH

Climate change presents a challenge for the automotive industry and many other sectors, needing proactive measures to both adapt operations and reduce environmental impact. AAM was committed to moving our company, communities and the environment forward responsibly. AAM set ambitious goals that were validated by the Science Based Targets initiative (SBTi) and in line with goals set by the international community to limit global temperature rise to 1.5°C. In order to work towards net-zero emissions, AAM focused on actions upstream, downstream and in our own operations.

AAM followed a comprehensive risk identification and management process with climate-related risk recognized as one of AAM's top-10 risks. To better understand the details, we conducted a Climate Scenario Analysis (CSA) in 2022 to evaluate certain scenarios and how AAM could incorporate the information into our business strategies. In 2025, we refreshed and expanded our CSA to reflect evolving climate-related physical and transition risks, consistent with ISSB guidance. This analysis was a step in an iterative process to refine our climate strategy over time and help determine the main levers to build resiliency.

UPSTREAM

We worked to build supply chain resiliency as well as encourage our suppliers to decarbonize. Sourcing, monitoring and engaging were all pieces of the [strategy](#).

OPERATIONS

AAM addressed its primary environmental metrics, including energy, emissions, waste and water, with targets and strategies. Additionally, AAM worked to ensure our facilities were resilient. Facility assessments were completed by corporate subject matter experts in the AAM Global Facilities team, using a standardized company-wide assessment. As site needs were discovered, we completed studies where appropriate, managed capital plans and implemented projects.

DOWNSTREAM

Market demand, customer expectations and global regulations created requirements that AAM products needed to meet. AAM created a variable portfolio that supported innovation and accommodated uncertainty within the propulsion system transition.



AAM's climate approach was incorporated into the management of our material topics.

Biodiversity is an issue related to climate that is gaining attention both locally and internationally, as ecosystems can be impacted by nearby industries with the effects experienced worldwide. Recognizing this growing concern, AAM joined the Wildlife Habitat Council (WHC) in 2023, whose mission is to recognize, inspire, engage and support businesses to achieve wins for nature.

As AAM continued its sustainability efforts, we extended our WHC membership into 2026.

We previously completed an inventory of biodiversity-related projects across our facilities and identified more than 20 projects that supported biodiverse environments. AAM was also involved in supporting biodiversity through our volunteer efforts across the regions. Multiple events during 2025 involved planting trees, which absorb air pollutants, provide wildlife habitat and prevent soil erosion, among other benefits.



STAKEHOLDER ENGAGEMENT

We monitored our material topics throughout the year to stay informed on emerging issues and stakeholder expectations. Our approach involved engaging with key stakeholders through various channels to discuss these topics and collect their feedback.

Stakeholders are individuals, groups or organizations that either influence or are impacted by AAM's decisions and their outcomes. Below are examples of our key stakeholders and the ways we engaged with them.

ASSOCIATES

- ▶ Monthly Lunch with Leaders
- ▶ Global POWERhour Townhalls

POTENTIAL ASSOCIATES / RECRUITS

- ▶ University Recruiting Events
- ▶ Early Career Development Programs
- ▶ Associate Resource Group Special Events

SUPPLIERS

- ▶ Supplier Sustainability Council
- ▶ Annual Supplier Day

COMMUNITY

- ▶ Associate Volunteer Activities
- ▶ Local Facility-Sponsored Events

CUSTOMERS

- ▶ Technology and Product Expos
- ▶ Customer/Automaker Supplier Councils
- ▶ Industry Forums

SHAREHOLDERS

- ▶ Annual Shareholder Outreach Program
- ▶ Automotive-Focused Conferences
- ▶ Active Investor Relations Programs

INDUSTRY ASSOCIATIONS

- ▶ Various Industry Conferences
- ▶ Regional/Country-Level Organization Members
- ▶ Committee Participation

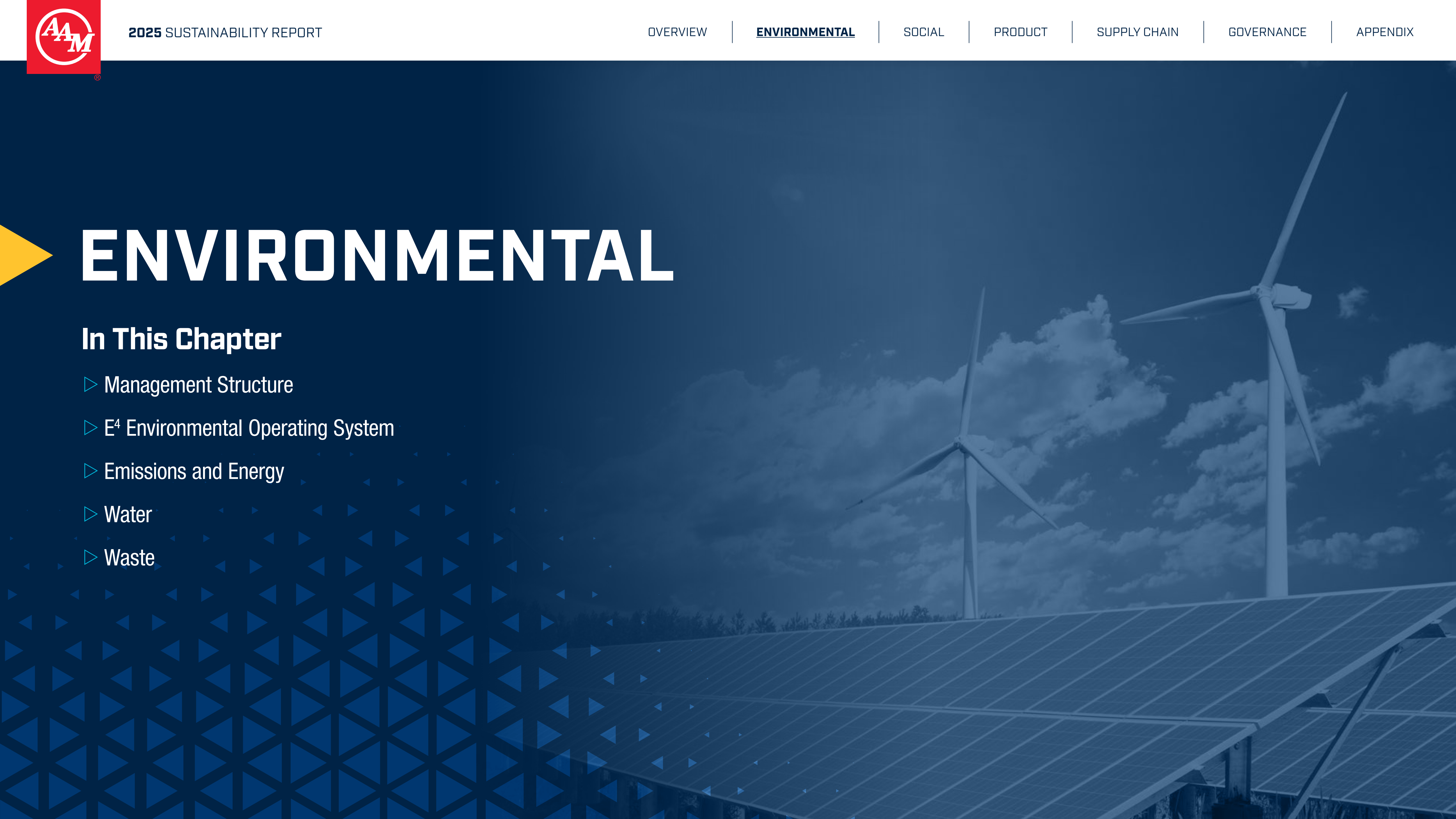




ENVIRONMENTAL

In This Chapter

- ▷ Management Structure
- ▷ E⁴ Environmental Operating System
- ▷ Emissions and Energy
- ▷ Water
- ▷ Waste



ENVIRONMENTAL

Throughout our history, AAM was focused on safeguarding the environment and conserving natural resources in the areas where we operated. Reducing emissions and energy use, promoting water stewardship and managing waste responsibly were critical to the success of our business. AAM set ambitious greenhouse gas emissions targets, validated by the Science Based Target initiative (SBTi), demonstrating our commitment to do our part to address climate change.



MANAGEMENT STRUCTURE AND COMPLIANCE

AAM's Facilities and Environmental, Health and Safety (EHS) organization was managed using a global and local approach to ensure company policies and commitments were supported, while complying with requirements that may have varied by market. The Vice President of Facilities and EHS reported directly to the President and Chief Operating Officer, allowing for direct communication and engagement with the teams for continuous feedback.

Reporting to the global organization, regional managers were responsible for making sure all AAM environmental programs were properly integrated and aligned with global policies. AAM management

reviewed EHS performance on a quarterly basis and ensured corrective actions and adjustment strategies were put in place through plant-level operations reviews. At each facility, a designated EHS representative was responsible for tracking and maintaining environmental compliance.

Additionally, an environmental sustainability champion and established cross-functional team implemented the E⁴ Operating System and were responsible for the facility to achieve full compliance with the system. Within each green team is a designated subject matter expert for each of the primary environmental metrics: energy, water and waste.

ENVIRONMENTAL COMPLIANCE

AAM understood that our manufacturing processes and facilities had to be maintained in order to protect the communities in which we operated. The cornerstone of our compliance program was maintaining our certifications to the ISO 14001 standard, which is the international standard for environmental management. Globally, 100% of our qualified manufacturing facilities were ISO 14001 certified, while the remaining facilities operated under our internally audited Environmental Management System. This demonstrated the maturity and effectiveness of the AAM Environmental Management System as well as the commitment of all Associates to protecting the environment.

E⁴ ENVIRONMENTAL OPERATING SYSTEM

To continue to deliver operational excellence, our E⁴ Environmental Operating System was a key module of the AAM Operating System (AOS) that leveraged our global standards, policies and best practices across the environmental disciplines. The E⁴ System created a standard structure for facilities to increase Associate awareness, monitored progress with environmental-related goals, implemented consistent data management and encouraged and incentivized continuous improvement.

The E⁴ System was foundational to AAM's energy, water and waste strategies. Along with critical policies, processes and procedures, E⁴ champions were embedded at each facility to closely monitor environmental activities. Having these local point people in place who had the knowledge of day-to-day operations was imperative to understand the data analysis, potential issues and resolutions. Involving our Associates played a key role in not only reducing our environmental impact, but also encouraging teamwork and bringing new ideas to the forefront.

The E⁴ System was organized around a four-level rating scale. Achievement of progressively higher levels at each of our plants reflected the maturity and effectiveness of the system inside an AAM facility.

▶ LEVEL 1 ◀

Foundational environmental management systems, leadership commitment, and Associate awareness were in place.

▶ LEVEL 2 ◀

Corporate procedures were being followed, metrics were established and data management systems were in place.

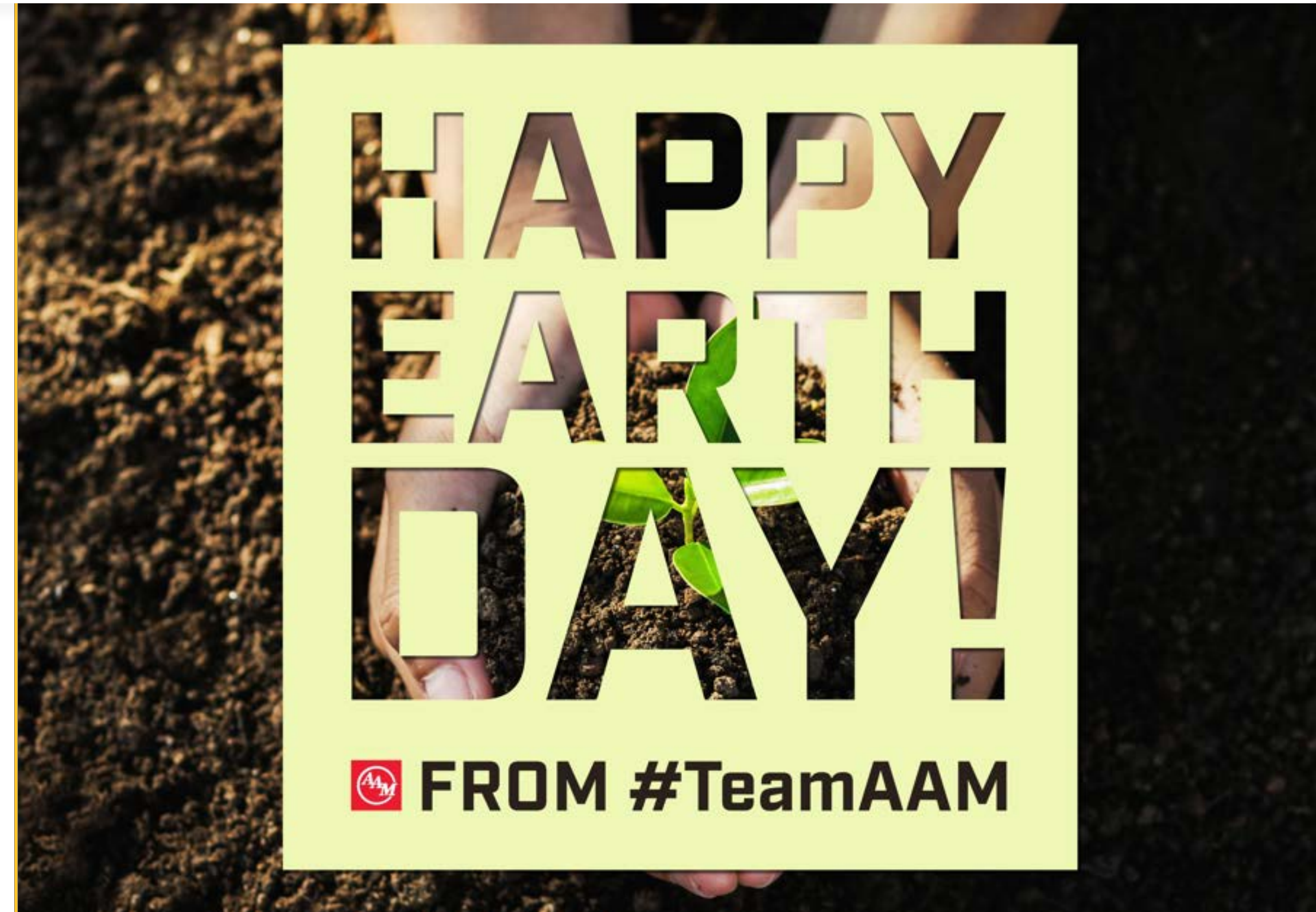
▶ LEVEL 3 ◀

Facility utility systems were designed and maintained to optimize performance.

▶ LEVEL 4 ◀

Performance metrics were being met and the facility was being innovative and proactive in continuous improvement activities.

In 2025, we continued to strengthen the adoption of E⁴ System standards across our operations, with the objective of all facilities achieving or sustaining level-four status. Due to reporting process changes, one location's information was reset and it did not attain level four. Although the goal was not fully met, efforts are ongoing to complete system operationalization.



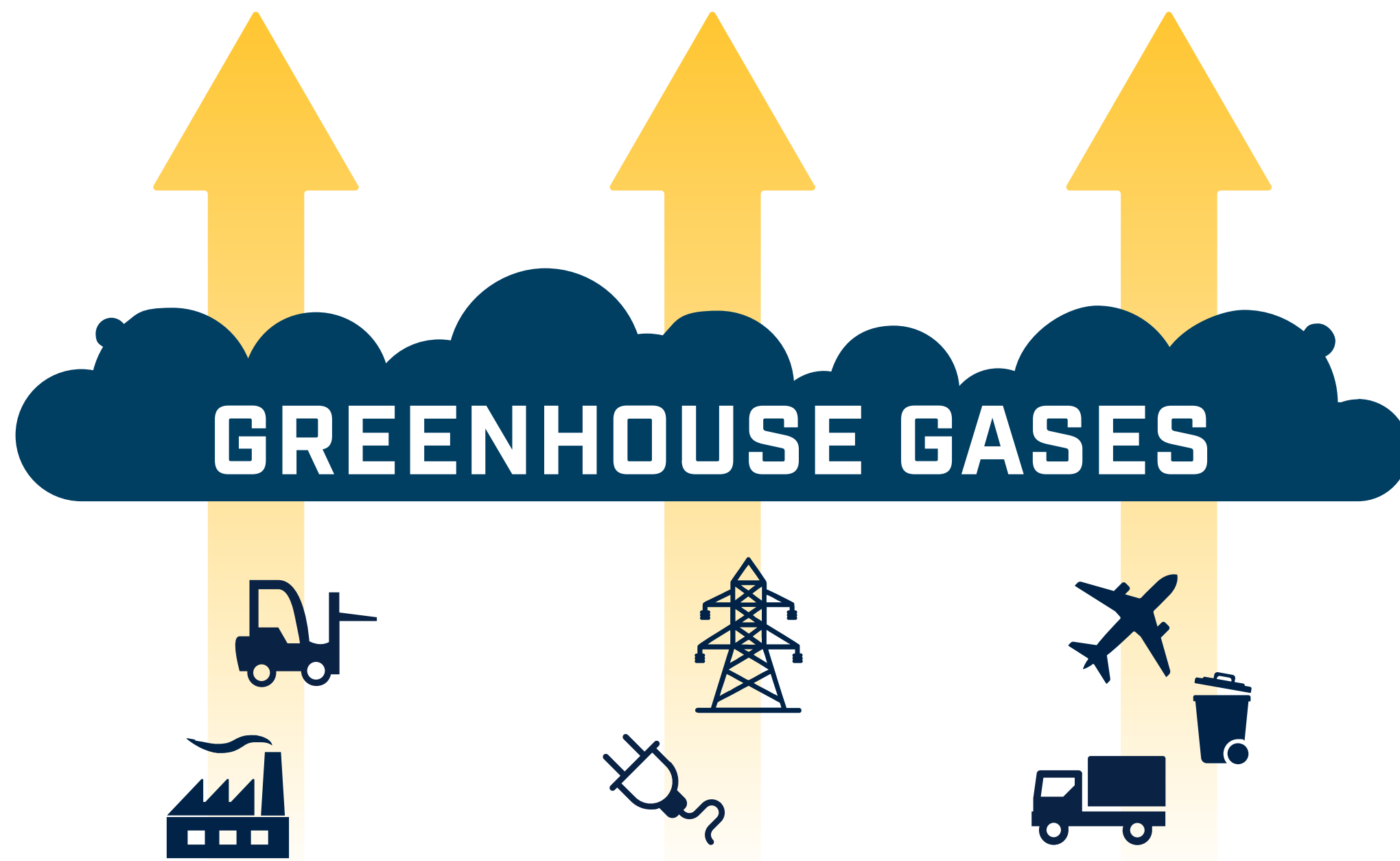
TRAINING

One way we focused on strengthening our culture was by promoting sustainability awareness with our Associates across the globe. Information about our corporate sustainability initiatives was shared at each location to train Associates on how to play an active role in our sustainability efforts.

In 2025, AAM Associates completed nearly 34,000 training hours on environmental topics including weekly touchpoints. General environmental awareness training helped Associates understand environmental metrics used as performance indicators, as well as emergency preparedness, spill plans, chemical management and storm water management.

EMISSIONS AND ENERGY

Greenhouse gas (GHG) emissions are classified into three categories, or scopes. Scope 1, 2 and 3 emissions are released across an organization's entire value chain.



SCOPE 1

Greenhouse gases an organization emits from sources it owns or controls directly. This includes emissions associated with fuel combustion during the production process or the boiler or furnace in one of its corporate offices.

SCOPE 2

Indirect emissions derived from a company's purchase of electricity, steam, heat or cooling. These greenhouse gases are emitted off-site but the manufacturer is still solely responsible.

SCOPE 3

Emissions are from the value chain, both upstream and downstream. For example, the energy used to manufacture the steel that is used to build an axle. Scope 3 also includes emissions such as fumes from vehicles that the company's employees drive to work.

SCOPE 1 AND 2 EMISSIONS AND ENERGY

AAM recognized that GHG emissions contribute to climate change and was committed to reducing its environmental impact by minimizing Scope 1 and Scope 2 GHG emissions. Scope 1 emissions refer to direct emissions from company-owned or controlled sources (e.g., AAM manufacturing facilities), while Scope 2 emissions are indirect emissions from the generation of purchased electricity, steam, heating and cooling. Scope 1 and 2 emissions were directly impacted by AAM's own operations and purchasing decisions.

Through the adoption of advanced technologies, energy-efficient equipment and the optimization of manufacturing processes, the company aimed to significantly lower its carbon footprint while maintaining high-quality production standards.

Our emissions reduction targets were in line with goals set by the international community to limit global temperature rise to 1.5°C. We had a goal of a 5% annual improvement for emissions intensity from a 2020 baseline. Our science-based emissions target for 2025 was 347,201 tCO₂e compared to an actual performance of 264,623 tCO₂e.

YEAR ⁽¹⁾	EMISSIONS tCO ₂ e	SALES \$MUSD	EMISSIONS INTENSITY tCO ₂ e/\$MUSD	% CHANGE	SCOPE 1 tCO ₂ e	SCOPE 2 tCO ₂ e
2020 BASELINE	462,935	4,711 ⁽²⁾	98	—	80,963	381,972
2021	475,782	5,157	92	6.1%	87,033	388,749
2022	437,116	5,802	75	18.5%	93,682	343,434
2023	391,783	6,080	64	14.7%	94,578	297,205
2024	268,169	6,125	44	31.3%	91,346	176,823
2025 ⁽³⁾	264,623	5,837	45	(2.3%)	90,479	174,144

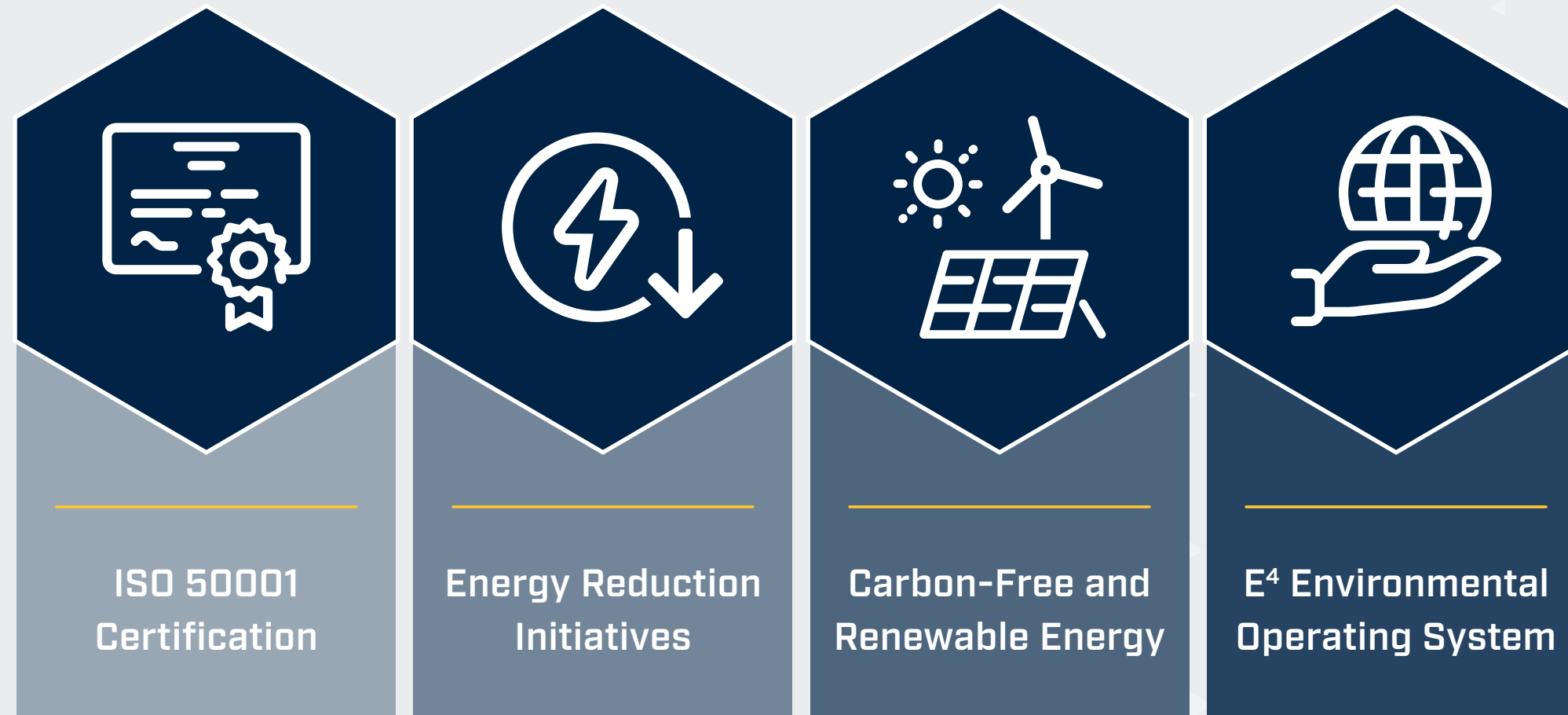
(1) The 2023 amounts in the table include Tekfor and non-manufacturing locations. Our 2022 amounts have been recast to reflect our Tekfor acquisition on June 1, 2022, and also our non-manufacturing locations. Amounts prior to 2022 reflect only our manufacturing locations.

(2) Our emissions baseline for 2020 was independently calculated with the help of a third-party expert and was used in our 2022 SBTi submission. We did not adjust for lost sales or activity due to COVID-19 in our SBTi submission.

(3) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes emissions generated from the sold facilities up until that date.

SCOPE 1 AND 2 EMISSIONS REDUCTION STRATEGY

The emissions generated by our operations were monitored under AAM's energy management strategy. To achieve our emissions reduction targets for Scope 1 and 2, AAM's strategy focused on four main pillars: ISO 50001 certification, energy reduction initiatives in manufacturing, the sourcing of carbon-free and renewable energy, and the E⁴ Environmental Operating System.



PILLAR 1: ISO 50001 CERTIFICATION

Our Energy Management System was certified by ISO 50001 at all qualified locations, giving credibility and priority to our processes and systems. ISO 50001 is an International Standard which specifies requirements for establishing, implementing, maintaining and improving an Energy Management System. Its purpose is to enable an organization to follow a systematic approach in achieving continual improvement of energy performance, including energy efficiency, energy security, energy use and consumption.

PILLAR 2: ENERGY REDUCTION INITIATIVES

AAM closely monitored energy consumption at each of our facilities, ensuring alignment with production and continuously searching for energy reduction opportunities. By reducing energy consumption, AAM reduced emissions at the same time. In 2025, AAM reduced absolute energy consumption from 2024.

YEAR ⁽¹⁾	ENERGY [MMBTU]	SALES \$MUSD	INTENSITY MMBTU/\$MUSD	% CHANGE
2020 BASELINE	5,560,553	5,954 ⁽²⁾	934	—
2021	5,122,186	5,157	993	(6.3%)
2022	5,638,824	5,802	972	2.1%
2023	5,727,780	6,080	942	3.1%
2024	5,589,551	6,125	913	3.1%
2025 ⁽³⁾	5,393,131	5,837	924	(1.2%)

(1) The 2023 amounts in the table include Tekfor and non-manufacturing locations. Our 2022 amounts have been recast to reflect our Tekfor acquisition on June 1, 2022, and also our non-manufacturing locations. Amounts prior to 2022 reflect only our manufacturing locations.
 (2) Our energy baseline is based on 2020 intensity levels and was adjusted to compensate for lost activity in our operations due to disruptions related to COVID-19.
 (3) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes energy consumption from the sold facilities up until that date.



FOCUS ON ENERGY REDUCTION

Across many facilities globally, AAM leverages automated power monitoring and programmable machine controllers to improve energy efficiency. At our Rayong Manufacturing Facility in Thailand, a targeted adjustment to machining programs delivered energy savings after Associates

observed that motor pumps continued running during scheduled shift breaks. By comparing the energy required to restart the equipment with the energy consumed while idling, the team determined that shutting down the machines during breaks was more efficient, resulting in both energy and cost savings.



PILLAR 3: CARBON-FREE AND RENEWABLE ENERGY

AAM recognized it must utilize energy in its operations. With that in mind, sourcing renewable and carbon-free energy through a combination of direct utility purchases (where available) and the purchase of Renewable Energy Certificates (RECs) and Emission-Free Energy Credits (EFECs) was a key strategy in meeting our emissions goals. AAM carefully monitored renewable energy offerings in the regions where we operated and made purchases commensurate with our renewable energy commitments, as well as in alignment with our net-zero emissions targets.

To support our net-zero emissions goals, we had a goal of achieving 100% carbon-free and renewable energy from a global perspective by 2035. In 2025, approximately 68% of our global electricity was purchased directly from carbon-free and renewable sources or offset by the purchase of RECs. As of 2024, 100% of AAM’s energy in the U.S. was carbon-free or renewable.

Achieved 100% Renewable and Carbon-Free Energy in the U.S. in 2024, One Year Ahead of Our 2025 Goal.

YEAR ⁽¹⁾	% RENEWABLE ⁽²⁾ GLOBAL
2021	19%
2022	32%
2023	44%
2024	66%
2025	68%

(1) The 2023 amounts in the table include Tekfor and non-manufacturing locations. Our 2022 amounts have been recast to reflect our Tekfor acquisition on June 1, 2022, and also our non-manufacturing locations. Amounts prior to 2022 reflect only our manufacturing locations.

(2) The sourcing of renewable or carbon-free energy through a combination of direct utility purchases (where available) and the purchase of renewable energy certificates (RECs), presented in a percentage of MWh.



Committed to Sourcing 100% Renewable and Carbon-Free Energy Globally by 2035.

PILLAR 4: E⁴ ENVIRONMENTAL OPERATING SYSTEM

The E⁴ System was pivotal in reinforcing environmental goals throughout our facilities. It drove accountability from each Associate all the way to the plant manager, keeping leadership involved. It supported our energy strategy by focusing on Associate education and continuous improvement projects related to energy management. Each facility had an engagement process that was tailored to fit their workforce and inspire innovative ideas to be generated.

SCOPE 3 EMISSIONS

AAM recognized that emissions were impacted by factors outside its own facilities. Scope 3 was comprised of emissions from throughout our value chain, both upstream and downstream. AAM considered the following categories to be relevant, following the GHG Protocol:



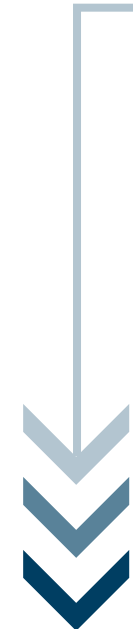
UPSTREAM

- CATEGORY 1** – Purchased goods and services
- CATEGORY 2** – Capital goods
- CATEGORY 3** – Fuel and energy-related emissions
- CATEGORY 4** – Upstream transportation and distribution
- CATEGORY 5** – Waste generated in operations
- CATEGORY 6** – Business travel
- CATEGORY 7** – Employee commuting

Upstream emissions were primarily driven by Purchased Goods and Services (Category 1), associated with the production of goods and services purchased for AAM’s operations. AAM’s strategy for addressing these emissions was centered around responsible supplier sourcing, monitoring and engagement, which is discussed in detail in the Supply Chain section.



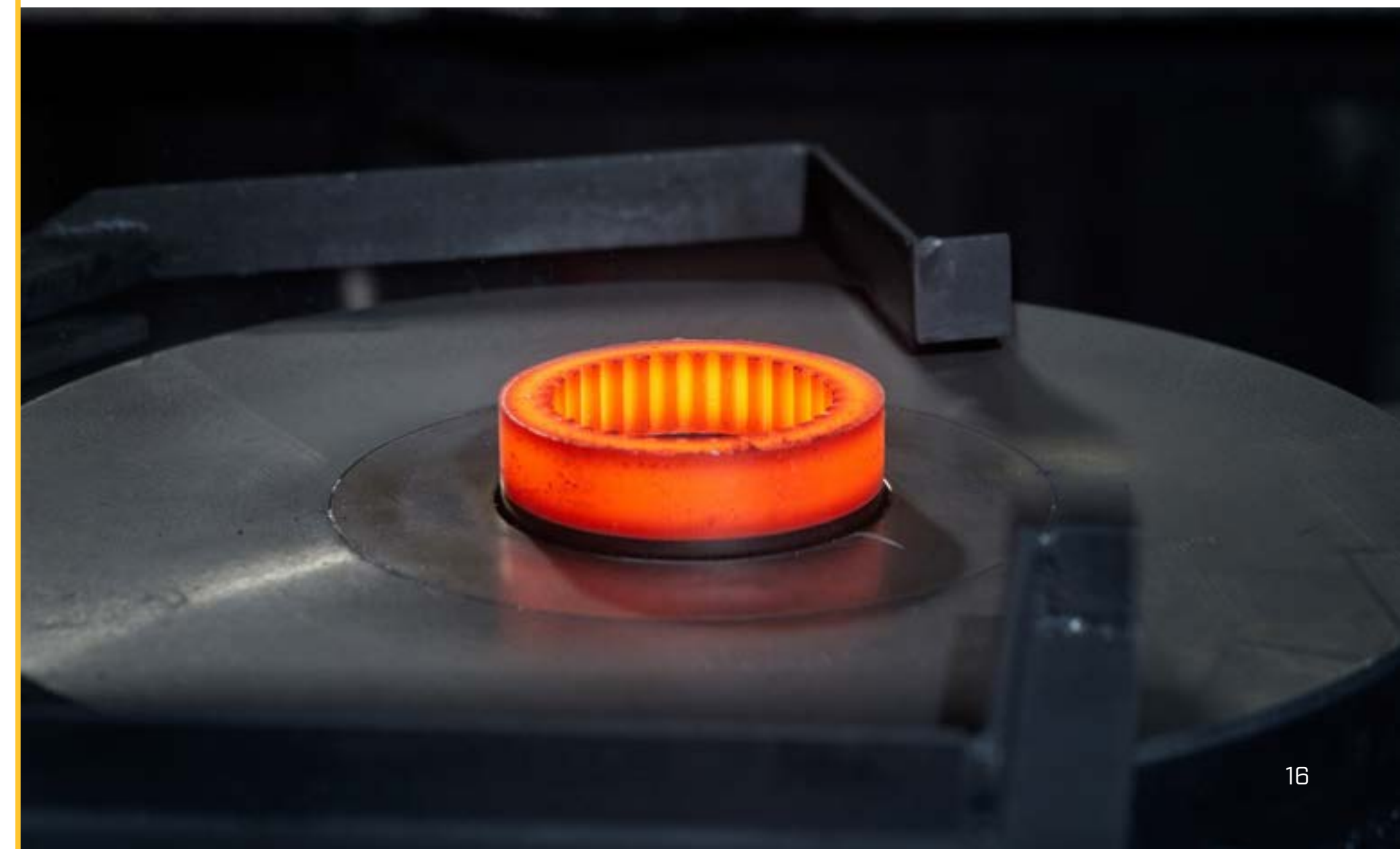
OWN OPERATIONS



DOWNSTREAM

- CATEGORY 9** – Downstream transportation and distribution
- CATEGORY 11** – Use of sold products
- CATEGORY 12** – End-of-life treatment of sold products
- CATEGORY 15** – Investments

Downstream, AAM’s primary contributor was Use of Sold Products (Category 11), emissions generated when AAM’s products were used by consumers or other end-users. Downstream emissions were influenced by market demand, customer expectations and strategies and regulatory requirements. AAM’s Product Stewardship strategy played a role in impacting emissions, which is discussed further in the Product section.



WATER MANAGEMENT

Water management was a critical manufacturing priority since it was an essential resource in many production processes and had a direct impact on both our operational efficiency and environmental sustainability. Efficient water use was not only a matter of reducing costs but also ensuring compliance with increasing regulations and responding to growing concerns over water scarcity. AAM recognized access to safe water for our Associates and in our communities as a basic human right. We were committed to providing and maintaining a safe and healthy workplace, including safe drinking water and sanitation. Facilities were inspected regularly to ensure water, sanitation and hygiene services were fully functional and met requirements.

Similar to our energy management program, AAM’s water management strategy was supported by close monitoring of water withdrawal at each of our facilities throughout the year. Globally, the company withdrew 2,008 megaliters of water in 2025.

Water scarcity was a global issue with the potential to impact our production and the communities where we operated. As a part of AAM’s water management strategy, we conducted an annual analysis utilizing the WRI Aqueduct tool

for all manufacturing facilities. Across our global enterprise, 25 of our facilities, representing 32% of our manufacturing locations, were considered to be exposed to potentially high water risks. They collectively accounted for 31% of AAM’s total water withdrawals.

Corporate environmental procedures under our ISO 14001 Environmental Management System were used to manage the risk of water pollutants. They included identification of environmental aspects and risk ratings for all activities and services at each facility. These ratings were reviewed during the annual environmental compliance audits conducted at each facility and ISO 14001 audits. The environmental compliance audit had comprehensive questions that covered water pollutants and controls used to manage or eliminate water risks. Procedures required plants to follow corporate compliance requirements and, where stricter, all local and governmental standards.

AAM’s water targets focused on zero incidents of water scarcity and water contamination in the watersheds in which we operated. There were no incidents of compliance breaches in any area, and we continued to attain our annual goals of zero incidents of water quality and scarcity issues.

YEAR	WITHDRAWAL ML ⁽¹⁾	SALES \$MUSD	WATER INTENSITY ML/\$MUSD
2025	2,008	5,837	0.34

(1) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes water withdrawn by the sold facilities up until that date.



ADVANCING WATER MANAGEMENT

At our Chakan Manufacturing Facility in India, tracking showed an increase in water withdrawal outside of manufacturing processes. The plant implemented a continuous improvement project by utilizing an existing water tank and repurposing it to collect the water rejected by the reverse osmosis process. After testing confirmed the water met required quality standards, it was reused for non-potable purposes such as gardening and toilet flushing. In addition, a drip irrigation system was installed for landscaped areas to minimize losses. Together, these initiatives reduced water withdrawal and supported responsible water stewardship.



UTILIZING SAFER MATERIALS

As part of its continuous improvement program, our Wooster Manufacturing Facility in the U.S. implemented a new Associate-led initiative to replace a corrosive and hazardous floor cleaner and degreaser with a product that meets U.S. EPA safer choice standards. This change reduced the use of hazardous chemicals on site while maintaining cleaning effectiveness and operational performance. The transition supported a safer work environment for Associates, minimized potential environmental impacts and aligned with our responsible chemical management strategy.

WASTE MANAGEMENT

AAM modeled the values of the United States Environmental Protection Agency’s waste management hierarchy — looking first to reduction, second to recycling, third to recovery and finally to treatment and disposal. AAM leveraged the E⁴ Environmental Operating System to monitor progress with related goals, implement consistent data management and encourage continuous improvement. AAM’s goal was for all manufacturing facilities to achieve Zero Waste-to-Landfill (ZWTL) by 2035.

Waste streams were evaluated and managed at the individual location level, ensuring that the local legal requirements for the transport and disposal of waste were complied with. Facilities measured their waste generation and diversion rates and the information was consolidated to understand AAM as a whole.

In 2025, AAM generated approximately 613,649 tons of waste. Of this waste, 87% was diverted from landfills. Recycled and

reused scrap metal composed 92% of our recycling. As our largest waste stream, scrap metal at our manufacturing facilities was managed by corporate contracts with national and local scrap recycling firms. These companies provided scrap containers and reported on quantities, types of scrap and how each scrap load was recycled.

Reducing hazardous waste was a strategy within the waste management hierarchy. Hazardous waste accounted for approximately 1% of total waste from our facilities. AAM continued to find ways to replace hazardous materials where possible.

Waste management extended from our manufacturing facilities to our business offices. Business waste management followed the same structure. For example, at our world headquarters building, each floor had dedicated areas for Associates to sort their waste. Signs and information helped Associates understand which bin to use.

WASTE MANAGEMENT	2025 ⁽¹⁾
Solid waste generated total (ton)	613,649
Non-hazardous waste recycling (ton)	49,062
Recycled or reused scrap metal (ton)	486,950
Solid waste sent to landfill (ton)	77,637
% of Solid waste diversion	87%

(1) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. While the table above includes waste generated by the sold facilities up until that date, the ZWTL figure reflects the facilities owned as of December 31, 2025.

PROGRESS TO ZERO WASTE-TO-LANDFILL IN OUR MANUFACTURING FACILITIES ⁽¹⁾





SOCIAL

In This Chapter

- ▷ Health and Safety
- ▷ Respect for Human Rights
- ▷ Human Resources
- ▷ Talent Attraction and Retention
- ▷ Workplace Culture



SOCIAL

At AAM, our success stemmed from the dedication, enthusiasm and passion of our Associates. We fostered this success by building a safe, inclusive and supportive environment where every Associate was empowered to contribute and grow. To strengthen and sustain a resilient organization, we committed to attracting, developing, engaging and retaining the most talented and innovative people in the industry.

We also understood that the responsibility to respect human rights goes beyond our own facilities. AAM was dedicated to upholding universal human rights throughout our business and in the communities where we operated.

HEALTH AND SAFETY

Building and maintaining a physically and psychologically safe environment for Associates, suppliers and contractors was a priority at every AAM facility. Our [Safety Policy](#) served as the cornerstone of this commitment, reinforced by procedures and our management structure.

Our behavior-based approach to safety emphasized continuous improvement through internal reviews and monitoring of key performance indicators.

MANAGEMENT STRUCTURE AND COMPLIANCE

The right organizational structure was the key to a strong safety program. To ensure our priorities were shared across the company, safety leadership was embedded in each AAM facility. These leaders assisted with the implementation of safety policies and ensured that all Associates were aware of their role in creating a culture of safety. The Vice President of Facilities and Environmental, Health and Safety (EHS) reported directly to the President and Chief Operating Officer (COO), allowing for direct communication, engagement and accountability. The President and COO, the business unit leaders and plant leadership received daily and weekly injury

updates, along with safety program status indicators. The CEO received significant injury information directly, while the Board of Directors reviewed safety data on a quarterly basis.

Regional EHS managers were charged with making sure all AAM safety programs were properly integrated and aligned with corporate policies, and assisted with incidents and investigations. Together, Regional EHS managers and facility leads identified gaps and corrective actions. Solutions were shared on a bi-weekly basis, along with identifying best practices. In addition, AAM management received weekly performance summaries.

As a part of the local facility management structure, EHS facility leads were tasked with acting on behalf

of AAM, specifically regarding the adherence to established safe work practices, procedures and training requirements. The local leads investigated incidents and conducted internal safety audits. Findings were tracked and analyzed to identify root causes and implement corrective actions.

Throughout the years, AAM's corporate EHS team took steps towards a more robust safety program for our contractors and suppliers. Understanding the safety practices of a company's suppliers was crucial to ensure compliance, minimize risks, and protect both Associates and the business. In 2024, AAM launched a new third-party monitoring tool to help pre-qualify new suppliers and monitor existing ones. In 2025, the tool was fully implemented for new and existing suppliers on a voluntary basis.



S⁴ SAFETY OPERATING SYSTEM

The S⁴ Safety Operating System reinforced our safety culture, and ensured that proper procedures and improvement strategies were in place. The S⁴ System was designed to deliver operational excellence by leveraging our global standards, policies and best practices across all disciplines.

The S⁴ System provided a structured, data-driven approach toward continuous improvement and

encouraged proactive practices. To ensure that the S⁴ System performance targets were being met, we performed an annual corporate assessment that gauged each plant's adherence to AAM's and industry standards.

As a result, many AAM facilities achieved safety milestones. For example, we had 12 facilities that achieved more than 500 days without an incident.

S⁴ LEVEL ATTAINMENT



~148,000

HOURS OF SAFETY TRAINING COMPLETED IN 2025

- ▷ Chemical Safety
- ▷ Accident Response
- ▷ Hazard Identification
- ▷ Office Ergonomics
- ▷ Staying Safe While Traveling

AAM S⁴ LEVEL VS. TOTAL RECORDABLE INCIDENT RATE (TRIR)

Proactive safety management was the ultimate goal of the S⁴ System. Plants that achieved a Level 4 rating showed a maturity in their systems and culture with a bias toward high levels of auditing and hazard elimination. The result was a direct correlation between the S⁴ level and the number of incidents experienced in each facility. The higher the S⁴ level, the fewer injuries those facilities experienced. For 2025, facilities at a Level 3 had a TRIR of 1.40, facilities at a Level 4 had a TRIR of 0.62.

LEVEL 1

Safety system was largely reactive, focused on compliance without any real culture of safety engrained in management or the facility's Associates.

LEVEL 2

Management was committed to safety, but systems, policies and procedures were not mature. Training and specific expectations were emphasized, but performance was not manifesting in sustained metrics.

LEVEL 3

Safety culture within management and all Associates was taking hold. Performance in lagging indicators were trending positively. Individual Associates were trained, knowledgeable and were personally committed to safety.

LEVEL 4

Safety system was fully implemented and mature, resulting in positive and sustainable lagging and leading indicators. Facility safety culture was fully manifesting in proactive and interdependent behaviors to eliminate hazards, promote organizational pride and care for others.

SAFETY PERFORMANCE METRICS

Safety at AAM was a priority and reinforced by our Associate-led proactive culture. Various safety metrics played a vital role in reducing injuries and illnesses. Leading indicators also shed light on the effectiveness of safety and health activities.

YEAR	2021	2022 ⁽¹⁾	2023	2024	2025 ^(2,3)
Total Recordable Incident Rate (TRIR)	0.90	0.95	0.85	0.70	0.65
Frequency Rate	0.32	0.36	0.42	0.37	0.15
Severity Rate	16.18	11.43	15.41	15.02	5.71

Total Recordable Incident Rate (TRIR) is a safety metric used to quantify the number of work-related injuries and illnesses within a given time period. TRIR takes into account both minor incidents that require medical treatment and more severe incidents resulting in lost workdays or restricted duties.

Frequency Rate is a safety metric that quantifies the number of workplace incidents relative to the total number of hours worked. This metric provides insight into how often accidents occur in a specific workplace.

Severity Rate is a safety metric that reflects the magnitude of workplace incidents. It takes into account the number of days lost due to injuries or illnesses and relates it to the total number of hours worked.

(1) Starting in 2022, consolidated results include legacy AAM facilities and former Tekfor facilities (June – December).

(2) 2025 Near Miss Frequency Rate was 3.55.

(3) On July 1, 2025, we completed the sale of AAM India Manufacturing Corporation Pvt., Ltd. The table above includes safety data by the sold facilities up until that date.

RESPECT FOR HUMAN RIGHTS

Our policies and programs related to human rights demonstrated our ongoing commitment to defending the dignity of our Associates, communities and supply chain throughout our global operations. AAM continued to embrace the United Nations Guiding Principles on Business and Human Rights, International Bill of Human Rights, OECD Guidelines for Multinational Enterprises and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.

RIGHTS OF MINORITIES AND INDIGENOUS PEOPLES

AAM respected the rights of local communities to have decent living conditions, education, employment, social activities and the lands on which they live, with consideration for the presence of vulnerable groups.

DIVERSITY AND INCLUSION, HARASSMENT AND DISCRIMINATION

AAM valued and advanced the diversity and inclusion of our Associates. We were committed to providing a work environment that was free from all discrimination or harassment, including that based on age, race, color, sex, religion, marital status, sexual orientation, genetic history or information, gender identity or expression, disability, protected veteran status, national origin, ethnicity or other characteristic protected by law. We were committed to the protection of women’s rights and providing equal opportunities for all Associates. We did not tolerate disrespectful or inappropriate behavior, unfair treatment or retaliation of any kind.

WORKPLACE SECURITY

The safety and protection of our Associates was our greatest concern. AAM took steps to help prevent incidents of violence from occurring in the workplace. Prompt and remedial action was taken against anyone who engaged in any inappropriate and/or unlawful act or behavior.

WORK HOURS, WAGES AND BENEFITS

The work hours, wages and benefits of our Associates were comparable with those paid and offered by other employers in our industry, and in accordance with applicable collective bargaining agreements. AAM monitored these matters throughout the industry and complied with applicable laws.

LAND RIGHTS AND FORCED EVICTION

AAM avoided forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters.

FORCED LABOR AND HUMAN TRAFFICKING

AAM prohibited the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking.

MONITORING AND REPORTING

AAM maintained several mechanisms for reporting potential issues and suspected violations. These included a toll-free business ethics hotline operated by an independent third party, which provided Associates, suppliers, contractors or others with a 24/7, confidential means to report any incidents or concerns by phone or our web-based reporting system. If we became aware of violations among our Associates, supply base or other business partners, we took appropriate action. We maintained strong anti-retaliation policies that prohibited retaliation against any individual who, in good faith, reported a suspected violation.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

AAM respected the cultures and traditions of Indigenous People in each country where we operate. We acted with integrity and in good faith to gain the trust and support of the communities where we operated. We looked to partner with companies and organizations that shared our values and position on human rights.

HEALTH AND SAFETY IN THE WORKPLACE

The health and safety of our Associates was of paramount importance. AAM was committed to providing and maintaining a safe and healthy workplace, including safe drinking water and sanitation, that complied with applicable health and safety laws and regulations. We encouraged Associates to raise any health or safety workplace concerns with management, fostering a climate of openness, responsiveness to, and remediation of health and safety issues.

CHILD LABOR

AAM prohibited the employment of children where the age of employment was not in accordance with applicable laws.

LABOR RELATIONS

We respected our Associates' rights to collective bargaining and freedom of association. None of our decisions or operations limited or conditioned these rights of our Associates. Our Human Rights Policy stated that we respected our Associates' right to form, join, or not to join a labor union without fear of reprisal, intimidation or harassment. Where Associates were represented by a legally recognized union, we were committed to bargaining in good faith with their union representatives.

We went beyond a bargaining relationship with the Unions and Works Councils with whom we interacted. Through the creation of local committees, we partnered with the local representations to jointly monitor and improve upon our Associates' safety conditions, training programs and other workplace practices.

~10,100

HOURLY ASSOCIATES WITH UNION AFFILIATION

~76%

HOURLY ASSOCIATES WITH UNION AFFILIATION

41

UNIONIZED FACILITIES

12

EUROPEAN WORKS COUNCILS

17

LABOR UNIONS

20 LABOR CONTRACT NEGOTIATIONS SUCCESSFULLY COMPLETED WITHOUT DISRUPTION TO OPERATIONS





MUTUAL RESPECT

Our Mutual Respect Statement emphasized AAM's dedication to building positive, collaborative relationships and encouraging open communication within a safe environment. It reinforced valuing others and treating everyone with dignity and respect.

The AAM Mutual Respect Statement continued to be positioned as a priority in our daily activities, setting the tone at the beginning of meetings with our internal and external stakeholders. Its impact expanded beyond meetings, gaining presence and relevance in our daily operations, with messaging integrated into our floor operation boards at some facilities. We were convinced that this ongoing focus helped create a more positive and productive environment for our Associates, customers and suppliers.

Our Mutual Respect Statement was translated for all global Associates and formed the cornerstone of AAM's commitment to our diverse workforce.



AAM ၏ အပင်းအလွန်လေးစားမှု ဆိုင်ရာ ထုတ်ပြန်ချက်

AAM တွင် ကျွန်ုပ်တို့သည် ကျွန်ုပ်တို့၏အသင်းသားများ၊ အခြားအဖွဲ့အစည်းများနှင့် အပင်္ဂါဘဝဆောင်ရွက်သူများ ပူးပေါင်းဆောင်ရွက်သော ဆက်ဆံရေးများရှိခြင်းကို တန်ဖိုးထားပါသည်။ #TeamAAM ၏အဖွဲ့ဝင်များအနေဖြင့် ဘေးကင်းသော၊ လေးစားမှုရှိသော၊ နှေးထွေးပျာ့လှသော ပတ်ဝန်းကျင်ကို သေချာပေါက်ရံရလေ့ရှိ တစ်ဖွဲ့တည်းသောအကူပြုချက်များကို နားထောင်ပေးကာ တန်ဖိုးထားပေးရန် တာဝန်ရှိပါသည်။

DÉCLARATION DE RESPECT MUTUEL D'AAM

Chez AAM, nous apprécions les relations positives et coopératives avec nos collègues et autres intervenants clés. Chaque membre de la #TeamAAM a la responsabilité de garantir un environnement sûr, respectueux et accueillant où chaque voix unique est entendue et valorisée.

AAM “相互尊重”声明

在 AAM，我们重视与团队成员和其他关键利益相关者建立积极的协作关系。#TeamAAM 的每位成员都有责任共建一个安全无忧、相互尊重和友好舒适的环境，让每个独特的声音都得到倾听和重视。

PROHLÁŠENÍ SPOLEČNOSTI AAM O VZÁJEMNÉ ÚCTĚ

V AAM si vážíme pozitivních vztahů založených na vzájemné úctě mezi členy týmu i dalšími zainteresovanými stranami. Každý člen týmu AAM má povinnost utvářet bezpečné a přívětivé prostředí založené na respektu, kde je každý jedinečný hlas vyslyšen a oceňován.

MUTUAL RESPECT STATEMENT

At AAM, we value positive and collaborative relationships with our teammates and other key stakeholders. Each member of #TeamAAM is responsible for ensuring a safe, respectful and welcoming environment where every unique voice is heard and valued.

DECLARACIÓ DE RESPECTE MUTU D'AAM

A AAM, valorem les relacions positives i col·laboratives amb els nostres companys d'equip i altres grups d'interès clau. Cada membre de #TeamAAM és responsable de garantir un entorn segur, respectuós i acollidor, en el qual s'escoltin i es valorin totes les veus.

ERKLÄRUNG VON AAM ZU GEGENSEITIGEM RESPEKT

Bei AAM legen wir Wert auf ein positives und kollaboratives Miteinander unserer Kolleg:innen und Stakeholder:innen. Jede Person im #TeamAAM ist dafür verantwortlich, eine sichere, respektvolle und offene Umgebung zu schaffen, in der jede individuelle Stimme gehört und geschätzt wird.

AAM का पारस्परिक सम्मान वक्तव्य

"AAM में, हम अपने साथियों और अन्य प्रमुख हतिधारकों के साथ सकारात्मक और सहयोगी संबंधों को महत्व देते हैं। #TeamAAM का प्रत्येक सदस्य एक सुरक्षित, सम्मानजनक और स्वागत योग्य वातावरण सुनिश्चित करने के लिए ज़िम्मेदार है जहाँ हर अन्तरी आवाज को सुना और सराहा जाता है।

AAM COV NQE LUS QHIA KEV SIB HWM

Nyob rau ntawm AAM, peb saib txoj kev sib raug zoo thiab kev sib koom tes ua qhov tseem ceeb nrog peb cov npoj yaig thiab lwv tus neeg muaj feem cuam tshuam. Txhua tus tswv cuab ntawm #TeamAAM ua lub luag haujlwm los ua kom muaj xwm ib puag ncig muaj kev nyab xeeb, muaj kev sib hwm thiab bxaib tos uas txhua lub suab tshwj xeeb raug hnov thiab muaj nuj nqis.

AAMの相互尊重声明

AAMではチームメートやその他の主要利害関係者との前向きで協力的な関係を大事にしています。#チームAAMの各メンバーは、個々の意見をすべて聞き大切に、安全で礼儀正しく心地よい環境を確保する責任があります。

AAM 상호 존중 선언문

AAM의 임직원인 우리는 팀원 및 기타 주요 이해 관계자와의 긍정적이고 협력적인 관계를 중요하게 생각합니다. #TeamAAM은 각 구성원의 의견을 경청하고 가치 있게 여기며 안전하고 서로 존중하며 환영하는 환경을 보장할 책임이 있습니다.

AAM' चे परस्पर आदराचे वधिन

AAM मध्ये, आम्ही आमच्या टीममेट आणि इतर प्रमुख भागधारकांसोबत सकारात्मक आणि सहयोगी नातेसंबंधांना महत्त्व देतो. #TeamAAM चा प्रत्येक सदस्य सुरक्षित, आदरणीय आणि स्वागतार्ह वातावरणाची खात्री करण्यासाठी जबाबदार आहे जिथे प्रत्येक वेगळा आवाज ऐकला जातो आणि त्याला मोल दिले जाते.

OŚWIADCZENIE O WZAJEMNYM SZACUNKU W AAM

W AAM cenimy sobie pozytywne i oparte na współpracy relacje z pracownikami i innymi kluczowymi partnerami. Każdy członek #TeamAAM ma obowiązek zapewnić bezpieczne, oparte na szacunku i przyjazne środowisko pracy, w którym głos każdego pracownika będzie wysłuchany i doceniony.

DECLARAÇÃO DE RESPEITO MÚTUO DA AAM

Na AAM, valorizamos relacionamentos positivos e colaborativos com nossos colegas de equipe e outras partes interessadas importantes. Cada membro da #TeamAAM é responsável por garantir um ambiente seguro, respeitoso e acolhedor, onde cada voz única é ouvida e valorizada.

DECLARAÇÃO DE RESPEITO MÚTUO DA AAM

Na AAM, valorizamos relacionamentos positivos e colaborativos com nossos colegas de equipe e outras partes interessadas importantes. Cada membro da #TeamAAM é responsável por garantir um ambiente seguro, respeitoso e acolhedor, onde cada voz única é ouvida e valorizada.

DECLARA IA PRIVIND RESPECTUL RECIPROC

La AAM, apreciem relațiile pozitive și de colaborare cu colegii noștri de echipă și cu alte părți interesate importante. Fiecare membru al #TeamAAM este responsabil pentru asigurarea unui mediu sigur, respectuos și primitiv, în care fiecare voce unică este ascultată și prețuită.

DECLARACIÓN DE RESPETO MUTUO DE AAM

En AAM, valoramos las relaciones positivas y de colaboración con nuestros compañeros de equipo y otros grupos de interés clave. Cada miembro del #TeamAAM es responsable de garantizar un entorno seguro, respetuoso y agradable donde cada voz única es escuchada y valorada.

AAM-ன் பரஸ்பர மரியாதை அறிக்கை

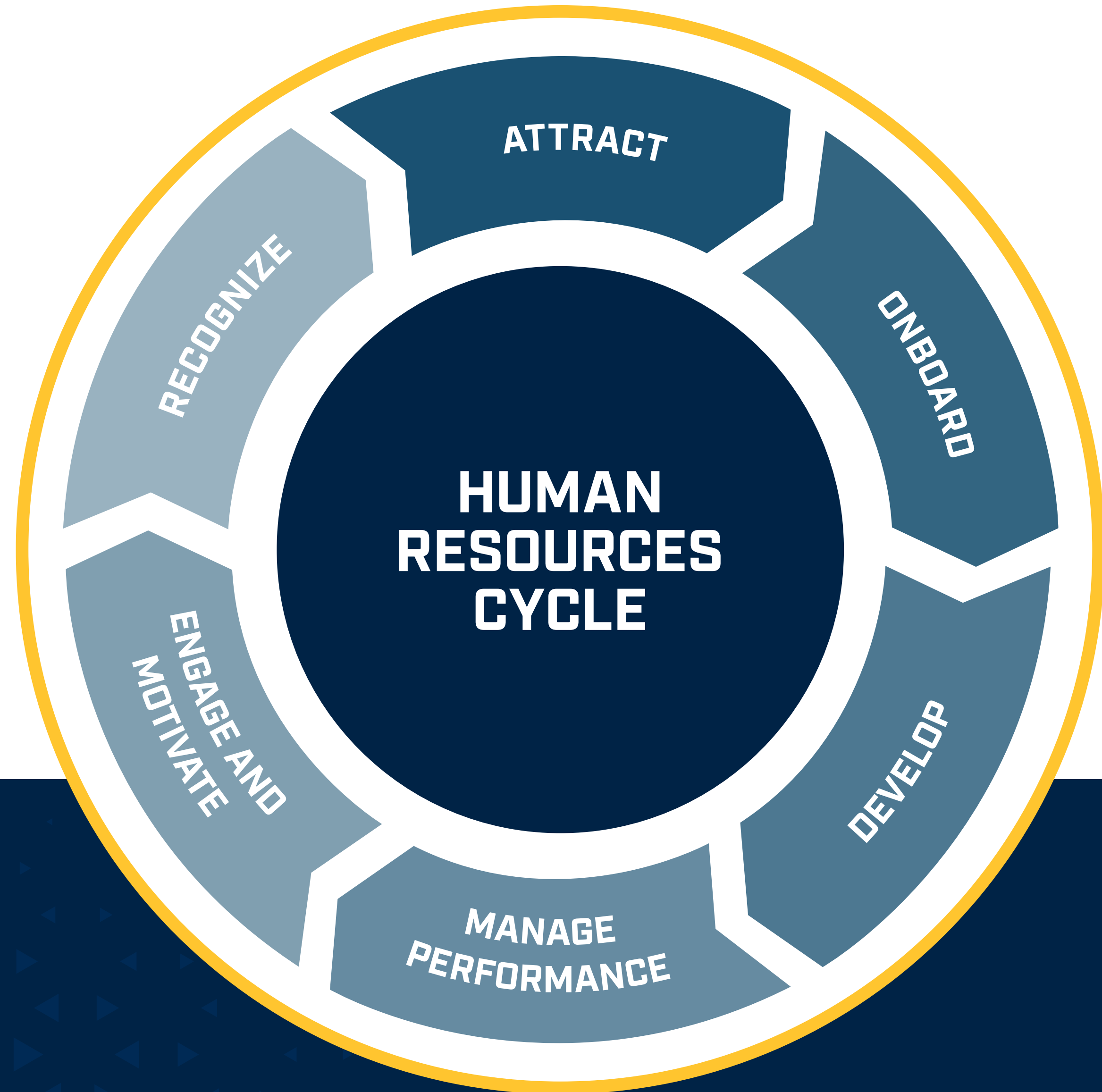
AAM-ல், எங்கள் கழுவீனரர் மற்றும் பிற மூக்கிய பங்குதாரர்கள் உடனான ஆக்சுபுரீ வமான மற்றும் ஓரங்க்கிணைந் தஉறவுகளை நாங்க்கள் மதிக் கிறோம். ஒவ்வொருவரின் தனிப்பட்ட கருத்தும் கடைக்கப்பலும் மற்றும் அதற்கு மதிப்பளிக்குப்பலும் வகையிலான, ஒரு பாதுகாப்பான, மரியாதைக்குரிய மற்றும் வரவேற்கும்படியான சூழலான உறுதி செய்வதற்கு #டீம் AAM-ன் ஒவ்வொரு உறுப்பினராகும் பற்றாப்பள்ளது.

คำประกาศว่าด้วยการเคารพซึ่งกันและกันของ AAM

ที่ AAM เราให้ความสำคัญกับความสัมพันธ์เชิงบวกและการทำงานร่วมกับทีมเพื่อนร่วมทีมและผู้มีส่วนเกี่ยวข้องหลักอื่นๆ สมาชิกแต่ละคนของ #TeamAAM มีหน้าที่รับผิดชอบในการสร้างความมั่นใจในสภาพแวดล้อมที่ปลอดภัย ให้เกียรติ และเปี่ยมใจ โดยที่ทุกเสียงที่มีเอกลักษณ์จะได้ยินการรับฟังและให้คุณค่า

HUMAN RESOURCES

At AAM, our Human Resources responsibilities were managed by the Vice President of Human Resources, who reported directly to the CEO. The HR organization provided guidance and support across a variety of areas such as Talent Management, Inclusion, Labor Relations, Compliance, Benefits and Compensation and Human Resources Information Systems. Along with the Corporate HR Associates who managed global programs and processes, regional HR teams were responsible for supporting daily operations, along with local requirements and processes such as monitoring compliance with applicable labor regulations. Every AAM location had an HR professional who worked with the facility staff to drive accountability in our processes and systems.





TALENT ATTRACTION AND RETENTION

Over the years, attracting and retaining Associates was vital to our growth and success. When participating in career fairs and recruitment events, our goal was to connect with individuals who were not only a great fit for our team but also committed to growing with us long term. Achieving this required a clear, focused strategy to effectively develop, support and engage our Associates throughout their careers.

Associates' experiences began with an onboarding plan that immersed our Associates in the AAM environment, provided the necessary training, helped build internal networks and aligned individuals' goals to those of our Company. Along with providing training that started on their first day, newly hired Salaried Associates were partnered with a buddy to assist with the cultural and operational connection between the new Associates and our Company.

~60

LUNCH WITH LEADERS SESSIONS

730+

EXECUTIVE SKIP LEVEL MEETINGS





FEEDBACK AND ENGAGEMENT

We recognized the positive influence that open communication with our Associates could have on our culture. That was why we encouraged feedback through various channels. This approach created opportunities for Associates to share questions, ideas and concerns, as well as learn more about their colleagues, leadership, our Company and strategy.

We knew that successful engagement and feedback were not once-a-year initiatives. We proactively connected with our Associates through programs such as our Lunch with Leaders and our expanded Executive Skip Level Meetings. These small group and one-on-one opportunities provided Associates a chance to share their thoughts and experiences with others outside of their day-to-day interactions. The engagements also allowed Associates to learn what was happening within the company or across departments – from positive and challenging perspectives.

In 2025, our sites advanced the action plans in response to the 2024 Engagement Survey. Each AAM location received customized reports outlining comparative scores and comment summaries to guide targeted improvement efforts. Sites identified three to five tailored initiatives based on their specific results, ensuring meaningful follow-through on Associate feedback.

AAM also launched refreshed onboarding experience surveys at the one-week and 60-day marks to ensure that new Associates received the support they needed.

PERFORMANCE MANAGEMENT AND REVIEW PROCESS

At AAM, we had a robust global performance management and review process. The goal was to help Associates grow in their role, drive meaningful development conversations and ensure strong results were being accomplished. At the start of each year, Salaried Associates identified their personal goals that connected to AAM’s larger goals which were shared by our CEO. To encourage feedback and alignment, managers and Associates conducted development and performance check-ins throughout the year to confirm they were progressing as expected. Toward the end of the year, Associates completed self-reviews which were followed by manager evaluations and a feedback discussion.

AAM aimed to build leaders by following a continual talent planning process that connected organizational needs with the aspirations and goals of our Associates.

The process began with Associates completing talent profiles regarding their career interests and skills. Managers shared their feedback in an assessment activity and a succession plan review was conducted across the organization. These reviews occurred across business units to ensure leaders were exposed to diverse talent, driving consistency and aligning development actions with potential future opportunities and experiences. By taking this approach, we established strong succession plans, created development strategies for Associates and promoted the visibility of diverse talent.

ASSOCIATE RECOGNITION

We recognized the commitment of our Associates to AAM's success. To celebrate and acknowledge their contributions, we implemented both formal and informal recognition programs. Some programs were connected to specific milestones or contributions such as years of service and significant project completion. In addition, we encouraged informal ways of recognizing each other such as in-person appreciation or using our #TeamAAM Shout Out program. This program, which was hosted on our intranet, provided Associates with the opportunity to submit recognition for fellow colleagues around the world who excelled in their roles and went above and beyond. It was a way to acknowledge their hard work, dedication and accomplishments in a fun and interactive way.

Along with individual recognition, we hosted several Associate appreciation events globally. Some events included the Associates' families, as we valued the support of those connected with our Associates.



RECOGNIZING FEMALE ASSOCIATES

Associates attended an event recognizing women's contributions across the region through networking, inspiration and professional development.



SUPPORTING SAFETY

Associates were recognized for demonstrating their strong commitment to workplace safety.



CELEBRATING QUALITY EFFORTS

Associates were recognized for their commitment to quality, celebrating achievements that reflect their dedication to high standards and continuous improvement.



FAMILY DAY CELEBRATION

Family Day at La Caldera Water Park in Guanajuato was enjoyed by Associates and their families where they had a day of celebration and relaxation.

BENEFITS AND MORE

LEVEL UP



POWER UP

#TeamAAM



AAM360

AAM360 was a comprehensive program designed to support our Associates' experience and reinforce AAM's talent strategy. Its four components provided the tools and resources for our Associates to develop both personally and professionally:

- ▶ **Benefits and More:** included compensation and a variety of AAM-sponsored benefits, such as healthcare, dental, life insurance, etc.
- ▶ **POWER Up:** encompassed health and wellness programs
- ▶ **LEVEL Up:** focused on development and learning activities
- ▶ **#TeamAAM:** involved opportunities for community engagement and team building



BENEFITS AND COMPENSATION

We recognized that a key component of our strategy for attracting, retaining and developing our Associates was connected to our compensation and benefit plans. We valued the continued contributions of our Associates and remained committed to keeping our programs competitive, supporting our business goals while aligning with the interests of our stakeholders.

An annual compensation and benefits review against industry peers was a strategic priority. We performed this initiative at each location through local or regional market data to ensure alignment or make adjustments to address gaps, where needed. To support our Associates across the globe, we offered a variety of benefits depending on their geographic location, with the goal to be competitive in all our local markets. For example, Hinge Health is a comprehensive digital exercise therapy program for joint pain. It focuses on areas such as preventive, acute, chronic and surgery evaluation of back and joint health.

OUR HINGE HEALTH PROGRAM INCLUDED:

- ▶ Easy, physical therapy sessions that could be done virtually anywhere, anytime.
- ▶ Sessions to reduce pain and increase strength and mobility.
- ▶ Wearable sensors that provided motion-tracking technology and feedback on exercise form.

Professional support such as:

- ▶ Physical Therapists focused on physical recovery.
- ▶ Health Coaches who were catalysts for behavior change.
- ▶ Physicians and orthopedic surgeons who provided expert medical opinion regarding surgery options.



WELLBEING

With the overall wellbeing of our Associates being a top priority for us worldwide, AAM provided a comprehensive benefits package that supported four main pillars: physical, emotional, financial and social. Through our POWER Up program, these pillars focused on promoting a safe, healthy and fulfilling lifestyle. Each year, AAM evaluated its benefits program globally to ensure all Associates received the necessary support to maintain their overall wellness in these areas.

PHYSICAL WELLBEING:

To "thrive" physically meant to understand and manage one's health, navigating through and recovering from an illness or injury and taking appropriate preventative actions.



AAM PROGRAMS THAT SUPPORTED PHYSICAL WELLBEING:

- ▶ Annual Physicals
- ▶ Preventative Screenings/Immunizations
- ▶ Livongo Diabetes Prevention and Management
- ▶ Livongo for Hypertension
- ▶ Tobacco Coaching
- ▶ Hinge Health
- ▶ Progyny Fertility Benefits

EMOTIONAL WELLBEING:

Being emotionally "balanced" meant being self-aware, maintaining good mental health, being resilient, coping with emotional triggers and dealing with a life crisis.



AAM PROGRAMS THAT SUPPORTED EMOTIONAL WELLBEING:

- ▶ Employee Assistance Program (EAP)
- ▶ Behavioral Health Network (in-person, virtual/digital)
- ▶ Stress Management and Meditation Programs
- ▶ Parental Leave Policy

FINANCIAL WELLBEING:

Achieving the state of being financially "secure" meant having the financial ability to manage commitments, protect against risks, save for contingencies or future needs and cope with financial shock.



AAM PROGRAMS THAT SUPPORTED FINANCIAL WELLBEING:

- ▶ Retirement Readiness
- ▶ Debt Management
- ▶ Financial Education and Planning
- ▶ Lifestyle Account

SOCIAL WELLBEING:

Being "connected" was interacting well with others by accepting diversity, being inclusive, knowing how to collaborate with others, successfully resolving conflicts and adapting to change.



AAM PROGRAMS THAT SUPPORTED SOCIAL WELLBEING:

- ▶ Corporate and Social Responsibility
- ▶ Community Service
- ▶ Associate Resource Groups



IN 2025, WE HELD OVER

~609,000

HOURS OF TRAINING FOR OUR ASSOCIATES, WHICH INCLUDED TOPICS IN AREAS SUCH AS:

- ▷ Discrimination and harassment
- ▷ Environmental, health and safety
- ▷ Ethics and compliance
- ▷ Leadership and other soft skills
- ▷ Quality
- ▷ Technical or skill-related training

Our LEVEL Up program encompassed all our operations and business offices across the globe. Five key areas of development included Hourly, Early Career, Inclusion, Mentorship and Leadership.



CAREER AND DEVELOPMENT

Engaging and developing our Associates equipped them to face current and future challenges. Our LEVEL Up program fostered a culture of learning and growth, supporting our Associates in reaching their full potential at every stage of their career. For example:

- ▷ For newly hired and new assignment positions, the supervisor and Associate jointly identified areas for development based on key elements of the job.
- ▷ As new technology affected an Associate’s job responsibilities, development opportunities were identified by the supervisor and recommendations were made by the Talent Management team regarding related learning initiatives.
- ▷ Leadership development programs were discussed between the supervisor and Talent Management to support the progression of our Associates.
- ▷ To help our Associates identify their own areas of growth, Salaried Associates had Personalized Development Plans.

As a part of AAM’s ongoing development planning, assessment and evaluation procedures, we used a four-level process to determine the quality of learning offerings and the effectiveness of the training:

- ▷ Associate feedback on the overall experience.
- ▷ Pre/post testing where available and appropriate.
- ▷ Transfer of knowledge based on training matrix progression and supervisor feedback when appropriate.
- ▷ Implementation of projects when applicable, based on operational and financial data analysis.

Results of the evaluations could lead to corrective actions, such as course revisions, if needed.



HOURLY ASSOCIATE DEVELOPMENT

These programs were designed to support our Hourly Associates in enhancing their technical skills, specializing in specific areas or technologies, and providing the resources needed to advance in their careers. We were committed to the development of our hourly workforce, helping them prepare for new challenges and growth opportunities within the organization through initiatives that strengthened their technical expertise.

EXAMPLES INCLUDE:

- ▶ **Hourly Progression:** This program focused on the growth of our Associates' experience and skills to remain competitive while also providing them the necessary training on safety, quality and other technical competencies.
- ▶ **Operator and Technician Certification:** Associates received the required, specialized training that was needed to support the specific type of equipment and technology installed at their facilities. The training supported their areas of operation, along with opportunities to assist them in advancing their careers.
- ▶ **Team Leader Development:** This program prepared Associates to supervise the hourly workforce, including managerial skills and process knowledge for both labor and production requirements. This allowed them to meet daily schedules, oversee process and quality controls, monitor performance and provide feedback.

LEADERSHIP DEVELOPMENT

These initiatives were designed to foster the growth of our Salaried and Executive Associates, challenging them to enhance their thinking, planning, decision-making and both soft and technical skills.

EXAMPLES INCLUDE:

- ▶ **Problem-Solving Cultural Excellence:** AAM utilized the Shainin problem-solving approach that combined engineering insight with statistical thinking throughout our global enterprise and developed an apprentice course.
- ▶ **Leadership Development Program:** Introduced in 2025, this program was designed for high-potential managers and seasoned senior managers, offering comprehensive and targeted leadership development.
- ▶ **Plant Manager Development:** Our Plant Manager Development Program included an assessment process, feedback, networking and action learning projects.
- ▶ **Executive Development:** Our Executive Development Program assessed key senior-level Associates on the skills and behaviors needed to be a successful executive at AAM and provided coaching and development opportunities.





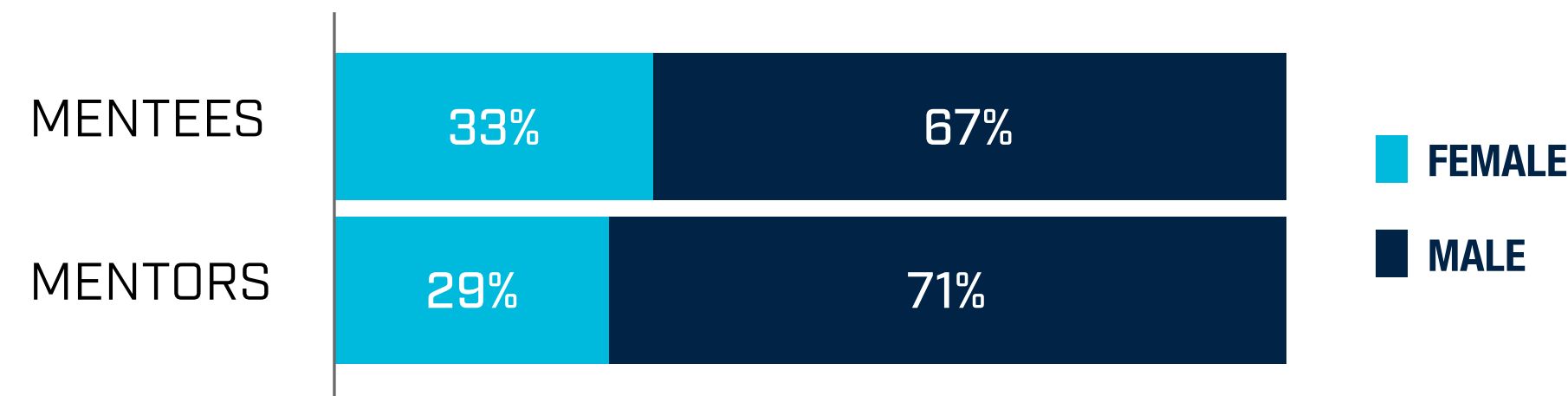
MENTORSHIP

These opportunities were designed to support professional growth, allowing our Associates to develop global cross-functional relationships with leaders. They also offered valuable feedback and guidance on performance, projects, career advancement and innovation.

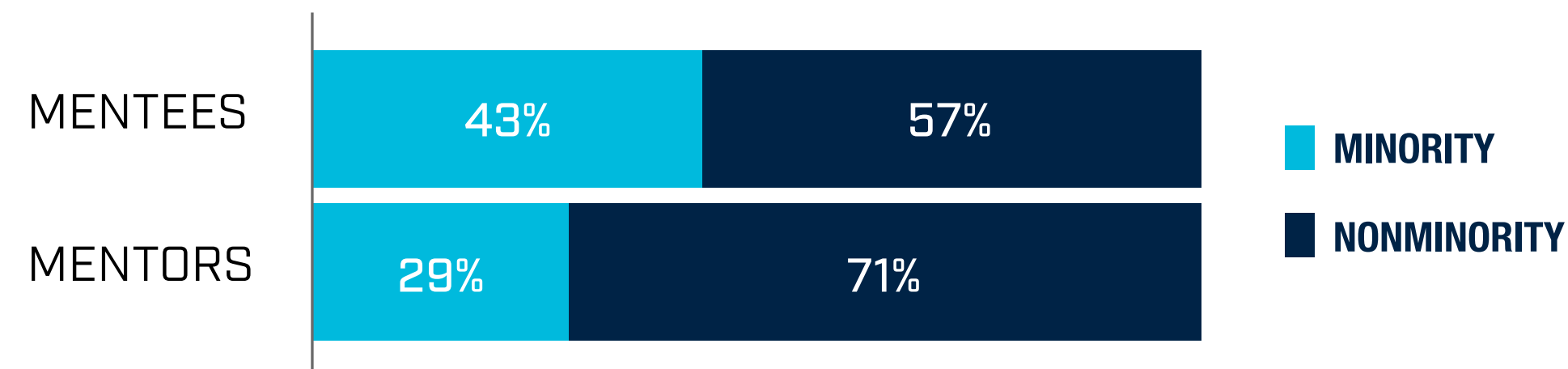
EXAMPLES INCLUDE:

- ▶ **Buddy Program:** An existing Salaried Associate provided guidance and support to newly hired talent during the onboarding process. As the needs of our company and industry shifted, we continued to expand our professional development and mentorship opportunities.
- ▶ **Global Mentor Program:** In 2025, AAM introduced new skill-matching capabilities aligned with AAM values to strengthen the quality of mentor–mentee pairings. The AAM Global Mentor Program continued to thrive in 2025, with approximately 80 pairings across the globe. We focused on increasing the diversity of mentors to encourage the participation of mentees from underrepresented groups.

GLOBAL GENDER PARTICIPATION



U.S. RACE AND ETHNICITY PARTICIPATION



EARLY CAREER AND INCLUSION DEVELOPMENT

At AAM, our Early Career and Inclusion Development offerings were designed to cultivate the next generation of talent and foster a culture of inclusion. Through our Early Career Development initiatives, we supported Summer Interns and Co-Op Associates in building the skills, knowledge and experience needed for long-term success, while strengthening partnerships with over 60 global universities and organizations to attract and retain top talent. Complementing this, our Inclusion Development offerings equipped Associates with the awareness and tools to integrate Diversity, Equity and Inclusion into their daily interactions — promoting a positive workplace culture and sustaining an environment where all individuals could thrive.

#TeamAAM

COMMUNITY ENGAGEMENT

At AAM, our Associates' commitment to community engagement shined through in #TeamAAM. Through both financial contributions and volunteer efforts, our initiatives made a meaningful global impact in the communities where we worked and lived. We took pride in supporting organizations dedicated to families, youth, education, well-being and social equality.

We further reinforced our commitment to community involvement by offering AAM Salaried Associates 16 paid hours each year to volunteer during the workday, allowing them to contribute to community events without using personal time. Additionally, Associates were able to financially support these initiatives through AAM's Executive Charitable Program.

In 2025, #TeamAAM volunteered approximately 6,800 hours worldwide and contributed over \$1.2 million (USD) to more than 80 organizations, making a positive impact in our communities. Beyond volunteering and financial donations, Associates actively engaged in local communities through charity runs, team sponsorships, resource drives, blood drives, and recognition events — demonstrating AAM's ongoing commitment to creating lasting, positive change wherever we live and work.



BOYS & GIRLS CLUBS OF SOUTHEASTERN MICHIGAN



BOY SCOUTS OF AMERICA

MICHIGAN CROSSROADS COUNCIL

girl scouts of southeastern michigan



Teach For JAPAN



SNDIF SISTEMA NACIONAL PARA EL DESARROLLO INTEGRAL DE LA FAMILIA



2025 COMMUNITY STORIES



VOLUNTEERING AND CELEBRATING GRANDPARENTS' DAY

#TeamAAM in Mexico celebrated Grandparents' Day by collecting donations, volunteering time and preparing essential care bags for elders in need. In partnership with Fundación Comunitaria del Bajío, Associates packed care bags with food and necessities for grandparents across three communities near AAM's Las Colinas Manufacturing Facility.



PROMOTING BONE MARROW AWARENESS AND DONATIONS

#TeamAAM at AAM's Jundiaí Manufacturing Facility in Brazil supported a bone marrow donation drive organized by the Bollhoff Bone Marrow Institute. Associates joined the effort to donate and raise awareness about the life-saving impact of bone marrow donations.



HOSTING DONATION DRIVE FOR SINGLE-PARENT FAMILIES

Associates from AAM's Ivančice, Oslavany and Zbysov Manufacturing Facilities in Czechia organized a donation drive to support the Single Mothers' Club, a nonprofit organization serving low-income single parent families. Associates and their children collected essential items, including food, clothing, hygiene products, toys and household appliances. #TeamAAM personally delivered the donations to families ahead of International Family Day, making a meaningful impact on the community.



SUPPORTING LOCAL CHILDREN'S CHARITIES THROUGH GAMES AND TEAMWORK

AAM's Barcelona Manufacturing Facility participated in the Intercompany Games, a business Olympiad-style event promoting teamwork, healthy living, and community support. Participants competed in various activities to support two local organizations: The Cromo Suma Foundation and the Social Action for Children Foundation. The event strengthened team bonds while making a positive impact on children and families in the community.

WORKPLACE CULTURE

AAM's success was founded on the expertise, skills and experience of our Associates. We remained committed to a culture of quality, operational excellence and technology leadership, striving to provide our Associates with meaningful opportunities at every stage of their careers – from onboarding to retirement.

The role of inclusion was integral to AAM and was embedded in our actions, shaping who we were and how we did business. Our Culture and Inclusion Statement served as the foundation of our commitment to building a diverse workforce.

LEADERSHIP COMMITMENT

The significance of our culture was evident through the continuous dedication of AAM's Senior Executive Leadership team and the supervision by our Board of Directors. Their proactive involvement and high standards established the tone from the top.

Along with our leadership commitment and Board oversight, AAM had an Executive who oversaw the global engagement strategy, Associate Resource Group coordination and served as a liaison to our external partners.

INCLUSION STEERING COMMITTEE

Our Inclusion Steering Committee played a crucial role in developing company initiatives and providing Associate recommendations on relevant topics. The Committee was composed of Associates from across the company who were dedicated to advancing our inclusive culture, and acted as inclusion ambassadors and change agents. To provide a connection, AAM's Senior Executive Team, the Executive Vice President and Chief Financial Officer and the Senior Vice President of HR and Sustainability, served as executive champions for this Committee. The Committee met throughout the year and monitored and reported on pertinent activities and progress.

AAM also expanded our Steering Committee structure to include voluntary participation in other regions and countries. As a result, our Associates in Mexico, Brazil, Asia, along with Europe starting in 2025, established their own Steering Committees to promote and develop initiatives in their regions.



CULTURE AND INCLUSION STATEMENT

At AAM, we believe diversity drives creativity. We believe an equitable and inclusive culture encourages, supports and celebrates the unique voices of our global workforce. AAM is committed to listening, learning and taking action that will move our company and our communities forward, together.

CULTURE AND INCLUSION STRATEGIC ROADMAP

A key element of our workplace culture approach was our Strategic Roadmap. The five pillars of our Roadmap outlined our path forward and included action plans and monitoring of results as we strived for continuous improvement.



Upskilling

To build a strong foundation and continue building capabilities to discuss and address inclusion topics.



Safe and Inclusive Environment

To create a culture that was safe and inclusive for Associates to bring their whole selves to work and increase their sense of belonging.



Equitable Talent Management and Inclusive Benefits and Policies

To enhance AAM policies, procedures and benefits from a perspective that provides the infrastructure for an equitable and inclusive environment for all Associates.



External Engagement

To engage in community efforts and organizations that support the needs of underrepresented groups in our communities.



Leadership Ownership and Accountability Measures

To establish a clear “tone from the top” that workplace culture was a business imperative and support capabilities to discuss and address topics.

GLOBAL 2+1 PROGRAM

Our global inclusion strategy provided flexibility for individual countries to incorporate their unique needs into the program. This approach helped foster an inclusive environment with meaningful impact at the local level.

Our Global 2+1 Program focused on three topics (2+1):

- ▶ Two global topics.
- ▶ One additional topic selected by each country to offer flexibility to integrate local priorities into the program. This strategy supported an inclusive environment with benefits at the local level.

By implementing this unique Global 2+1 Program, each country identified opportunities, developed an action plan and provided tools that helped AAM attract, recruit, engage and retain talent in underrepresented groups.

2-GLOBAL TOPICS

VALUING DIFFERENCES

provided awareness and the tools to create an inclusive environment where differences were appreciated.

GENDER

provided awareness and a more balanced representation of gender in the company.

1-COUNTRY TOPICS

AGE/GENERATION

PHYSICAL / MENTAL ABILITY

RACE AND ETHNICITY

RELIGION AND SPIRITUALITY

SEXUAL ORIENTATION / GENDER IDENTITY

COMMUNICATION STYLE



AAM'S ASSOCIATE RESOURCE GROUPS (ARGs)

ENGAGEMENT

A vital part of building an inclusive workplace was ensuring that Associates felt safe bringing their authentic selves to work. Associate Resource Groups (ARGs) were voluntary, Associate-led networks formed around shared experiences, characteristics or backgrounds. These groups promoted a sense of belonging, provided support, enhanced career development and contributed to personal growth both inside and outside AAM. We encouraged all Associates to participate in ARGs either as members or supportive allies. AAM had six corporate ARGs aligned with our business strategy, including the Asian Professional Network which launched in 2025. In addition, there were five regionally affiliated chapters. They were supported by Executive Sponsors, who provided guidance on strategy and initiatives.

The ARGs incorporated the 4Cs Model, a commonly used approach for employee resource organizations which focuses on:

- ▶ **Career:** Promote Associate engagement initiatives and partner for diverse talent acquisition/referral opportunities, retention and career development.
- ▶ **Culture:** Incorporate key cultural awareness opportunities and champion initiatives that foster an inclusive work culture, as well as inspire psychological safety and allyship.
- ▶ **Community:** Represent AAM in external community events and participate in community volunteer and philanthropic efforts.
- ▶ **Company:** Support efforts communicating AAM's brand and visibility as an employer of choice and identify ARG collaboration opportunities where possible.



POWHER



U.S. VETERANS



YOUNG PROFESSIONALS



ASIAN PROFESSIONAL NETWORK



BLACK ASSOCIATE NETWORK



LATIN

ASSOCIATE RESOURCE GROUPS (ARGs) STORIES



CAREER

- ▶ The Asian Professional Network hosted a panel discussion with senior AAM leaders who shared their perspectives and success stories on navigating identity and career as an Asian professional. The event focused on creating space for connection, mentorship and professional growth.



CULTURE

- ▶ The Black Associate Network celebrated Black History Month with a historian-led session, History Behind History. The event explored deeper stories, context and voices that have shaped Black history.



COMMUNITY

- ▶ AAM's POWhER and Young Professionals Associate Resource Groups partnered to support Detroit Abloom, a nonprofit revitalizing Detroit's east side by transforming vacant land into vibrant green spaces. Across multiple events, teams of Associates built a new deck, from installation and alignment to final structure and finishing touches.



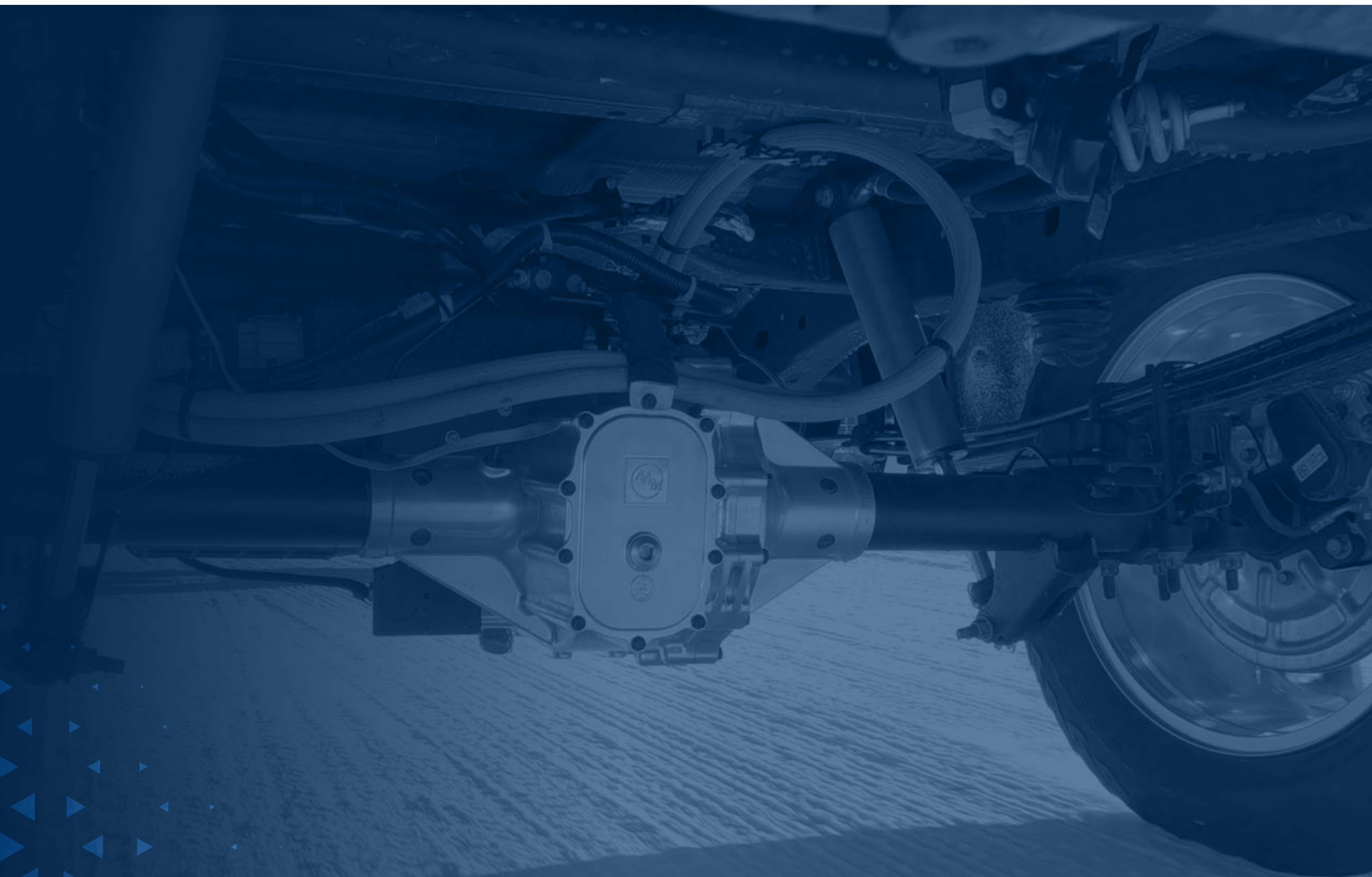
COMPANY

- ▶ A guided manufacturing facility tour, hosted by the Young Professionals Associate Resource Group, provided firsthand exposure to operations, processes, and career pathways within the plant. The tour strengthened crossfunctional understanding and highlighted the critical role manufacturing plays in supporting AAM's business and community presence.

PRODUCT

In This Chapter

- ▷ Management Structure
- ▷ Innovation
- ▷ Sustainable Product Development
- ▷ Quality and Safety



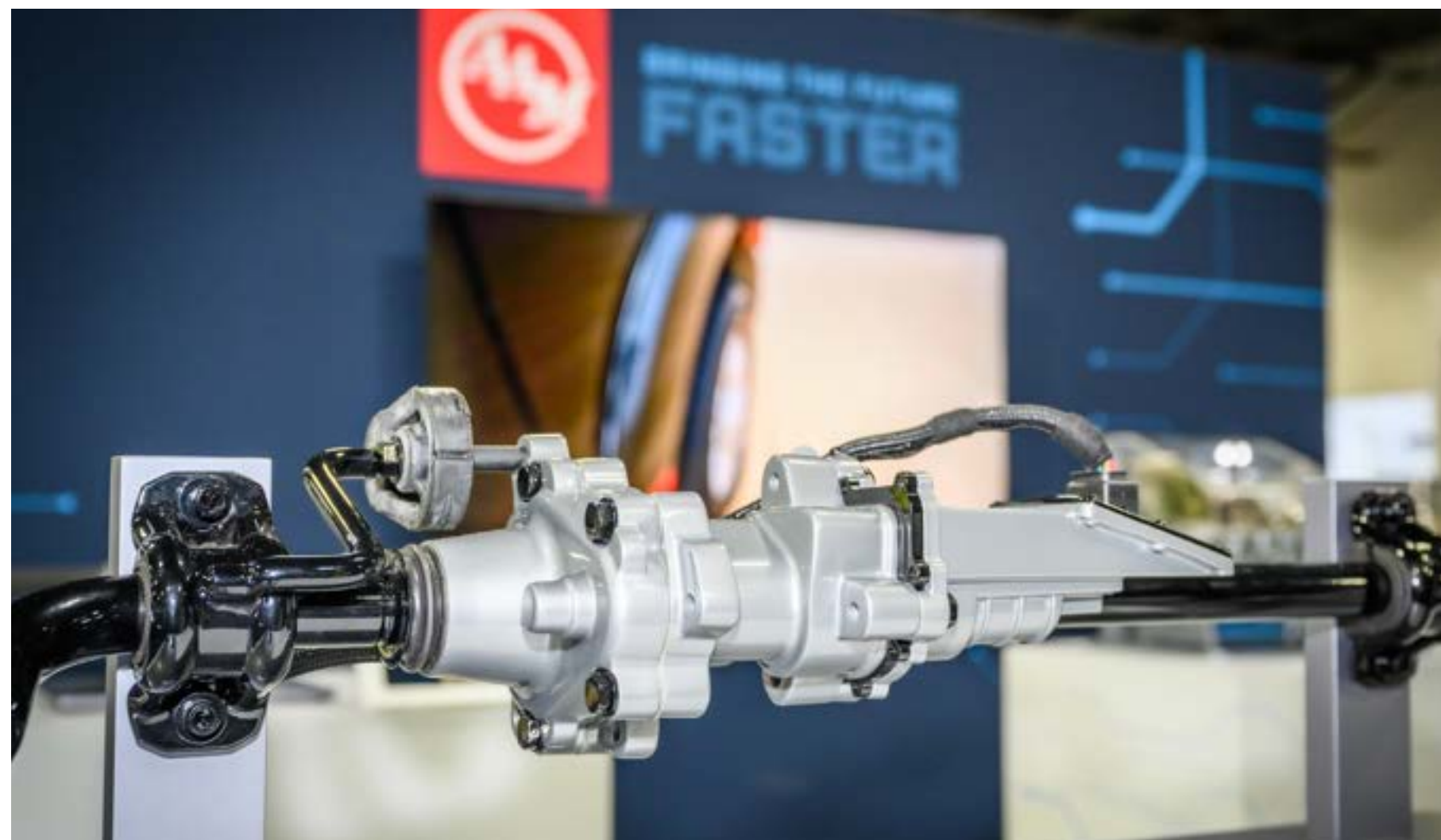
PRODUCT

At AAM, we innovated, engineered and delivered advanced driveline solutions that redefined industry standards and supported revenue growth. As a global leader in technology, we supplied components and assemblies to customers worldwide. Our commitment incorporated meeting the changing needs of our customers while contributing to a safer, more sustainable planet.

In electrification, we led the way with advanced electric propulsion solutions, including high-efficiency electric drive units (EDUs) and scalable e-Beam axles, designed to enhance vehicle performance, increase energy efficiency and reduce emissions. These innovations aligned with global efforts to transition toward carbon-neutral mobility while meeting diverse customer requirements.

Simultaneously, we continued to optimize traditional driveline systems for internal combustion engine (ICE) and hybrid electric vehicles (HEVs). This practice helped customers achieve improved fuel efficiency, reduced emissions and durable performance for the most demanding applications.

AAM's balanced approach supported the mobility needs of today while paving the way for the vehicles of tomorrow. Our solutions not only enhanced fuel efficiency and extended battery range but also provided versatile options tailored to a wide range of vehicle applications. Through deep technical expertise, strategic partnerships and a culture of innovation, we developed sustainable technologies that adapted to shifting regulations, consumer demands and market trends.



IN 2025, AAM LAUNCHED
7 MAJOR PROGRAMS
 TO CUSTOMERS AROUND THE WORLD

MANAGEMENT STRUCTURE

At AAM, our product development process was supported by an organization structure designed to foster innovation, market alignment, collaboration and accountability from concept to production. The Vice President of Product Engineering and Quality reported to the President and Chief Operating Officer, while the Vice President of Strategy and Business Development oversaw Innovation, Product Management and Market Analysis, reporting directly to the CEO. This alignment ensured that all aspects of product development were strategically coordinated, guided by market insights, and aligned with AAM's long-term goals.

AAM's Product Management Department conducted market research and tracked industry trends to guide the Innovation Team in developing innovative solutions. These concepts were then refined and leveraged by the Platform Development team, transforming them into market-ready solutions. Finally, the Systems Engineering team completed the full design, development and validation cycle to prepare the products for production.

Our product development strategy followed a logical progression from market research to product launch, with cross-functional teams overseeing each phase to ensure the product met market demands and maintained high quality. Ongoing feedback among

the Systems Engineering team, Innovation team and Product Management Department was key to refining the product based on real-world performance and market feedback, fostering continuous improvement over time.

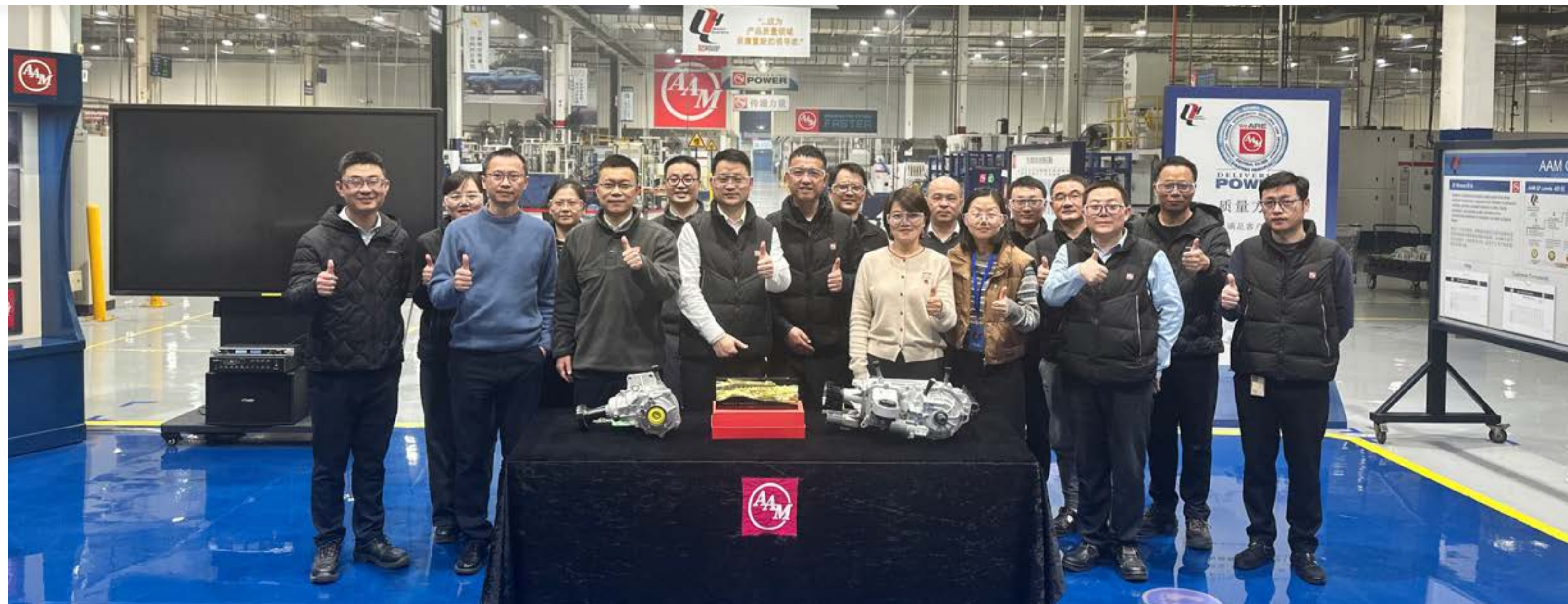
Overseeing this process was our Technology Steering Committee, a cross-functional governance body responsible for aligning technological direction with AAM's vision and objectives. The committee was composed of key leadership who provided strategic oversight, evaluated emerging market and technological trends and ensured that product development initiatives aligned with customer needs, regulatory requirements and AAM's sustainability commitments.

INNOVATION

Advancing sustainability through innovation was a core pillar of AAM’s product development strategy. Our technologies were designed not only to enhance performance and efficiency but also to contribute to global efforts to reduce CO₂ emissions and build a more sustainable future. By leveraging decades of expertise and cutting-edge research, AAM delivered solutions that addressed environmental challenges across propulsion platforms. Since our founding more than 30 years ago, we invested approximately \$2.84 billion in research and development. In addition, in 2025, approximately 51% of our research and development spend was on sustainability-focused projects.

ADVANCING ELECTRIC PROPULSION TECHNOLOGY

AAM’s advanced driveline and propulsion systems supported the industry’s shift toward more efficient mobility across ICE, hybrid, and electric platforms. Our technologies enhanced vehicle performance, reduced emissions and improved energy efficiency. From passenger cars to heavy-duty trucks, AAM helped our customers meet evolving regulatory, efficiency and sustainability targets across propulsion architectures.



OPTIMIZING TRADITIONAL DRIVELINE SYSTEMS

AAM leveraged its extensive knowledge and decades of field data to optimize traditional driveline systems for improved sustainability. By designing products that were more power- and torque-dense, we reduced the amount of material required for manufacturing, lowering the CO₂ footprint of our production processes. Lighter driveline systems also contributed to reduced vehicle weight, which improved fuel efficiency and decreased emissions during vehicle operation.

AAM pioneered and continued to advance innovative solutions to reduce energy losses in beam axle systems. These advancements included:

- ▶ Fuel-Efficient Lubricants developed in collaboration with our partners to minimize energy losses.

- ▶ Optimized Gear Geometries reducing friction and improving efficiency throughout the gear train.
- ▶ Advanced Lubricant Flow Management enhancing cooling and reducing energy consumption.
- ▶ Bearing Arrangement Optimization lowering mechanical losses while maintaining durability.
- ▶ Power-Dense Gear Systems leveraging AAM’s extensive expertise in gear design to maximize torque capacity in smaller, more efficient packages.

Together, these innovations contributed to reduced fuel consumption and lower CO₂ emissions, making traditional propulsion systems more sustainable.

PIONEERING DISCONNECTING TECHNOLOGIES

AAM’s industry-leading EcoTrac® disconnecting all-wheel drive (AWD) technology played a critical role in enhancing fuel efficiency and reducing emissions in secondary drive applications. By disconnecting non-essential driveline components during vehicle operation, this technology minimized energy losses and optimized power usage.

Our first-to-market EcoTrac® technology was integrated into a wide range of AWD vehicles. AAM’s disconnecting technologies provided sustainability benefits across ICE, hybrid and electric platforms, reinforcing their versatility and adaptability in the evolving mobility landscape. Through these innovations, AAM demonstrated its commitment to delivering solutions that support global sustainability goals.



1995 | Establishes first AAM Technical Center in Rochester Hills, Michigan

1996 | Launches new Independent Rear Drive System

2018 | Earns an Altair Enlighten Award for lightweighting advancements for the QUANTUM® driveline technology

2016 | Achieves recognition on the Eureka Index of the Most Innovative Companies by Crain's Detroit Business and establishes Advanced Technology Development Center

2001 | Introduces TracRite® Axle and Transmission Differentials, along with the Integrated Oil Pan Front Axle with Electronic Disconnect

2002 | Launches TracRite® GT and EL traction enhancing differentials

2020 | Receives a PACE Innovation Award and Pace Innovation Partnership Award for front and rear EDUs
Launches TracRite® eLS Electronic limited slip differentials, and 3-in-1 EDU in partnership with Inovance Automotive

2021 | Earns an Altair Enlighten Award for lightweighting advancements for the Next-generation EDU

2003 | Launches a new series of PowerLite® aluminum axles

2022 | Receives Automotive News PACE Award, PACE Innovation Partnership Award and a PACEpilot award for electric drive innovations

2023 | Announces e-Beam contracts with multiple OEMs for battery electric vehicles

2004 | Launches Smartbar® disconnecting stabilizer bar technology
Announces contract for aluminum Independent Rear Drive Axle

2010 | Establishes e-AAM subsidiary to design and commercialize battery electric and hybrid driveline systems
Announces EcoTrac® disconnecting AWD systems

2014 | Launches Sylent™ tuned driveshaft damper technology to reduce driveline noise, vibration and harshness

2025 | Secured agreement with OEM to supply front EDU and rear e-Beam axle for all-new electric SUV and truck
Shipped more than 724,000 EDUs since 2017



A LEGACY OF INNOVATION & TECHNOLOGY

FACILITIES

Strategically located worldwide, AAM’s Engineering Centers served as dynamic hubs for collaboration, exploration, inspiration and dedication. These facilities drove our pursuit of technology leadership, innovation and the development of advanced products. Our global network included facilities and capabilities such as:



Advanced Technology Development Center

ATDC served as an innovative hub for engineering collaboration, driving innovation across every stage of product development. From initial ideation to optimized process design, engineers worked collectively, incorporating team feedback at every step of the journey.

Rochester Hills Technical Center

RHTC was dedicated to rigorous Product Validation and Testing. Serving as the primary hub for comprehensive testing solutions, it offered a broad array of services, ranging from full vehicle instrumentation, system-level testing and component-level testing. RHTC also specialized in durability, efficiency, fatigue, NVH (Noise, Vibration and Harshness) and metallurgical testing, ensuring thorough validation across AAM’s entire product portfolio.

European Headquarters and Engineering Center

EHEC operated as a strategic hub, purposefully equipped to support AAM’s full product line across the region. It adhered to the standardized processes and procedures followed at RHTC and ATDC, fostering collaboration, quality and innovation throughout all operations.

Asia Headquarters and Engineering Center

AHEC was designed and fully equipped to support the complete range of products manufactured in the region. It operated under the same rigorous processes and procedures as RHTC and ATDC, ensuring consistent quality and adherence to AAM’s high standards.

Pune Business Office and Engineering Center

PBO supported the global engineering footprint while addressing regional market needs. The center was capable of designing and developing driveline systems across the full AAM product portfolio. It provided scalable engineering support to global programs and responsive solutions for regional customers.





COLLABORATION AND STAKEHOLDER ENGAGEMENT

Collaboration and stakeholder engagement were integral to AAM’s strategy for driving innovation, building relationships and advancing sustainable mobility. By actively engaging with customers, industry leaders, academic institutions and other stakeholders, we fostered a shared vision for the future of transportation. Through these efforts, we ensured that our technologies remained at the forefront of industry trends while aligning with our sustainability and business objectives.

CUSTOMER-CENTRIC ENGAGEMENT

- ▶ **CES Participation:** AAM showcased its latest advancements at industry trade shows such as the Consumer Electronics Show (CES), demonstrating advanced technologies in electrification.
- ▶ **Ride-and-Drive Events:** We hosted experiential events where vehicle manufacturers, suppliers and media partners experienced our technologies firsthand. These events provided valuable feedback while demonstrating the tangible benefits of our innovative driveline and propulsion solutions.
- ▶ **Customer Collaboration:** AAM regularly participated in automotive supplier councils and hosted customer events that facilitated direct dialogue and aligned our priorities with emerging market demands.
- ▶ **Industry Forums:** AAM actively contributed to conferences, sharing insights and technical advancements in driveline and electric propulsion systems with industry peers and thought leaders.

ACADEMIC AND INDUSTRIAL COLLABORATIONS

- ▶ **University Partnerships:** AAM collaborated with leading academic institutions to advance research in areas such as electrification, materials science, and gear design and engineering. These partnerships included joint research initiatives, internships and sponsorships of projects.
- ▶ **Industrial Collaborations:** AAM engaged with organizations such as the Michigan Economic Development Corporation (MEDC) to drive economic growth and innovation within the automotive sector. By participating in these type of programs, we contributed to workforce development and sustainable manufacturing practices.
- ▶ **Venture Capital Engagement:** Through partnerships with venture capital firms, we identified and collaborated with startup businesses that developed mobility and other emerging technologies that aligned with our business and sustainability objectives.

COMMUNITY AND STAKEHOLDER EVENTS

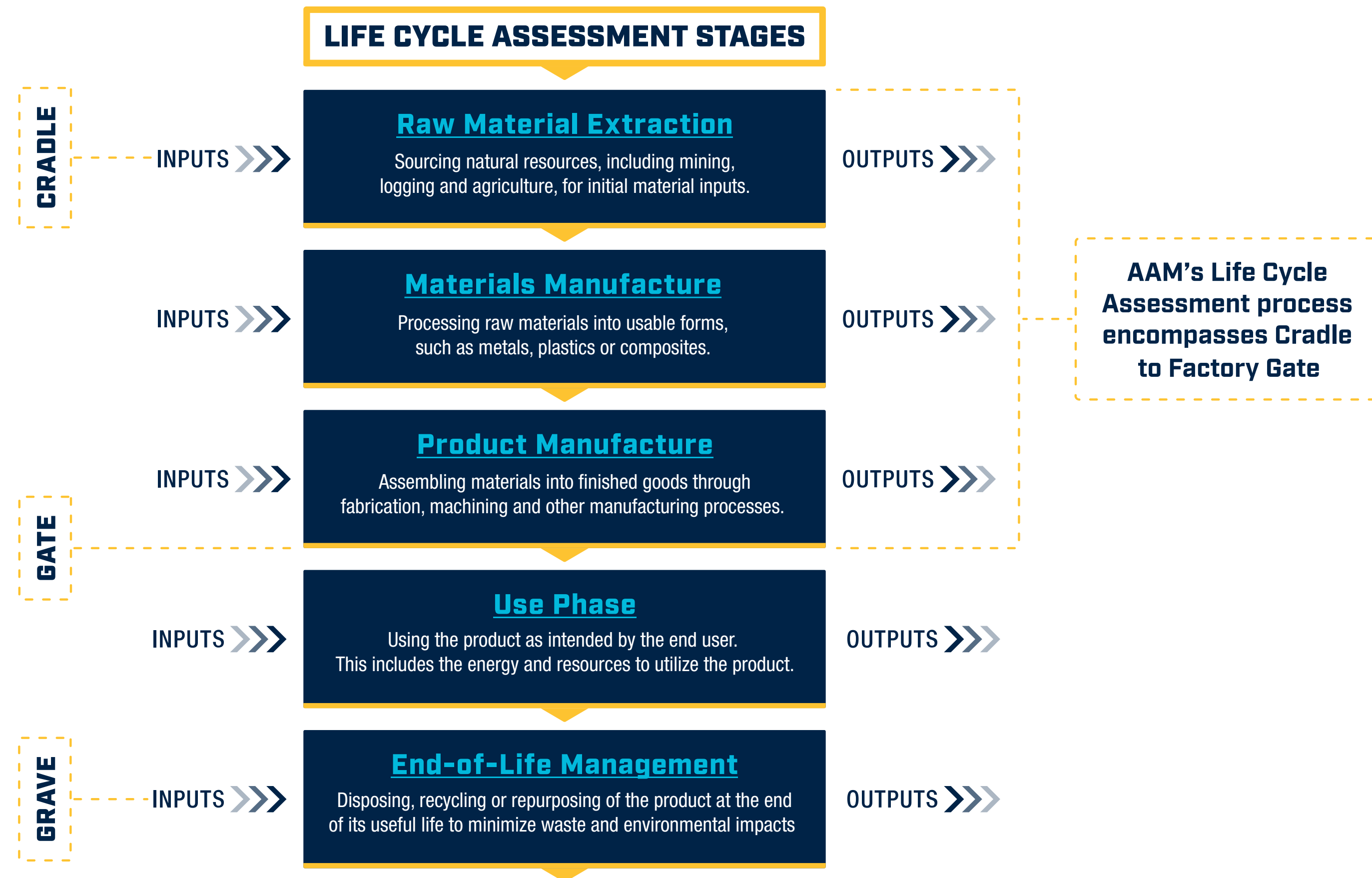
- ▶ **Shareholder Engagement:** We hosted events to keep shareholders informed about our strategic direction, key achievements and ongoing efforts to create long-term value through innovation and sustainability.
- ▶ **Technology Showcases:** AAM organized in-house technology expos to highlight advancements across our global engineering centers, fostering collaboration among Associates, suppliers and partners.

SUSTAINABLE PRODUCT DEVELOPMENT

AAM recognized that sustainable product development was critical not only for its positive environmental and social impacts, but also for improving process efficiency and effectiveness. From managing materials to improving packaging and using recycled content, AAM's approach to product development was a key component of our overall sustainability strategy. From an environmental perspective, a majority of our Scope 3 emissions were attributed to the use of our products. To drive meaningful impact, AAM evaluated sustainable options during the product development phase.

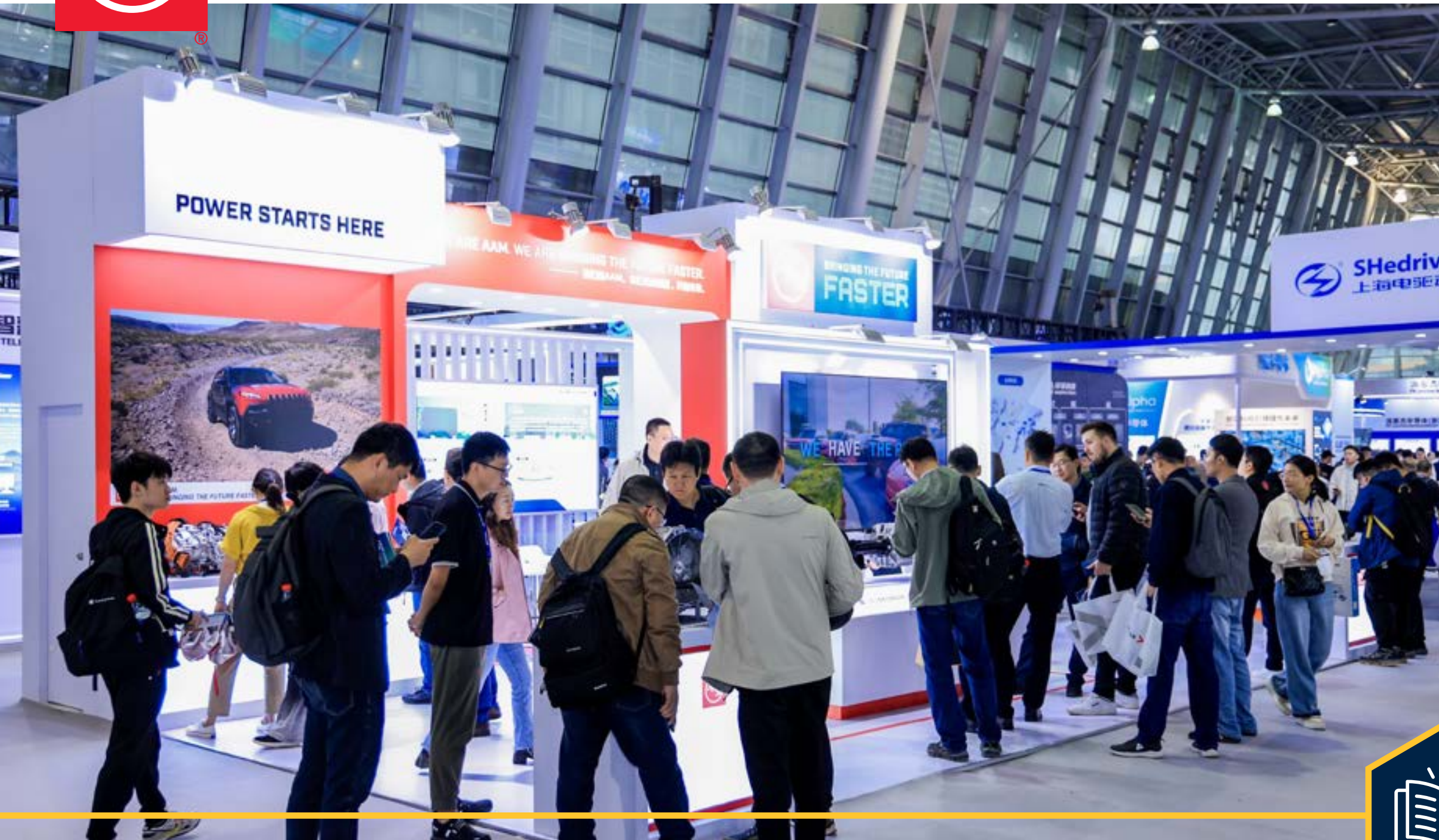
LIFE CYCLE ASSESSMENT

One significant development tool we used was Life Cycle Assessment (LCA). LCAs provide detailed insights into upstream and downstream environmental impacts at the product-level, guiding data-driven decisions for improved environmental performance. This tool can also be used to identify “hot spots” in our products’ processes and identify opportunities to reduce costs, raw materials, waste, energy and other consumables.



AAM conducted LCAs for customers and utilized LCA data to comply with legislation like the European Union's Carbon Border Adjustment Mechanism (CBAM). We developed our long-term approach to integrate LCAs into our processes and operationalize the program to span across our global manufacturing facilities. We completed more than 25 LCA training sessions and identified

100 LCA Plant Champions across all of our global manufacturing facilities. These trainings equipped LCA Plant Champions with knowledge and skills to comply with legislation, meet customer requests, further support our product development process and identify new opportunities to reduce our material and energy use, and operating costs.



AAM earned a 2025 Altair Enlighten Award in the Lightweighting category, presented by Altair in partnership with the Center for Automotive Research. The award recognizes innovations that reduce carbon footprint, energy and water use, and advance material reuse and recycling.

AAM was honored for its Modular Lightweight Axle Housing design. Traditionally, separate vehicle platforms required distinct axle configurations, increasing cost and complexity. AAM engineers developed a single optimized housing architecture that supports two configurations, reducing axle weight while maintaining durability and performance.

Environmental benefits of this innovation included lower fuel consumption and emissions; reduced material use and logistics footprint; and simplified inventory and part management.

MATERIALS MANAGEMENT

Managing materials such as raw and recycled material content, chemicals and substances was essential to AAM’s sustainable strategy. The International Material Data System (IMDS), established over two decades ago, supports efficient material data flow across the supply chain while enabling compliance with global regulatory requirements. More specifically, IMDS is a global database used by the automotive industry to manage and report material data for vehicle components. IMDS is a key element in our Production Part Approval Process (PPAP), as it requires IMDS submissions for each part. This includes details about the chemicals, substances and materials used to produce the part. The material information submitted is verified to ensure that it complies with legal requirements and environmental regulations to ensure product safety, improve sustainability and have traceability in the supply chain. Below are examples of regulations embedded within the IMDS submission process:

- ▷ **ELV Directive:** End-of-Life Vehicles Directive
- ▷ **GADSL:** Global Automotive Declarable Substance List
- ▷ **REACH:** Registration, Evaluation, Authorization and Restriction of Chemicals

As a global supplier, we complied with regulations and customer requirements regarding the tracking and disclosure of any potentially hazardous materials in the products we ship. While our approach could vary due to specific customer or local government requirements, our practice was to use IMDS to disclose the materials within our products. This database helped facilitate transparency in the supply chain by documenting materials and substances used, enabling analysis for recyclability and reducing hazardous materials in our products. Any changes to product materials were reflected with updates to our IMDS entries.

AAM upheld its commitment to sustainable materials management by extending these expectations to our supply chain, as outlined in our Supplier Code of Conduct (SCoC). We required suppliers to identify, minimize or eliminate the use of restricted substances in both manufacturing processes and finished products to ensure full regulatory compliance. Additionally, suppliers were expected to be aware of any restricted substances used in processes and finished products and to actively investigate suitable alternatives, reinforcing our shared commitment to product and environmental stewardship.

PACKAGING AND RECYCLED MATERIAL

Sustainable packaging was another key component of AAM’s product development strategy. By refining packaging processes and materials, AAM worked to minimize environmental impact. We modeled the values of the United States Environmental Protection Agency’s waste management hierarchy — looking first to reduction, second to recycling, third to recovery and finally to treatment and disposal. AAM’s Corporate Material Handling Engineering Team could challenge situations where expendable (e.g., single use) versus returnable (e.g., multiple uses) dunnage had been indicated as part of our new business quoting process. This helped support making sustainable decisions.

One of the resources that AAM utilized was our Material Handling Engineer Playbook. This document established a set of principles that AAM evaluated when designing and planning for product packaging.

Reuse, reduce, rework and reinvent in the design and planning process helped minimize waste further down the line, as well as aid in truck load optimization, which reduced fuel consumption and emissions. We incorporated a variety of sustainable packaging actions, principles and processes when designing and planning product packaging:

- ▶ All packaging components must be easily recyclable.
- ▶ Pallets and boxes must separate easily.
- ▶ Avoid using screws, nails or staples to attach boxes to wood pallets.
- ▶ Combination packaging should be avoided whenever possible. When unavoidable, materials should be able to be segregated without significant effort.

- ▶ Utilize knock down containers, which are reusable packaging solutions that can be disassembled or collapsed for efficient storage and transport when not in use. These containers can be repaired with replacement parts, without tools and easily recycled; no separation or sorting is required for recycling.

Our recycled content efforts were extended throughout our supply base. Our Supplier Code of Conduct indicated that our suppliers were required to offer a recycled option in their quotations when recycled materials could meet the required specifications. Based on a survey from our direct material suppliers, we estimate that nearly 75% of our controllable direct material spend was for content derived from recycled material, while only 25% came from raw or virgin material.

QUALITY AND SAFETY

At AAM, product quality and safety were core priorities that went beyond meeting requirements — they were fundamental to building and maintaining our customers’ trust. As part of our commitment to robust and reliable processes, we conducted comprehensive audits to verify product and process integrity across our manufacturing facilities. Our approach emphasized attention to detail, continuous improvement and utilizing industry-best practices in pursuit of global quality leadership.

MANAGEMENT AND COMPLIANCE

AAM’s Quality organization was managed using both a global and local approach. Oversight was led by the Vice President of Product Engineering and Quality, who ensured that the quality management system met ISO 9001:2015 and IATF 16949:2016 standards, while promoting a customer focus throughout the organization. Quality Managers, or their designees, were responsible for monitoring and reporting on the performance of the quality management system, identifying opportunities for improvement to top management and safeguarding the integrity of the system.

At the local level, Plant Managers were responsible for setting site-specific goals and objectives. Production Supervisors were responsible for conformity of product requirements and had the authority to stop shipments if necessary. In addition, Manufacturing Managers oversaw operations across all shifts, ensuring adequate staffing to maintain product conformity and operational excellence.

Q⁴ QUALITY OPERATING SYSTEM

Our Q⁴ Operating System served as a cornerstone of the AAM Operating System (AOS). AOS leveraged our global standards, policies and best practices across all functions. This comprehensive system ensured our leadership in customer satisfaction, lean manufacturing and efficient cost management.

As part of our AOS, the Q⁴ Operating System aligned AAM’s values, goals and objectives to drive continuous improvement. It also created a sustainable and actionable quality and warranty program aimed at addressing both vehicle manufacturers’ first-time quality and warranty reduction for vehicles and users.

The relationship between warranty and quality was interdependent. A comprehensive warranty process reinforced the assurance of a high-quality product, fostering consumer trust and satisfaction.

THE KEY ELEMENTS OF AAM’S LONG-TERM QUALITY AND WARRANTY PLAN INCLUDED:

- ▶ Clear customer focus through excellent service and fast response.
- ▶ Zero defect mindset in pursuit of perfect quality products.
- ▶ Global Read-Across process to share and apply to all manufacturing locations.
- ▶ Continuous Associate development to strengthen technical and quality system capabilities.
- ▶ Problem solving and analysis to ensure robust process enhancements.
- ▶ Broad and detailed audits for quality system.



Q⁴ LEVEL ATTAINMENT



LEVEL 1

Quality System not fully implemented. Customer protection based on offline containment. Quality department owns product quality with support from multidisciplinary team. Reactive quality approach.

LEVEL 2

Quality System compliance based on enforcement. Customer protection based on end-of-line inspection. Product quality ownership transferred from Quality to Manufacturing department.

LEVEL 3

Quality system consistently followed throughout the plant. Customer protection based on checks at the station. Product quality ownership fully transitioned from Quality to Manufacturing department.

LEVEL 4

Nonconformances were prevented through error-proofing and robust quality planning. Manufacturing sustains ownership of product quality with support from multidisciplinary team. Proactive quality approach.

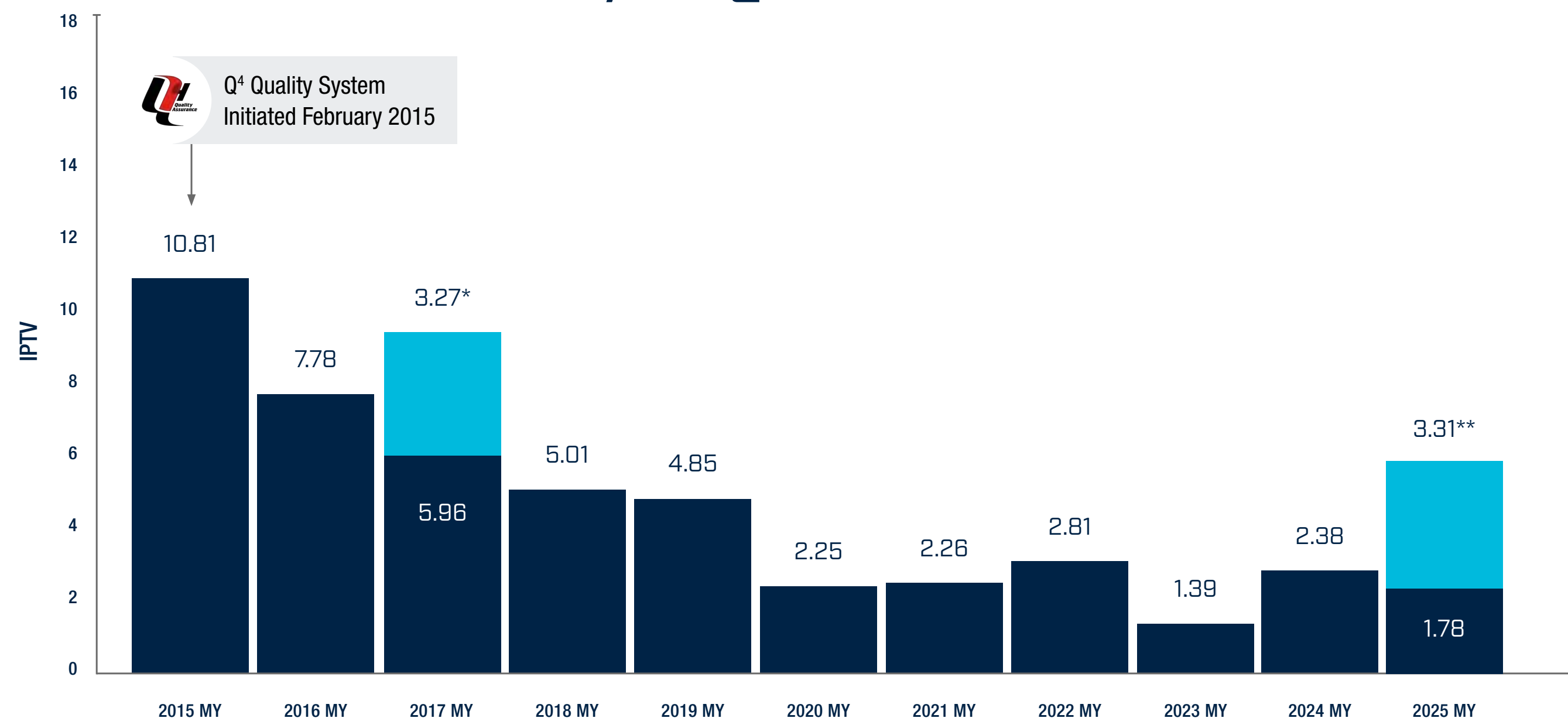


QUALITY PERFORMANCE

AAM experienced a direct correlation between better Q⁴ level performance and improvement in incidents per thousand vehicles at 12 months in service (IPTV @ 12 MIS). IPTV @ 12 MIS was AAM’s leading indicator for warranty issues and was key to customer satisfaction and safety.

Since the development of our Q⁴ Quality System in 2015, AAM’s IPTV @ 12 MIS rate improved approximately 53%, based on AAM’s 2025 year-end IPTV @ 12 MIS 1.78 rate.

Overall Warranty IPTV @ 12 Months In Service



*Non-AAM manufacturing related (supplier field action) in 2017 Model Year

**Non-AAM manufacturing related (customer software) in 2025 Model Year



QUALITY ENGAGEMENT

Quality was a foundational pillar of AAM’s organization and culture and was one of our Strategic Principles. To honor this commitment, AAM proudly launched Quality Day in 2023 — an annual event held on the second Thursday of November — to highlight the importance of quality in driving high standards across the automotive industry. In 2025, AAM celebrated its third annual Quality Day with the theme “Quality is everyone’s responsibility.” Associates from our

global facilities participated in a variety of activities designed to emphasize the value of quality.

In addition to recognizing Associates for their achievements and hosting a variety of activities, workshops and presentations, they decorated their facilities with posters and signed banners reinforcing their commitment to quality.



2025 QUALITY AWARDS

COMPANY	AWARD	LOCATION	COMPANY	AWARD	LOCATION
Altair	Altair Enlighten Award	AAM World Headquarters	Dorian Awards	TransaXional Business Project of the Year	Guanajuato Manufacturing - Plant 5
GM	Supplier Quality Excellence	Changshu Manufacturing - Plant 1	Daimler Truck	Best Supplier Award - Delivery Category	Pune Manufacturing Facility*
GM	Supplier Quality Excellence	Auburn Hills Manufacturing Facility	Dongfeng Auto	Fearless & Conquer, Outstanding Award	Changshu Manufacturing - Plant 1
GM	Supplier Quality Excellence	Guanajuato Manufacturing - Plant 4	Dongfeng Auto	Fearless & Conquer, Pioneer Award	Changshu Manufacturing - Plant 1
GM	Supplier Quality Excellence	Guanajuato Manufacturing - Plant 5	Mahindra	Innovation Award	Chakan Manufacturing Facility
Ford	Q1 Quality Award	Minerva Manufacturing Facility	Shanghai-GM	Quality Pioneer Award	Changshu Manufacturing - Plant 1
Ford	Zero QR and Zero PPM	Pyeongtaek Manufacturing Facility	DAF Trucks	10PPM Award	Jundiaí Manufacturing Facility
Volkswagen	Featured Supplier	Jundiaí Manufacturing Facility	Chery	Outstanding Supplier Award	Changshu Manufacturing - Plants 1 and 2

*Former AAM facility

SUPPLY CHAIN

In This Chapter

- ▷ Management Structure
- ▷ Onboarding and Monitoring
- ▷ Supplier Engagement and Diversity
- ▷ Transportation and Distribution



SUPPLY CHAIN

AAM collaborated closely with our Supplier Partners around the world to deliver POWER to our customers. A strong, adaptable supply chain was essential to our success — one that could respond to shifting markets and evolving demands, while overcoming challenges. Central to our sustainable supplier strategy was a commitment to increase transparency, supported by our sourcing, monitoring and engagement initiatives.

MANAGEMENT STRUCTURE

AAM relied on two organizations within the company to develop and manage our supply chain efforts. The Global Procurement and Supplier Quality Engineering organization was responsible for managing and directing all processes, systems and activities related to the purchase of direct and indirect materials and services. They also ensured compliance to Production Part Approval Process (PPAP) requirements and worked with the supply base to resolve part quality and production capacity issues.

The second organization, Global Supply Chain, was vital to making sure our products arrived on time to our customers around the globe. Their responsibilities ranged from demand and capacity analysis to import and export functions.

These two organizations were managed using a global and local approach to ensure company policies and commitments were supported, while complying with requirements that may have varied by market. The Vice Presidents of both organizations reported directly to the President and Chief Operating Officer, allowing for direct communication and continuity of approach.





ONBOARDING AND MONITORING

The purpose of supplier engagement, performance, monitoring and remediation was to strengthen AAM’s sustainable sourcing program and build a resilient supply chain. This approach reinforced our commitment to environmental protection, social responsibility and sound corporate governance. As a part of the process, prospective suppliers were required to register on the AAM website and provide the necessary information to help us assess business needs and determine potential alignment with our company.

From the onboarding stage onward, AAM used a robust due-diligence process to confirm suppliers were committed to upholding our business standards and sustainability requirements. This process included assessments and reviews, along with ongoing monitoring for domestic and international sanctions, placement on watch lists, adverse media coverage, and criminal and civil charges.

During onboarding, prospective suppliers were required to read, acknowledge and adhere to our Global Terms and Conditions. All AAM purchase orders included our [Global Terms and Conditions](#) which held suppliers responsible for providing

products and services in compliance with applicable standards, rules and regulations. In addition, they were also required to read, acknowledge and adhere to our Anti-Corruption Policy, Supplier Code of Conduct and Supplier Requirements Manual.

SUPPLY CHAIN ALIGNMENT

AAM employed numerous strategies and initiatives to ensure our Supplier Partners had the resources they needed to meet our expectations and requirements. We established supplier scorecards to validate the achievement of our mutual goals, which included elements such as cost, quality, delivery and launch. In addition, the Culture Score section of the scorecard contained key areas such as sustainability, conflict minerals, supplier diversity and financial reporting.

Our procurement sourcing process, principles of environmental protection, ethical labor practices, employee health and safety requirements and business integrity expectations were cascaded through our supply chain. The [AAM website](#) also had a dedicated section for current and prospective suppliers that addressed our expectations, policies and continuing education requirements. The website included access to our [iSupplier Portal](#) which provided bulletins, manuals, guidelines and other documents that were critical for doing business with our company.



[SUPPLIER REQUIREMENTS MANUAL](#)

Outlined the expectations and standards for all current and prospective suppliers, including their extended supply chains. Topics covered in the manual included quality, procurement, engineering, logistics, global trade, cybersecurity, environmental sustainability, social responsibility and corporate governance.



[ANTI-CORRUPTION POLICY](#)

Provided a framework for promoting effective compliance with anti-corruption laws and regulations globally. It also reinforced our commitment to compliance, transparency and integrity in all business activities as set forth in our Supplier Code of Conduct.



[SUPPLIER CODE OF CONDUCT](#)

Promoted the lawful, professional and responsible practices that emphasized respect for human rights, business ethics and the environment.

MONITORING PROCESS

To strengthen our supply chain activities, AAM used an ESG measurement tool, EcoVadis. The assessment platform helped identify risks and opportunities, assess sustainability practices, monitor and track actions, understand and improve performance and manage our program more effectively. In addition, during our sourcing process, suppliers were asked to provide their EcoVadis sustainability rating. If a supplier did not have a rating, they were required to fill out our brief sustainability questionnaire as an interim placeholder.

Additionally, the ESG tool strived to optimize our data collection to monitor our suppliers' progress concerning the environment, labor and human rights, ethics, sustainable procurement, along with establishing their own science-based targets.

From an environmental perspective, AAM had a target that 67% of our direct material suppliers (based on emissions) would have science-based targets validated by an accredited third party by 2027. In 2025, approximately 28% achieved the goal.

AAM conducted ongoing supplier risk monitoring through a third-party due diligence platform that covered over 50 risk categories including, but not limited to, sanctions and watch lists, adverse media, and politically exposed persons. AAM received real-time reputation alerts when a supplier risk status changed, which allowed the Supplier Risk Management Team to understand the impact and make informed decisions.

Along with risk monitoring, supplier audits provided on-site evaluations of suppliers' quality, process capabilities, and social practices. The audits were conducted by qualified Supplier Quality Engineers and focused on suppliers that were new, critical, poor-performing, high-risk, or those lacking a quality management system certification. Suppliers were scored on their capability to meet all manufacturing requirements of the component to

determine sourcing eligibility. The audits ensured supplier reliability, supported risk management, and reinforced responsible sourcing practices.

Suppliers were also measured on AAM's operational and cultural expectations. Failure to comply could lead to a supplier being put on New Business Hold, preventing them from gaining future business until the compliance requirements were met.

In 2025, AAM initiated our supply chain mapping strategy to strengthen connections and monitoring beyond our Tier 1 suppliers to the original source of raw materials. The benefits to this process included, but were not limited to: scanning for forced labor and sanction exposures, identifying supply chain vulnerabilities, and leveraging sub-tier visibility to understand regional risks (e.g., geopolitical events, natural disasters).

In addition to our supplier monitoring processes, AAM also provided training to help Associates learn about potential supply chain risks. For example, "Combating Modern Slavery and Human Trafficking" was an online course focused on identifying common forms of slavery, relevant laws, red flags, prevalent locations, etc. In 2025, 100% of our Global Procurement and Supplier Quality Engineering Associates completed the course.

AAM's Supplier Code of Conduct strengthened our connection to our supply chain and promoted resilient business practices.



CONFLICT MINERALS

As a part of our annual monitoring processes, AAM suppliers were required to comply with AAM's conflict mineral reporting requirements as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Act requires manufacturers to disclose whether the products they manufacture or contract to manufacture contain "conflict minerals necessary to the functionality or production" of those products, which directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo (DRC) or a surrounding country (Angola, Burundi, Central African Republic, Congo Republic, Rwanda, Sudan, Tanzania, Uganda, and/or Zambia). Specifically, the term "conflict minerals" is defined as tin, tantalum, tungsten and gold (3TG) or their derivatives.

Selected suppliers must have completed a conflict minerals report for the calendar year, including a list of all smelters and refiners of 3TG necessary for the functionality or production of products supplied to AAM.

In addition, AAM requested that certain suppliers complete the Extended Minerals Reporting Template (EMRT) for due diligence related to the minerals mica and cobalt. To ensure compliance with these requirements, each manufacturer in the supply chain must have requested information from all direct material suppliers. Failure to comply with these requirements may have compelled AAM to partially or completely re-source current business, as AAM must have complied with legal obligations outlined in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

To support this effort, our website featured a subsection dedicated to the management of [Conflict Minerals](#). This section included annual supplier requirements:

- ▶ [AAM Conflict Minerals Reporting Template](#)
- ▶ [Annual Conflict Minerals Report](#)
- ▶ [Conflict Minerals Policy Statement](#)

Furthermore, our internal website was used to educate Associates on Conflict Minerals due diligence.

To support responsible mineral production and sourcing globally, AAM was a member of the Responsible Minerals Initiative (RMI). RMI provides companies with tools and resources that improve regulatory compliance, align with international standards, and support industry and stakeholder expectations.

AAM also actively participated in the Automotive Industry Action Group's (AIAG) Responsible Materials Work Group, where supply chain industry experts work together to tackle related issues and challenges. They also influence widely used materials reporting content guidelines, standards and documents that impact the way we do business every day. As part of this group, AAM was a member of the Smelter Engagement Team which conducts outreach encouraging new and existing smelters/refiners to participate in smelter audits.

SUPPLIER ENGAGEMENT AND DIVERSITY

As a part of our engagement strategy and commitment to supporting the supply chain, we encouraged suppliers who did not have their own sustainability programs to take advantage of our partnership with the Automotive Industry Action Group (AIAG). AIAG is a collaborative automotive industry organization focused on improving business processes and practices involving trading partners and peers throughout the supply chain.

We also had a [Supplier Sustainability](#) section on the AAM website, which included a free e-learning and knowledge assessment, as well as several AIAG reference documents:

- ▶ Automotive Industry Guiding Principles Document
- ▶ Automotive Sustainability Practical Guidance Document
- ▶ AIAG Corporate Social Responsibility

AAM's Supplier Council played a key role in our Global Procurement and Supply Chain vision. The AAM Supplier Council members functioned as connections between AAM and our comprehensive supply base. Council members were selected based on criteria such as strategic fit, business volume, business unit (e.g., Driveline, Metal Forming) and type of buy (e.g., direct, raw material, indirect). The Council met on a quarterly basis to discuss industry and market conditions, share best practices and review AAM/Supplier initiatives prior to implementation. In addition, the Council participated in volunteer events on an annual basis to support local communities and strengthen collaboration between AAM Associates and supplier partners. For example, in 2025, the group partnered with a non-profit organization dedicated to improving access to fresh, organic produce by transforming vacant lots into thriving community gardens.

SUPPLIER ROUNDTABLE

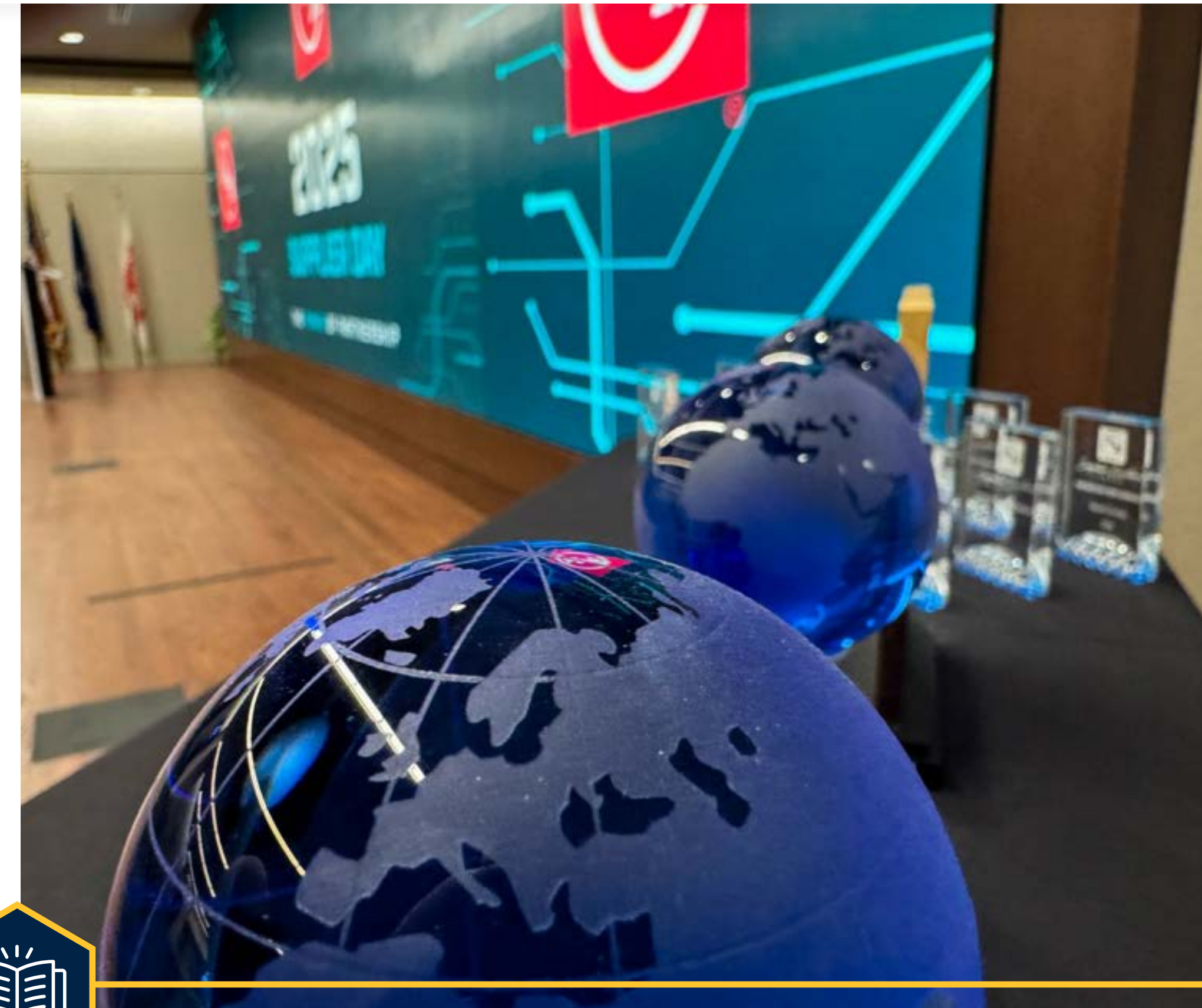
AAM reinforced its commitment to collaboration and supply chain resilience by coordinating a Supplier Roundtable. The event included AAM's top 50 global Supplier Partners and emphasized that meeting customer requirements depended on a robust supply chain capable of adapting to shifting markets and evolving demands. The Roundtable encouraged two-way communication, idea exchange, and focused on aligning expectations for quality, delivery, and capacity.

SUPPLIER SUSTAINABILITY COUNCIL

As a division of the AAM Supplier Council, the Supplier Sustainability Council (SSC) represented the mix of our supply base that contributed to the majority of our Scope 3 emissions and served as a voice for our global Supplier Partners. The SSC met quarterly to discuss AAM sustainability policies and practices, along with overviews and guest speakers covering topics such as:

- ▶ Water Mapping
- ▶ Air Leak and Energy Audits
- ▶ Calculating Your Emissions
- ▶ Forced Labor Due Diligence

Our SSC and strong supplier engagement approach provided feedback, guidance and recommendations on sustainability initiatives and strengthened alignment between AAM and our global network of suppliers.



AAM SUPPLIER AWARDS

In 2025, AAM hosted its annual Supplier Day, where AAM Leadership provided relevant business updates and key suppliers were recognized with Supplier of the Year Awards and Supplier Excellence Awards. Awards covered categories such as delivery, quality, launch performance, innovation and sustainability. AAM honored exceptional suppliers each year since our founding in 1994.



SUPPLIER DIVERSITY

Developing a sustainable, competitive and qualified Supplier Diversity Network was a key objective for AAM. We were committed to building a supply chain that reflected the communities where we live and work. In addition, we strongly encouraged our tiered suppliers to establish their own supplier diversity policies and sourcing strategies.

We sought to build sustainable relationships with Supplier Partners from underrepresented and underutilized groups, including:

- ▶ Minority Owned Businesses
- ▶ Woman Owned Businesses
- ▶ Veteran Owned Businesses
- ▶ Service Disabled Veteran Owned Businesses
- ▶ LGBTQ+ Owned Businesses
- ▶ Small Businesses (as designated by the SBA)
- ▶ Historically Underutilized Business Regions
- ▶ Disabled Owned Businesses

AAM INCREASED OUR PERCENTAGE OF SUPPLIER DIVERSITY SPEND YEAR-OVER-YEAR

5 consecutive years

We met all our customers' supplier diversity expectations, achieving a green rating. To support increased business opportunities for diverse suppliers, we continued to make progress in three strategic areas of focus: Program Development, Industry Engagement and Performance.

MENTORSHIP

AAM believed in the power of mentorship. AAM mentored an office and home furnishings company through the Michigan Minority Supplier Development Council's (MMSDC) InFuse Program, which promotes the progression and development of corporate supplier diversity programs.

AAM continued to serve as a Corporate Coach for the National Minority Supplier Development Council's Center of Excellence Certification Program. The program is designed to build minority entrepreneur competitiveness through relationship building and collaboration. In 2025, AAM also participated in the Disability:IN NextGen Leaders Program where college students with disabilities were matched with corporate partners for a six-month virtual mentoring relationship.

INDUSTRY DIVERSITY

AAM actively engaged in a number of industry and community organizations that advocate, connect, certify and develop diverse owned suppliers. We contributed to these organizations through sponsorships, mentorship, board and committee participation and conferences. The organizations we supported include:





TRANSPORTATION AND DISTRIBUTION

A resilient and responsible supply chain extends beyond operations of individual facilities – it includes transporting products efficiently and effectively to ensure they arrive at the right time, place and in the correct quantities. By optimizing transportation modes and capacity, we achieved both environmental benefits and cost efficiencies. In 2025, 44 improvement projects were implemented and focused on network utilization through frequency changes, mode shifting and scheduling optimization. This resulted in the elimination of 2,240 tons of CO₂e and 1.55 million USD in cost savings. AAM worked with both internal and external resources to evaluate various transportation modes and alternative fuel options for opportunities to improve efficiency and reduce emissions.



COLLABORATIONS

Through collaboration with external organizations dedicated to transportation efficiency, we gained valuable insights into clean and efficient transportation strategies. As 91% of our global transportation spend occurred in North America, many of our sustainable transportation initiatives were primarily focused within this region. Two such North American organizations that we partnered with include SmartWay and Transporte Limpio.

- ▶ The U.S. Environmental Protection Agency's SmartWay program helps companies advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency. AAM was recognized by SmartWay as a High Performer and was nominated as a semifinalist for the 2025 SmartWay Excellence Award.

In 2025, 98% of AAM's U.S. and Canadian transportation spend was routed on SmartWay carriers.

- ▶ AAM actively partnered with the Mexico's Ministry of Environment and Natural Resources Transporte Limpio Clean Transportation Program. The program centers on the adoption of strategies, technologies and best practices that make transport more efficient, safe and sustainable. AAM was recognized for the third consecutive year, receiving an award for excellent environmental performance. In 2025, 87% of our Mexico transportation spend was with Transporte Limpio carriers.

GOVERNANCE

In This Chapter

- ▷ Management Structure
- ▷ Sustainability Governance
- ▷ Risk Management
- ▷ Cybersecurity and Data Protection
- ▷ Ethics and Compliance
- ▷ Industry Associations



GOVERNANCE

At AAM, we leveraged strong leadership, comprehensive policies and governance frameworks to conduct our business with responsibility and integrity. Our leadership team consisted of knowledgeable, forward-thinking and dedicated industry professionals. Additionally, AAM's Board of Directors combined decades of strategic and visionary experience from a wide range of industries, providing effective and insightful guidance.

MANAGEMENT STRUCTURE AND BOARD LEVEL OVERSIGHT

The Board's governance of the Company's sustainability program was a key part of ensuring our sustainability initiatives aligned with and were integrated into our business strategy and operations. The Board delegated oversight of the Company's sustainability program to the Nominating and Corporate Governance Committee, as set forth in their Charter. Other Board committees provided oversight for sustainability topics related to their areas of responsibility and all committees provided regular updates to the full Board. The Board reviewed the sustainability goals established by the Company and its progress against those goals and held senior leadership accountable for sustainability performance and reporting.

BOARD COMMITTEE ROLES IN THE AAM SUSTAINABILITY PROGRAM

- ▶ **Nominating/Corporate Governance:** Oversaw policies, strategies and performance related to corporate governance, ethics, sustainability and human capital management.
- ▶ **Audit Committee:** Oversaw policies and activities related to financial reporting, internal controls, risk management, cybersecurity, ethics and corporate compliance.
- ▶ **Compensation Committee:** Structured executive compensation programs to drive performance aligned with our business strategy and objectives.
- ▶ **Technology Committee:** Oversaw product technology, with a focus on advancements relative to powertrain, drivetrain and driveline components and systems and other key product technologies.

ACTIVE ENGAGEMENT WITH OUR SHAREHOLDERS

Our Board and management team greatly valued our shareholders' opinions and feedback. Our proactive, year-round shareholder engagement process included an annual shareholder outreach program, conducted in the fall and winter. Our investor communication program consisted of meetings and dialogue with shareholders throughout the year in various forums and encourages meaningful discussion about topics of interest. The Board regularly received reports of shareholder feedback from these programs for its consideration.



INVESTOR COMMUNICATION PROGRAM

- THROUGHOUT THE YEAR –
- ▶ Senior management participation in conferences
- ▶ One-on-one and group meetings
- ▶ Events held at AAM locations featuring innovations in mobility technologies
- ▶ Day-to-day interaction with Investor Relations

ANNUAL SHAREHOLDER OUTREACH PROGRAM

- SEMIANNUAL –
- ▶ Fall/Winter outreach seeking engagement with shareholders and with proxy advisory firms
- ▶ Led by CFO and Investor Relations Department
- ▶ Committee Chair participated in and is available for outreach meetings

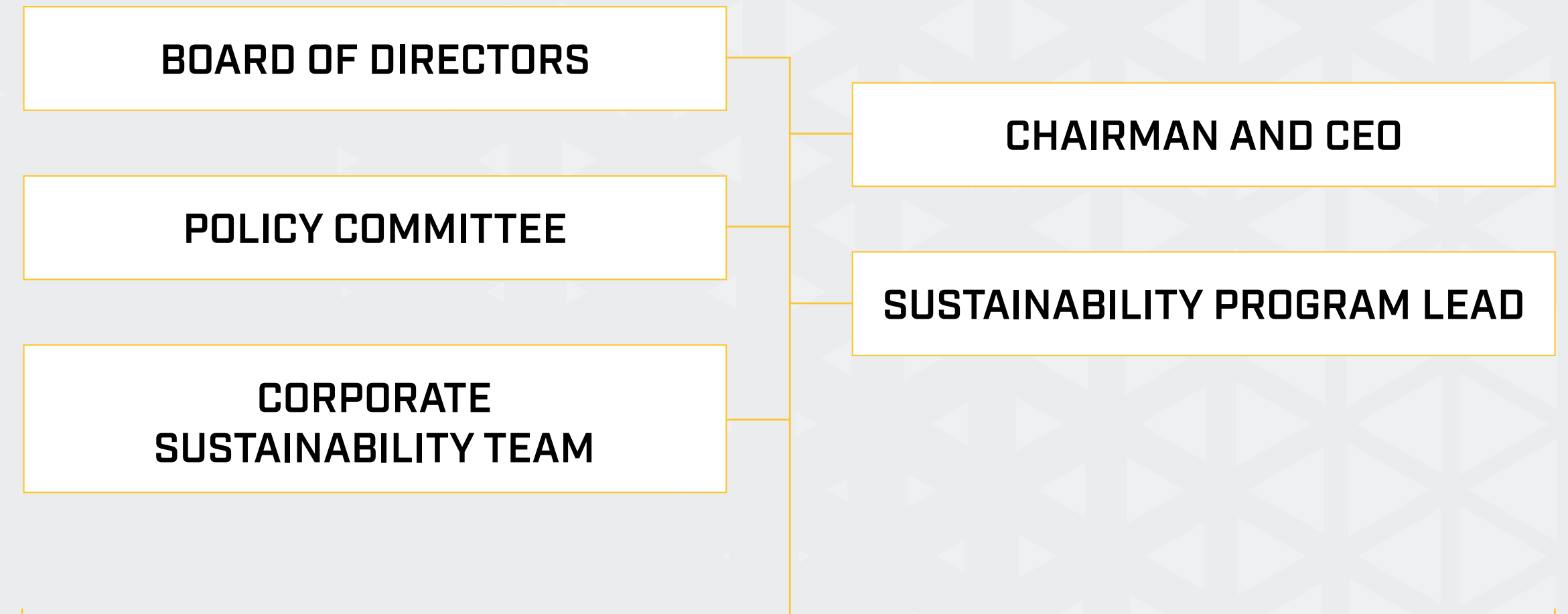
BOARD INVOLVEMENT

- ROUTINE –
- ▶ Board and management discussed and considered shareholder feedback in the decision-making process
- ▶ Board reviewed proposed disclosure enhancements

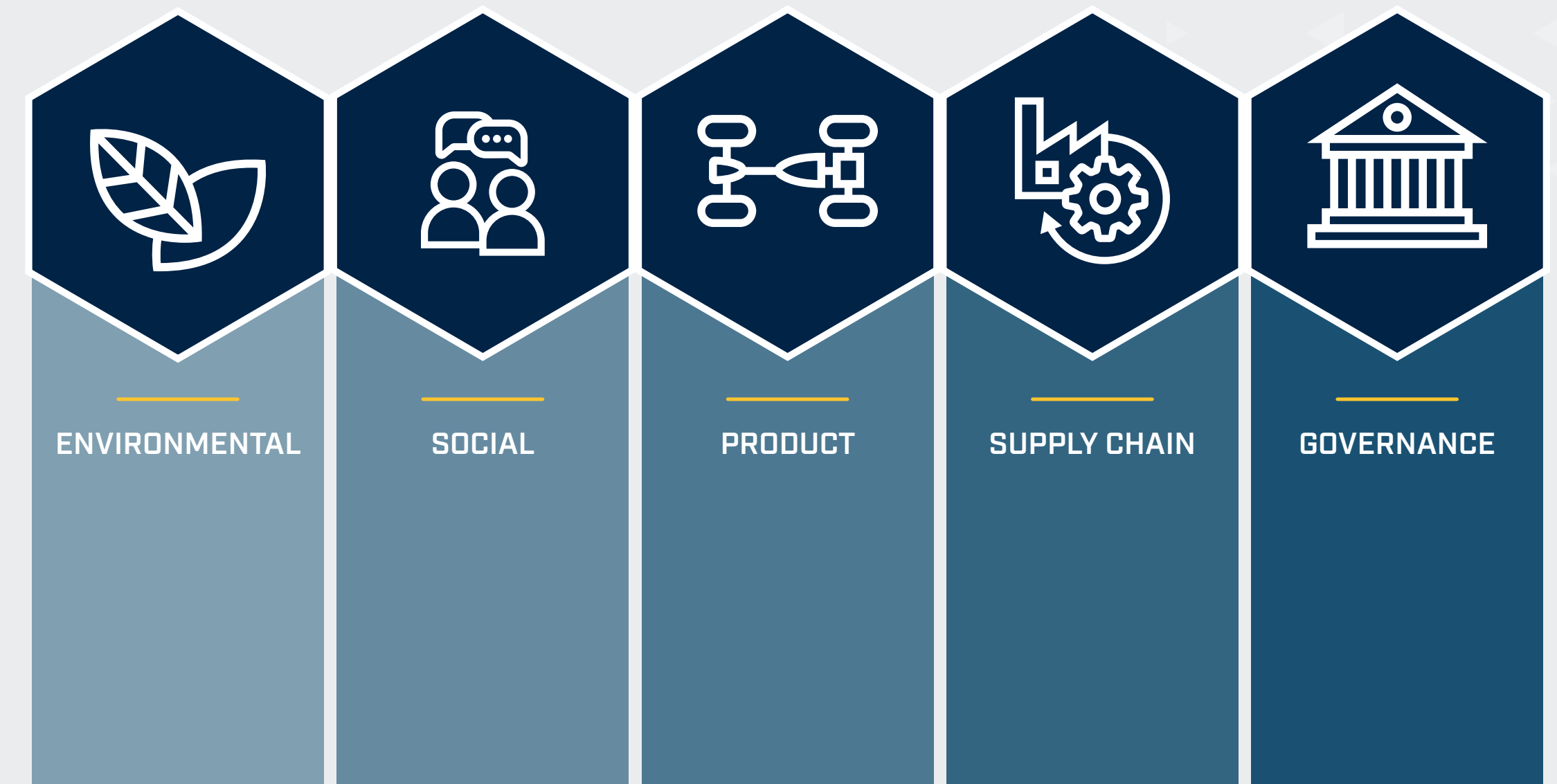
SUSTAINABILITY GOVERNANCE

Governance of sustainability at AAM began with our Board of Directors and moved through clearly established ownership responsibilities at multiple levels in the organization.

- ▶ **Board of Directors, Chairman and CEO:** Provided program governance and alignment of sustainability initiatives with overall business strategy.
- ▶ **Policy Committee:** Responsible for policymaking and implementation, including the determination of material topics. Chaired by our CEO, this committee consists of our President and Chief Operating Officer, EVP and Chief Financial Officer, Sr VP Chief of Staff and Sustainability, VP Human Resources, General Counsel and the Top Business Unit Leaders.
- ▶ **Sustainability Program Lead (Sr VP Chief of Staff and Sustainability):** Reported to AAM's CEO and is responsible for guiding and directing corporate sustainability initiatives.
- ▶ **Corporate Sustainability Team:** Reported to AAM's Sr VP Chief of Staff and Sustainability and is responsible for sustainability-related communication, customer requests and rating agency assessments; works closely with top-level leadership on sustainability strategy, gap analysis and relevant initiatives; supports internal and external stakeholder engagement on sustainability matters.
- ▶ **ESG Working Group:** Included leads who were responsible for our 15 material topics. Bimonthly reports focus on the material topics and key sustainability deliverables to ensure information is shared across all relevant groups. The ESG Working Group included leaders from Human Resources; Facilities and Environmental, Health and Safety; Supply Chain; Procurement; Strategy and Business Development; Product Engineering and Quality; Manufacturing Services; IT; Investor Relations; Marketing and Communications; Corporate Finance; and Legal.



ESG WORKING GROUP



RISK MANAGEMENT

AAM's Board of Directors had oversight of risk management with a focus on the most significant risks facing the Company. The Board believed that effective internal controls and risk management processes were essential for achieving shareholder value and their risk oversight process built upon management's risk assessment and mitigation processes. AAM's comprehensive risk management process was led by top management, structured and based on standards, and executed in an environment of strong internal controls with comprehensive policies and procedures. AAM applied an enterprise risk management approach to assess and define substantive strategic, operational and financial risks within our business, as well as upstream and downstream in our value chain.

Strategic considerations included: changing industry dynamics, failure to attract and retain key talent, geopolitical risk, manufacturing site concentrations, integration of acquisitions and climate-related risks. Additional information on climate-related risk can be found in the [Environmental section](#).

Operational impacts may have included IT and cybersecurity risk, supply chain disruptions, and labor availability. Financial considerations included fiscal crisis or severe financial downturns. Compliance risks included an assessment of AAM's ability to comply with financial, regulatory, environmental, or other regulated subjects and standards. Mitigation of the top identified risks, as well as risks in direct operations, was managed at the plant, business unit and enterprise level, depending on the risk topic.

Risk management practices and processes were embedded throughout the Company in our core management approaches and the AAM Operating System (AOS), a global operating system designed to deliver operational excellence by leveraging our global standards, policies and best practices. The AOS included several modules and sub-systems in each of the functional areas of the business including:

- ▶ Q⁴ Quality Operating System
- ▶ S⁴ Safety Operating System
- ▶ SCM⁴ Global Supply Chain Operating System
- ▶ E⁴ Environmental Operating System
- ▶ IPM⁴ Integrated Program Management Operating System
- ▶ O⁴ Operations Operating System
- ▶ HR⁴ Human Resources Operating System
- ▶ M⁴ Maintenance Operating System

Each of these systems included processes designed to identify, assess and mitigate issues within that functional area.



CYBERSECURITY AND DATA PROTECTION

AAM was committed to safeguarding the confidentiality, integrity and availability of our data and critical systems through ongoing evaluation and improvement of our Information Security program.

We worked closely with our customers, stakeholders and suppliers to proactively identify and reduce risks by implementing effective protection and mitigation measures.

The Audit Committee of the AAM Board oversaw our cybersecurity risk management program, as well as other information

technology controls, procedures, programs and mitigation processes. This Committee received quarterly reports from AAM's Chief Information Security Officer on cybersecurity and data protection.

CYBERSECURITY AWARENESS AND TRAINING

With a mission of Enabling the Business, Securely, the Information Security team focused on building cyber awareness among AAM Associates and suppliers and implementing controls that balanced user experience with risk mitigation.

All AAM Associates with access to AAM Information Systems were required to complete cybersecurity awareness training. Phishing testing and training were conducted on an ongoing basis and results were reported quarterly to the Audit Committee of the AAM Board.

Our Cybersecurity Awareness program, #AAMSecure, promoted organization-wide awareness via global and regionally-targeted cybersecurity announcements and an information security digital resource center.

AAM ENTERPRISE SECURITY PRINCIPLES



Promote a strong security culture



Integrate security into AAM business functions



Place resiliency and adaptability at the core of controls



Optimize and automate processes to drive efficiencies



Enhance AAM's ability to identify, detect, respond and recover

INFORMATION SECURITY MANAGEMENT SYSTEM

We built a robust Information Security Management System (ISMS) that was integrated into the risk management framework to identify evolving risks and develop a comprehensive strategy to address them. The ISMS leveraged strong governance and comprehensive frameworks such as NIST, CIS, TISAX and ISO 27001.

Our ISMS was built upon a balance of people, processes and technologies comprised of:

- ▷ Information security experts holding multiple industry certifications
- ▷ 24/7 security monitoring using internal and external resources
- ▷ External security assessments and control validation
- ▷ Security awareness and phishing tests
- ▷ Annual table-top exercises
- ▷ Industry-leading email, endpoint and network protection technologies
- ▷ Principle of Least Privilege
- ▷ Multi-factor authentication
- ▷ Comprehensive incident response plan
- ▷ High availability, disaster recovery and business continuity
- ▷ Third-party risk management
- ▷ Continuous Threat Exposure Management (CTEM)

ETHICS AND COMPLIANCE PROGRAM

At AAM, we believed that acting with integrity was essential to our continued success. We were committed to complying with all laws and regulations of the jurisdictions in which we operated. To support this commitment, we established a global ethics and compliance program designed to ensure a culture of integrity.

The Ethics and Compliance Committee (ECC) provided oversight for the ethics and compliance programs, including related policies and procedures.



ETHICS AND COMPLIANCE COMMITTEE

MEMBERSHIP

- ▷ CEO
- ▷ President
- ▷ Executive Vice President and CFO
- ▷ Vice President Human Resources
- ▷ Vice President and General Counsel
- ▷ Executive Director Internal Audit

KEY RESPONSIBILITIES

- ▷ Overseeing the review and disposition of compliance-related concerns or complaints.
- ▷ Reviewing the effectiveness of our compliance programs.
- ▷ Reviewing risk management/assessment practices and policies regarding legal and regulatory compliance risks.
- ▷ Managing the effectiveness of our training and communication programs in promoting a culture of integrity, ethics and compliance.

ETHICS AND COMPLIANCE TRAINING

Education was a fundamental aspect of our ethics and compliance program. Our training initiatives helped Associates understand the expectations and policies related to our [Code of Business Conduct](#) and other compliance areas.

For example, the Code of Business Conduct course covered the key elements of the Policy, required Associates to demonstrate their knowledge of risk areas specifically in the automotive industry, identified consequences to actions and provided resources.

AAM’s Mutual Respect course focused on building a work environment where we felt like we belonged, where we felt safe to bring our whole selves to work and where our differences were celebrated, not feared. The course covered understanding and recognizing different types of harassment and discrimination, understanding the impact of our actions, retaliation, proper reporting, and how AAM handled complaints.

All Salaried Associates, including management, were required to complete annual ethics and compliance courses. Variable incentive payments were linked to the completion of these mandatory courses. In 2025, 100% of Salaried Associates completed these requirements, which included the following courses:

- ▶ Code of Business Conduct
- ▶ Conflicts of Interest
- ▶ Mutual Respect: Preventing Harassment and Discrimination

AAM Salaried Associates and management were also required to review the [Anti-Corruption Policy](#) and [Conflict of Interest Policy](#) on an annual basis and disclose relevant information.

In addition, all newly hired Salaried Associates were required to complete Foreign Corrupt Practices Act (FCPA) and Global Anti-Corruption and Protecting Proprietary Information and Data Privacy courses. This supported our commitment to safeguarding the confidentiality, integrity, and availability of our data and critical systems. Newly hired Salaried Associates were also encouraged to attend courses led by subject matter experts that focused on AAM’s history, innovation and products.

The ECC annually reviewed our ethics and compliance training curriculum to ensure that Salaried Associates received training each year on current and trending topics of importance to AAM and our stakeholders. In 2025, the ECC added mandatory training on International Trade and Security Awareness to enhance Associate awareness of this compliance topic.

CODE OF BUSINESS CONDUCT

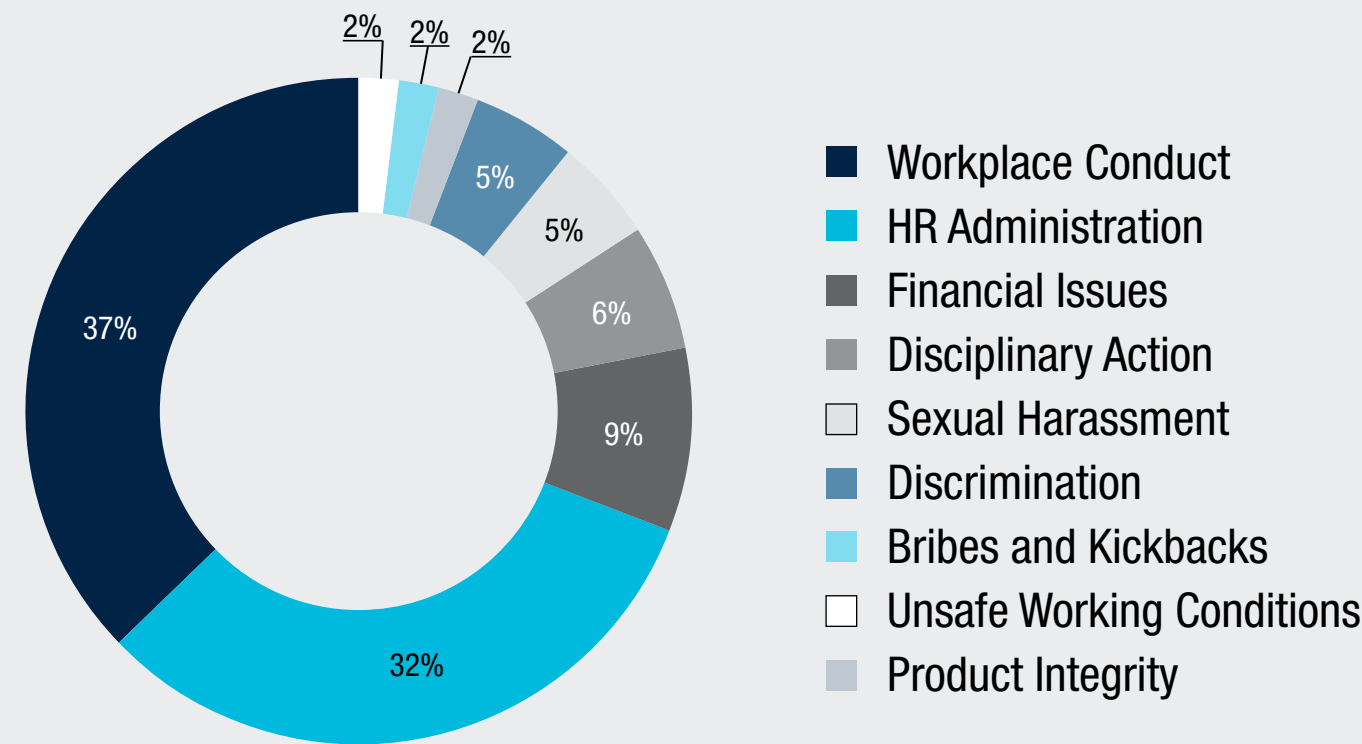
Our Associates were expected to conduct business using the highest standards of ethics and integrity. The AAM [Code of Business Conduct](#) served as a guide to help Associates understand and meet these expectations, and was accessible in all the languages spoken where we conduct business. All Associates were required to read the Code and acknowledge their obligation to comply as part of their annual training. Newly hired Associates were introduced to the Code during the onboarding process.

We actively monitored compliance with the Code through an ethics phone line and web-based reporting platform. AAM’s Ethics Line was accessible to anyone, anywhere in the world.

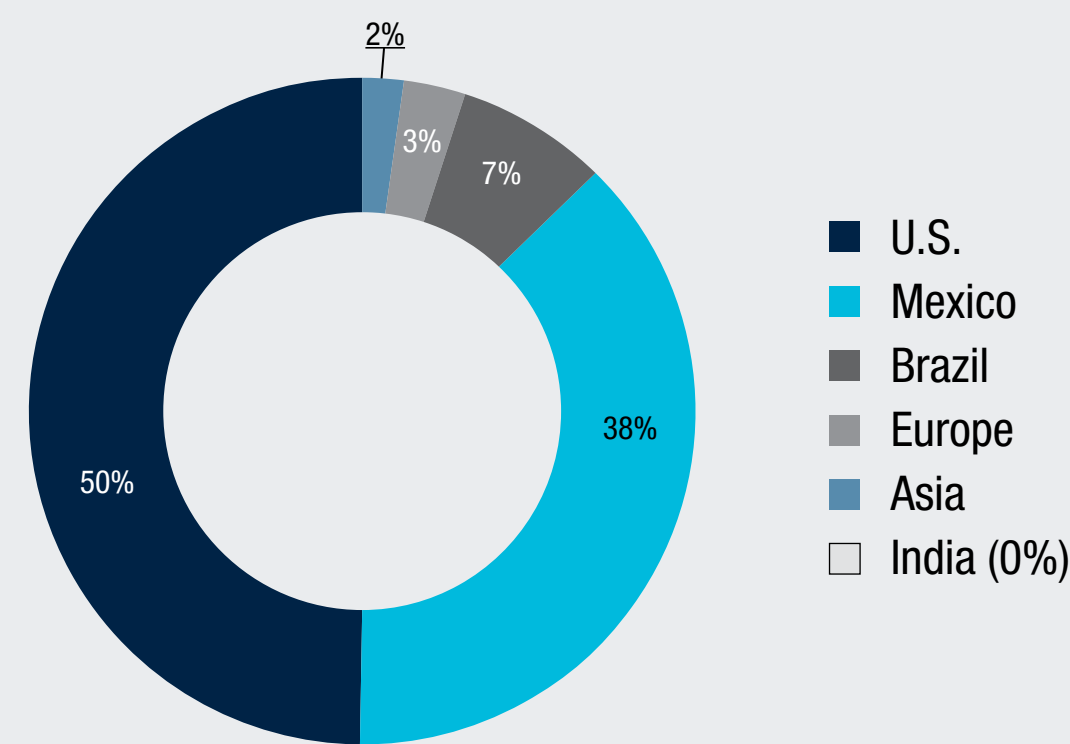




ETHICS LINE - 2025 REPORTS BY ALLEGATION



ETHICS LINE - 2025 REPORTS BY COUNTRY OR REGION



Reports received during 2025 were predominately related to workplace conduct and originated from the U.S. and Mexico.

ETHICS AND COMPLIANCE REPORTING AND MONITORING

Ethics line complaints were received and reviewed by AAM’s Investigation Oversight Committee. The Committee included AAM’s VP and General Counsel, Executive Director of Internal Audit, Director of HR Compliance, Director of Legal Compliance and the Head of Security.

The Committee met monthly to review every open case/complaint. Investigations were conducted by appropriate personnel, and the Investigation Oversight Committee ensured that investigations were addressed in a timely and thorough manner.

The Ethics and Compliance Committee met on a quarterly basis to review and discuss Ethics Line cases and metrics/data. Additionally, the Audit Committee of the Board of Directors reviewed Ethics Line metrics and data on a quarterly basis.

In 2025, AAM reinforced our “speak up first” culture through a global communication campaign and a variety of enhancements, such as new posters for all facilities and wallet cards for Associates.

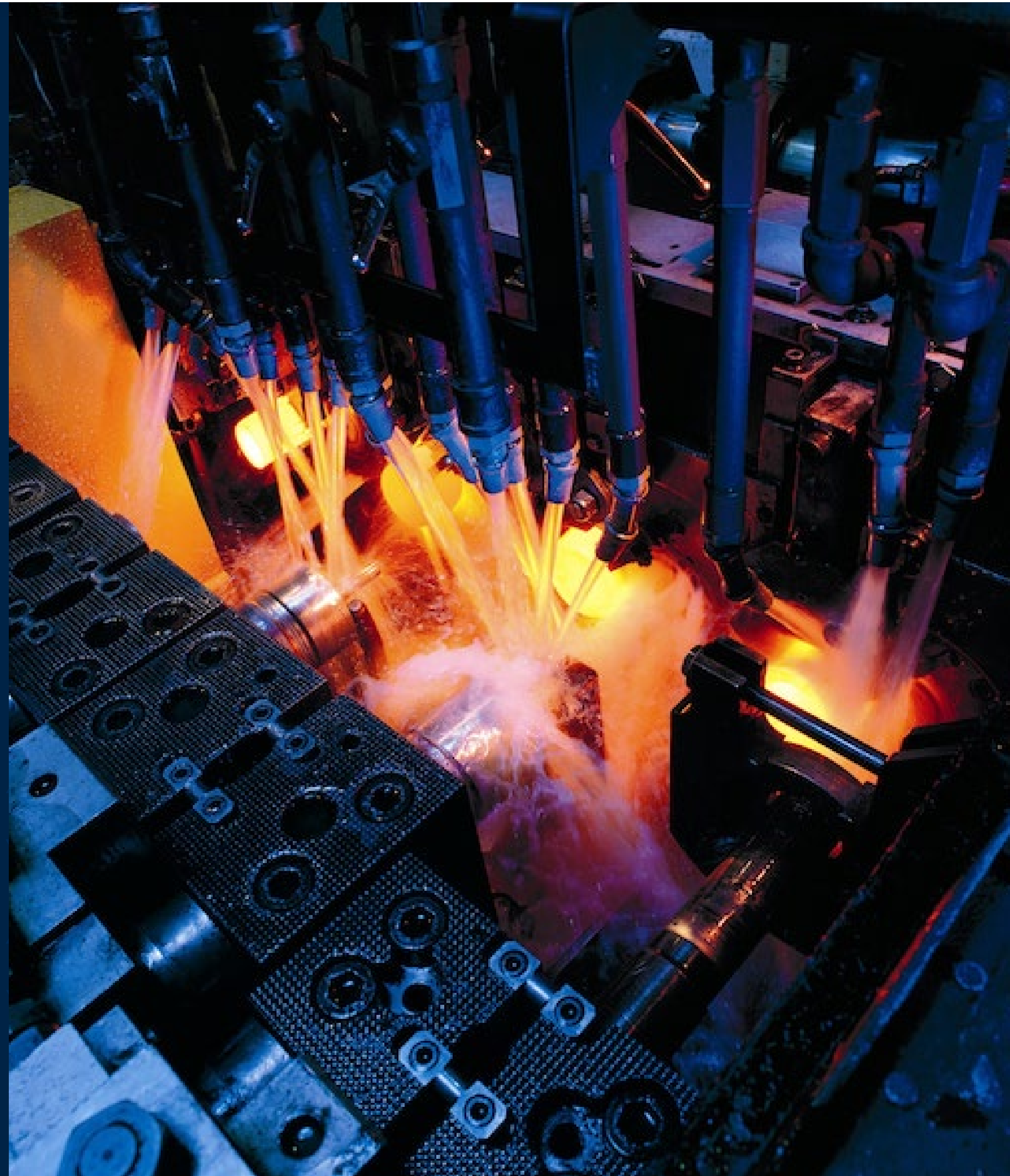
REPORTING AND INVESTIGATIONS

- ▷ 24/7/365 availability online or via toll-free call to a third-party call center with local language translators available
- ▷ Option to remain anonymous
- ▷ 100% of reports investigated
- ▷ Substantiated reports frequently resulted in group or individual counseling or training; more serious violations could result in verbal and written warnings or termination of employment
- ▷ A quarterly summary of all the reports was provided to the Audit Committee of the Board of Directors
- ▷ In 2025, AAM received 332 reports to our Ethics Line. This equated to 1.7 reports per 100 Associates, which is within the median range of benchmarking data provided by our Ethics Line provider
- ▷ Our 2025 substantiation rate* of 51% indicated a high level of quality, actionable reports

*Substantiation rate was based on investigations that have been concluded as of February 20, 2026.

HUMAN RESOURCES POLICIES AND PROCEDURES

We were committed to reviewing and updating Human Resources policies and procedures on a continuous basis. This included revising language to reflect our inclusive values while encouraging Associates to bring their whole selves to work. In addition, we had a large, content-rich online library available to advance our Associates' knowledge related to inclusion.



OPPORTUNITY

AAM was an equal employment opportunity employer. AAM would not discriminate against any Associate or applicant for employment because of race, color, religion, sex (including pregnancy, sexual orientation, gender identity or expression), national origin, age, disability, genetic information (including family medical history), weight, height, marital status, protected veteran status or other characteristics protected by law.

AAM took additional actions to promote fairness and diversity as part of our policy, hiring practices, organizational development and succession planning. AAM committed to providing flexible work arrangements and reflection rooms where possible and continued our commitment to promote Mutual Respect throughout the Company. AAM also committed to maintaining an inclusive work environment and provided a culture that supports related learning events, discussion and engagement activities.

UNLAWFUL HARASSMENT, SEXUAL HARASSMENT AND DISCRIMINATION

AAM had a company-wide Unlawful Harassment, Sexual Harassment and Discrimination Policy where all Associates had the right to work in an environment free from all forms of harassment and discrimination.

Unlawful harassment, sexual harassment or discrimination of Associates, customers, suppliers or others because of age, race, color, gender, pregnancy, religion, weight, height, marital status, sexual orientation, genetic history or information, gender identity or expression, disability, protected veteran status, national origin, any protected status or other characteristic protected by law is illegal and violates our company policy.

INDUSTRY ASSOCIATIONS

We sought to stay current with the policies, regulations and trends shaping the global automotive industry. To preserve our leadership in the field, we actively participated with associations and organizations around the world. Through our membership and involvement in these groups, we were able to share best practices, reinforce our expertise and strengthen our position as a leading global supplier.

NORTH AMERICA

- ▷ Automotive Industry Action Group
- ▷ Center for Automotive Diversity, Inclusion and Advancement
- ▷ Center for Automotive Research
- ▷ Forging Industry Association
- ▷ Motor & Equipment Manufacturers Association
- ▷ National Association of Manufacturers
- ▷ Society of Automotive Engineers
- ▷ Women in Manufacturing
- ▷ Society of Women Engineers
- ▷ The U.S.-Mexico Chamber of Commerce

EUROPE

- ▷ European Association of Automotive Suppliers
- ▷ Hessenmetall – Verband der Metall-und Elektro-Unternehmen Hessen e.V.
- ▷ Industrieverband Massivumformung e.V.
- ▷ VDA – Verband der Automobilindustrie e.V.

SOUTH AMERICA

- ▷ American Chamber of Commerce for Brazil

ASIA

- ▷ American Chamber of Commerce, Shanghai
- ▷ China Industry Technology Innovation Strategic Alliance for Electric Vehicle
- ▷ European Union Chamber of Commerce in China
- ▷ American Chamber of Commerce, Thailand
- ▷ Korean Auto Industry Cooperation Association
- ▷ American Chamber of Commerce in India
- ▷ Automotive Component Manufacturer Association
- ▷ The Automotive Research Association of India

APPENDIX

In This Chapter

- ▷ About This Report
- ▷ Commitments
- ▷ Supplemental Information
- ▷ UN SDG Index
- ▷ GRI Standards Index
- ▷ SASB Standards Index
- ▷ TCFD Standards Index



ABOUT THIS REPORT

Our focus was to drive continuous improvement in the sustainability areas most important to AAM and our stakeholders. Our seventh sustainability report describes the company's approach to sustainability program governance, priority topics, key metrics and targets, and our key sustainability initiatives and achievements. Our previous report covered the calendar year 2024 and was published in April 2025.

The content of this report generally covers subject matter for the calendar year 2025 and is limited to American Axle & Manufacturing Holdings, Inc. and its wholly-owned subsidiaries. Dollar amounts presented within this report are stated in U.S. dollars. Unless otherwise noted, all metrics related to AAM's operations, products, workforce and financial data refer to the calendar year ending December 31, 2025.

REPORTING FRAMEWORKS

Global Reporting Initiative (GRI) Standards: The GRI Standards were developed to enable organizations to report on their material impacts across the economy, environment and people. This report references the GRI Standards listed in the GRI Content Index.

Sustainability Accounting Standards Board (SASB): The SASB framework is a set of standards that identifies industry-specific, financially material sustainability topics and metrics. This report references the SASB Standards according to the Transportation – Auto Parts industry classification.

Task Force on Climate-Related Financial Disclosures (TCFD): The Financial Stability Board has developed a voluntary, consistent, climate-related financial risk disclosure for use by companies in providing information to investors, lenders, insurers and other stakeholders. Our public disclosures on climate change are included in the AAM 2025 Sustainability Report, our 2025 CDP response and in our 2025 Annual Report on Form 10-K, in alignment with the TCFD recommendations.

2025 SUSTAINABILITY MATERIAL TOPICS

The content featured in this report is based on the results of our 2022 materiality assessment. The assessment process followed Global Reporting Initiative (GRI) guidance and included:

DISCOVERY AND ANALYSIS:

- ▶ Analysis of industry-specific sustainability disclosures
- ▶ Benchmarking and comparison against industry best practices
- ▶ Review of AAM's sustainability-related disclosures, policies and procedures

STAKEHOLDER ENGAGEMENT:

- ▶ Interviews with customers, Board Members and internal stakeholders from AAM functions, including Environmental, Health and Safety, Finance, Marketing and Communications, Human Resources and Procurement
- ▶ Materiality survey of more than 700 internal and external stakeholders such as Associates, customers, suppliers and the AAM Board of Directors

MATERIALITY ASSESSMENT:

- ▶ Analyzed findings
- ▶ Identified common themes, trends and expectations across stakeholder groups
- ▶ Recommended material topics to integrate into business plans and reporting processes

The results of the assessment were used as we evaluated our strategy, developed additional long-term commitments and prioritized our sustainability-related initiatives.



AAM SUSTAINABILITY-RELATED COMMITMENTS

Commitments from AAM will be reviewed as part of our larger integration process, including revised baselines and strategies

2025

2027

2030

2035

2040



Energy and Emissions

Achieve 100% renewable energy in the U.S.*

Commit 67% of suppliers (by emissions) have science-based targets validated by an accredited third party

Achieve 100% renewable energy globally*

Achieve net-zero GHG emissions across the value chain from a 2020 base year



Waste and Hazardous Materials Management

Achieve zero waste-to-landfill status for all facilities



Water and Wastewater Management

Achieve zero incidents of water scarcity and water contamination in the watersheds in which we operate (annual commitment)



Innovative Technology and Electrification

Achieve electrification market share >10% of our estimated addressable market share



Diversity, Equity and Inclusion

Increase key demographic-related Associate representation

* Includes both renewable and carbon-free energy.

FORWARD-LOOKING STATEMENTS

In this Sustainability Report, we may make statements concerning our expectations, beliefs, plans, objectives, goals, strategies and future events or performance. Such statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and relate to trends and events that may affect our future financial position and operating results. Terms such as “will,” “may,” “could,” “would,” “plan,” “believe,” “expect,” “anticipate,” “intend,” “project,” “target” and similar words or expressions, as well as statements in future tense, are intended to identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at or by which such performance or results will be achieved.

Forward-looking statements are based on information available at the time they are made and/or management’s good-faith belief as of that time with respect to future events and are subject to risks and may differ materially from those expressed in or suggested by the forward-looking statements.

These risks and uncertainties include factors detailed in the reports we file with the Securities and Exchange Commission, including those described under “Risk Factors” in our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this communication.

We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.





ENVIRONMENTAL SUPPLEMENTAL INFORMATION

RENEWABLE AND CARBON-FREE ENERGY PURCHASING BY LOCATION**

U.S.

FACILITY	% RENEWABLE*	FACILITY	% RENEWABLE*
AAM World Headquarters	100%	Oxford Forge	100%
Advanced Technology Development Center	100%	Oxford Manufacturing Facility	100%
Auburn Hills Manufacturing Facility	100%	Ridgway Manufacturing Facility	100%
Bluffton Manufacturing Facility	100%	Rochester Hills Technical Center	100%
Bolingbrook Manufacturing Facility	100%	Rochester Manufacturing Facility	100%
Chicago Manufacturing Facility	100%	Royal Oak Manufacturing Facility	100%
Columbus Manufacturing Facility	100%	St. Marys Manufacturing Facility	100%
Detroit Business Office	100%	Subiaco Manufacturing Facility	100%
Detroit Manufacturing Facility	100%	Three Rivers Manufacturing Facility	100%
Fort Wayne Manufacturing Facility	100%	Troy Manufacturing Facility	100%
Fraser Manufacturing Facility	100%	Twinsburg Manufacturing Facility	100%
Minerva Manufacturing Facility	100%	Warren Manufacturing Facility	100%
North Vernon Manufacturing Facility	100%	Wooster Manufacturing Facility	100%

EUROPE

FACILITY	% RENEWABLE*
Barcelona Manufacturing Facility	100%
Brasov Manufacturing Facility	0%
Decines Manufacturing Facility	100%
Eisenach Manufacturing Facility	100%
Europe Headquarters & Engineering Center	100%
Glasgow Manufacturing Facility	0%
Halifax Manufacturing Facility	100%
Hausach Manufacturing Facility	0%
Ivance Manufacturing Facility	0%
Lyon Manufacturing Facility	100%
Oslavany Manufacturing Facility	0%
Rotenburg Manufacturing Facility	0%
Schmölln Manufacturing Facility	0%
Świdnica Manufacturing Facility	100%
Valencia Manufacturing Facility	0%
Zbysov Manufacturing Facility	0%
Zell Manufacturing Facility	100%

ASIA

FACILITY	% RENEWABLE*
Asia Headquarters & Engineering Center	0%
Chakan Manufacturing Facility	0%
Changshu Manufacturing - Plant 1	0%
Changshu Manufacturing - Plant 2	0%
Pyeongtaek Manufacturing Facility	0%
Rayong Manufacturing Facility	0%
Suzhou Manufacturing Facility	0%

AMERICAS (EXCLUDES U.S.)

FACILITY	% RENEWABLE*
Araucária Manufacturing Facility	100%
Betim Manufacturing Facility	100%
El Carmen Manufacturing Facility	100%
Guanajuato Forge	0%
Guanajuato Manufacturing - Plant 1	0%
Guanajuato Manufacturing - Plant 2	0%
Guanajuato Manufacturing - Plant 3	0%
Guanajuato Manufacturing - Plant 4	0%
Guanajuato Manufacturing - Plant 5	0%
Guanajuato Manufacturing - Plant 6	0%
Indaiatuba Manufacturing Facility	100%
Irapuato Manufacturing Facility	0%
Jundiaí Manufacturing Complex 1	100%
Jundiaí Manufacturing Complex 2	100%
Las Colinas Manufacturing Facility	7%
Ramos Manufacturing Complex - Plant 1	0%
Ramos Manufacturing Complex - Plant 2	0%
Silao Manufacturing Facility	7%

* Includes both renewable and carbon-free energy.

**Includes manufacturing, engineering and/or headquarters-related facilities as of December 31, 2025.



ENVIRONMENTAL SUPPLEMENTAL INFORMATION

ENERGY AND WATER DATA

% OF RENEWABLE* ENERGY BY REGION	
U.S.	100%
Europe	48%
Asia	0%
Americas (Excludes U.S.)	42%

WATER WITHDRAWAL [ML] BY REGION	
U.S.	1,144
Europe	185
Asia	110
Americas (Excludes U.S.)	569
	471
Water Scarce Regions	471
Non-water Scarce Regions	1,537

* Includes both renewable and carbon-free energy.



SOCIAL SUPPLEMENTAL INFORMATION

GLOBAL EMPLOYEE DATA

EMPLOYEES BY GENDER

GENDER	TOTAL	PERCENTAGE
Male	13,864	77.2%
Female	4,097	22.8%
Unidentified	0	0.0%

EMPLOYEES BY REGION

REGION	TOTAL	PERCENTAGE
Asia	1,270	7.1%
Europe	3,250	18.1%
North America	12,334	68.7%
South America	1,107	6.1%

AVERAGE TRAINING HOURS PER EMPLOYEE

EMPLOYEE CATEGORY	HOURS
Hourly	446,000
Salaried	163,000
Total Training Hours	609,000
Average Training Hours per Employee	33.92

EMPLOYEES BY GENDER AND AGE GROUP

AGE GROUP	FEMALE	MALE
29 and Under	6.6%	16.1%
30 to 49	11.6%	41.1%
50 and over	4.6%	20.0%

EMPLOYEES BY GENDER AND REGION

REGION	FEMALE	MALE
Asia	1.1%	6.0%
Europe	3.4%	14.7%
North America	17.3%	51.4%
South America	1.0%	5.1%

TOTAL TRAINING HOURS BY TOPIC

TOPIC	HOURS
Safety	148,000
Environmental	34,000
Quality	112,000
Technical Skills	303,000
Ethics and Compliance	8,000
Inclusion, Leadership, Language and other Professional Development	4,000

LABOR AGREEMENTS

TOTAL ASSOCIATES WITH UNION AFFILIATION	56%
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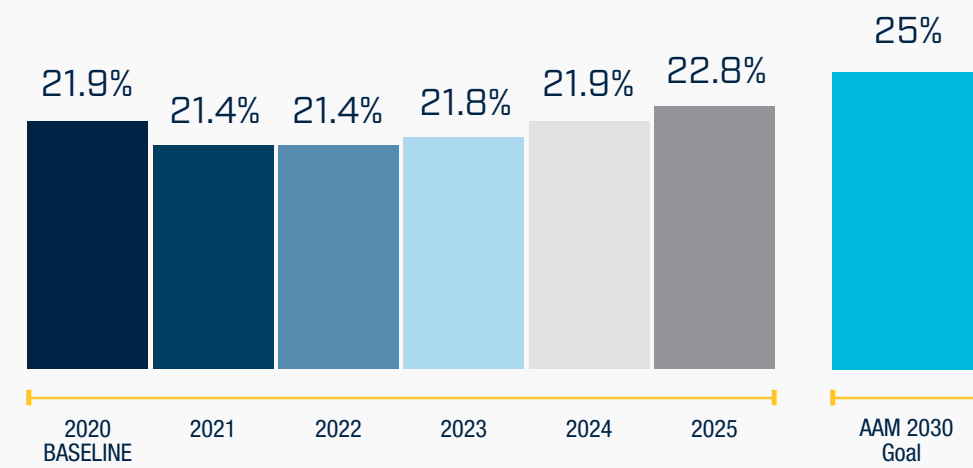


DEMOGRAPHIC GOALS

As a part of our global program, AAM established three global and four U.S. 2030 goals. These goals helped drive accountability, were reviewed annually with our Board of Directors and shared with our global workforce. We continued to strengthen our talent attraction initiatives and focus on gender and underrepresented groups.

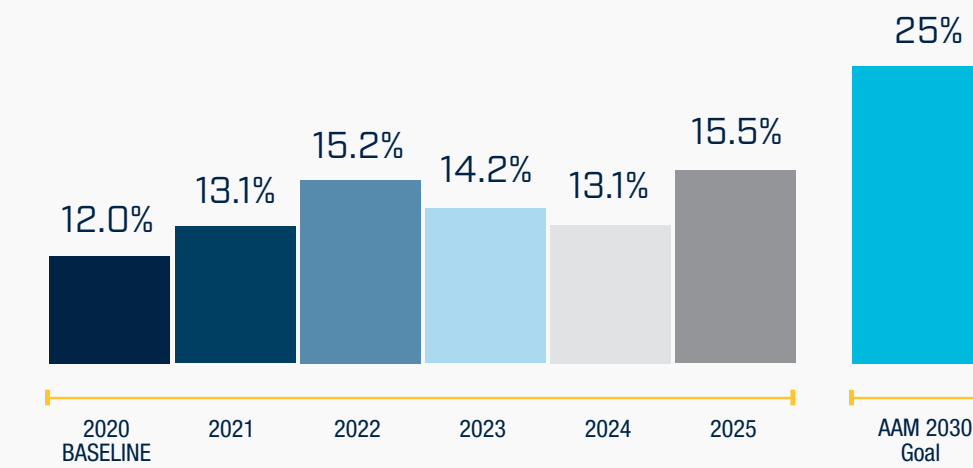
Global Goal:

Increase Women representation to 25% in our Global workforce by 2030



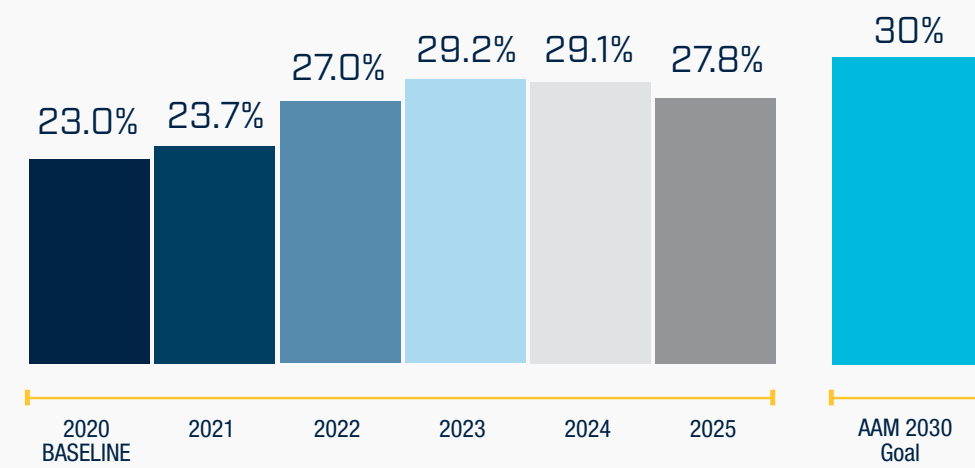
Global Goal:

Increase Women representation in our global leadership ranks to 25% by 2030



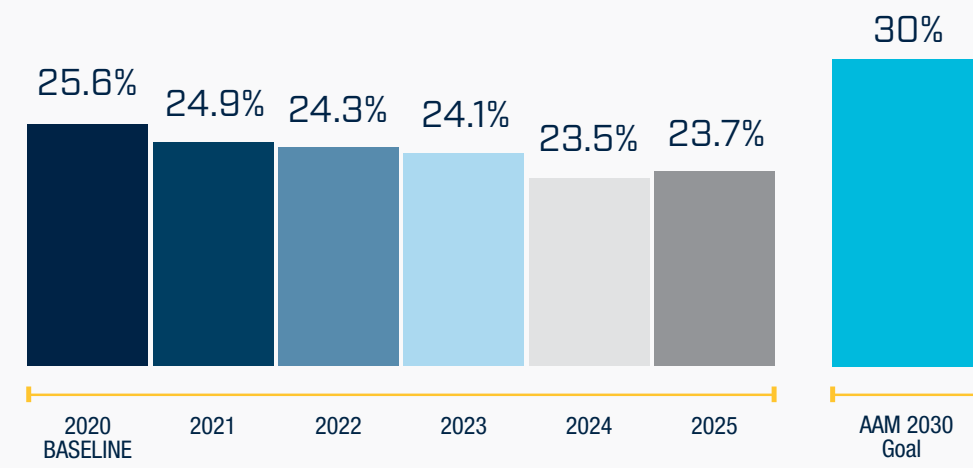
Global Goal:

Increase BIPOC* representation in our global leadership ranks to 30% by 2030



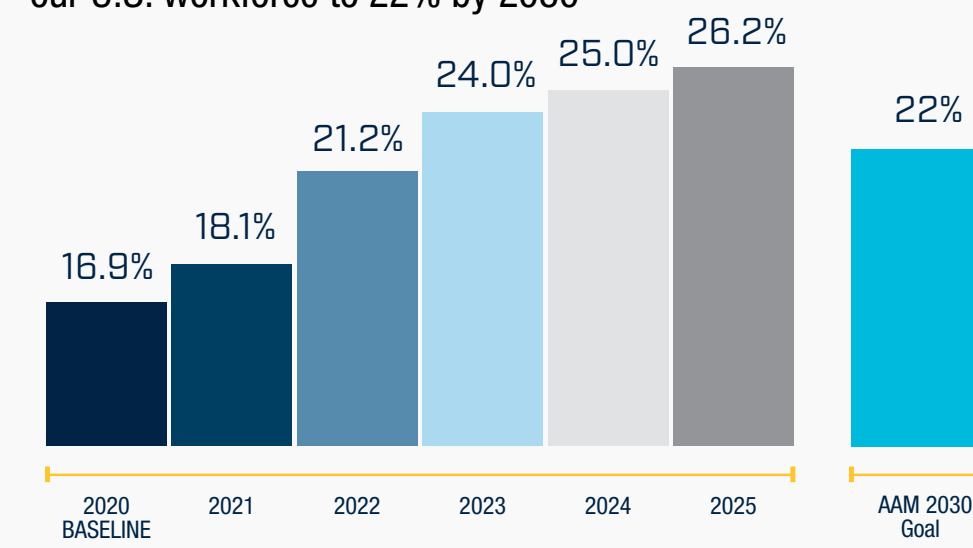
U.S. Goal:

Increase Women representation to 30% in our U.S. workforce by 2030



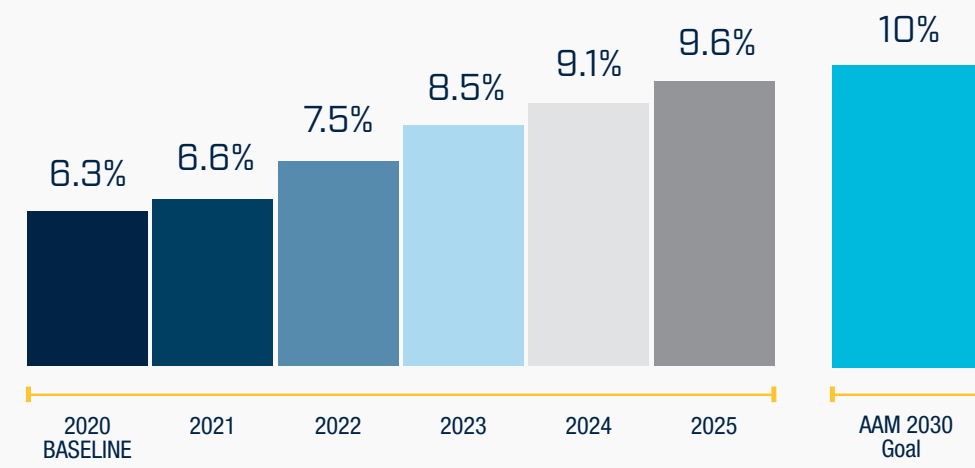
U.S. Goal:

Increase BIPOC* representation in our U.S. workforce to 22% by 2030



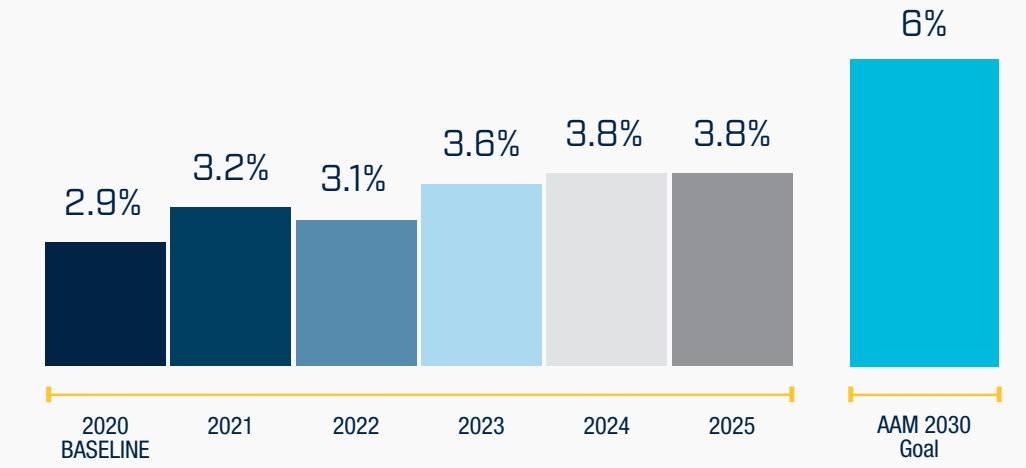
U.S. Goal:

Increase the representation of Black Associates in our U.S. workforce to 10% by 2030



U.S. Goal:

Increase the representation of Black Salaried Associates in our U.S. workforce to 6% by 2030



*BIPOC = Black, Indigenous and People of Color



SUPPLY CHAIN SUPPLEMENTAL INFORMATION

A key tool that helped us identify risks and opportunities, assess sustainability practices, track and monitor actions, improve performance and manage our program more efficiently was the EcoVadis platform. The tool was designed to optimize data collection, enabling us to better track our suppliers’ progress in areas such as environmental impact, labor and human rights, ethics, and sustainable procurement, while also supporting them in setting their own science-based targets.

We launched the platform in 2024, focusing on our efforts on direct material suppliers that account for the majority of our Scope 3 category 1 emissions. In 2025, the percent of those suppliers that shared their EcoVadis scores with AAM was approximately 80%.

Below is a sampling of EcoVadis survey results from 2025:

ECOVADIS SURVEY RESULTS

EcoVadis Key Performance Indicator	% OF SUPPLIERS
Labor and human rights policy on child labor, forced labor and human trafficking	82%
Environmental policy	76%
Ethics policy	88%
Information security policy	84%
Sustainable procurement policy	79%
Grievance mechanism or whistleblowing procedure in place	74%
ISO 14001 certified (at least one operational site)	89%
Use of renewable energy	75%

AAM was committed to creating a positive global impact, and we identify nine United Nations Sustainable Development Goals (SDGs) as being closely linked to our priority topics for 2025. The following examples of AAM’s goals, initiatives and accomplishments were in alignment with these relevant SDGs.

	SDG	AAM GOALS, INITIATIVES AND ACHIEVEMENTS
	GOOD HEALTH AND WELL-BEING: Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> ▶ Benefits focus on four well-being pillars: physical, emotional, financial and social ▶ Psychological safety and wellness support through a variety of global programs and initiatives
	GENDER EQUALITY: Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> ▶ Goal to increase the representation of women in AAM's global workforce by 25% by 2030 ▶ Goal to double the representation of women executives at global leadership levels to 25% by 2030
	AFFORDABLE AND CLEAN ENERGY: Ensure access to affordable, reliable, sustainable and modern energy	<ul style="list-style-type: none"> ▶ Achieved 100% of energy sourced in the U.S. in 2024 from renewable or carbon-free, a year prior to the 2025 goal ▶ 68% of energy sourced globally in 2025 was renewable or carbon-free with a goal of 100% by 2035
	DECENT WORK AND ECONOMIC GROWTH: Promote sustained, inclusive and sustainable economic growth; full and productive employment; and decent work for all	<ul style="list-style-type: none"> ▶ Supply Chain Human Rights addressed in Supplier Code of Conduct, covering topics such as Women's Rights, Rights of Minorities and Indigenous Peoples, Land Rights and Forced Eviction ▶ Ensuring human rights are respected through our Equal Employment Opportunity Policy that was enhanced in 2025 and our Human Rights Policy
	INDUSTRY, INNOVATION AND INFRASTRUCTURE: Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	<ul style="list-style-type: none"> ▶ Approximately 51% of R&D spend in 2025 on sustainability-focused projects ▶ Goal of > 10% of our estimated addressable market share by 2030 in electric powertrain technology
	REDUCED INEQUALITIES: Reduce inequality within and among countries	<ul style="list-style-type: none"> ▶ Global community contributions over \$1.2 million (USD) and approximately 6,800 volunteer hours to more than 85 organizations ▶ Global 2+1 Engagement program progressed globally
	RESPONSIBLE CONSUMPTION AND PRODUCTION: Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> ▶ Goal of zero waste-to-landfill status for all facilities by 2035 ▶ 81% of waste, by weight, diverted from landfill in 2025 ▶ Annual goal of zero incidents of water contamination and water scarcity in watersheds where we operate
	CLIMATE ACTION: Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> ▶ Net-zero emissions goals validated by SBTi ▶ Extended biodiversity partnership with the Wildlife Habitat Council in 2025 ▶ 67% of our direct material suppliers (by emissions) required to have science-based targets validated by 2027
	PEACE, JUSTICE AND STRONG INSTITUTIONS: Promote peaceful and inclusive societies for sustainable development; provide access to justice for all; and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> ▶ “Speak up first” culture reinforced through a global communication campaign and enhancements ▶ All Associates required to read the Code of Business Conduct and acknowledge their obligation to comply as part of their annual training



GRI STANDARDS INDEX									
GRI Standard	Disclosure	Reference/Response	Page						
GRI 2: GENERAL DISCLOSURES 2025									
	2-1 Organizational details	American Axle & Manufacturing Holdings, Inc. was a publicly traded corporation incorporated in the state of Delaware. Our shares were traded on the New York Stock Exchange. Effective January 26, 2026, American Axle & Manufacturing Holdings, Inc. changed its name to Dauch Corporation, and subsequent to the completion of the acquisition of Dowlais, also began trading on the London Stock Exchange on February 4th. 2025 Form 10-K : Business	—						
	2-2 Entities included in the organization’s sustainability reporting	2025 Form 10-K : Exhibit 21	—						
	2-3 Reporting period, frequency and contact point	2025 Annual (published April 2025) Contact: Sustainability@AAM.com	—						
	2-4 Restatements of information	Any restatements are noted as part of the data presented within the body of this report.	—						
	2-5 External assurance	This report has not been externally assured.	—						
	2-6 Activities, value chain and other business relationships	2025 Form 10-K : Business	—						
	2-7 Employees	Social Supplemental Information	80						
	2-8 Workers who are not employees	<table border="1"> <thead> <tr> <th>CATEGORY</th> <th>NUMBER</th> </tr> </thead> <tbody> <tr> <td>Hourly</td> <td>365</td> </tr> <tr> <td>Salaried</td> <td>34</td> </tr> </tbody> </table>	CATEGORY	NUMBER	Hourly	365	Salaried	34	—
CATEGORY	NUMBER								
Hourly	365								
Salaried	34								
	2-9 Governance structure and composition	Governance	65-66						



GRI STANDARDS INDEX			
GRI Standard	Disclosure	Reference/Response	Page
GRI 2: GENERAL DISCLOSURES 2025 – (CONTINUED)			
	2-10 Nomination and selection of the highest governance body	2026 Proxy Statement : Corporate Governance	–
	2-11 Chair of the highest governance body	Chairman and CEO Letter Governance	6 65-66
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance	65-66
	2-13 Delegation of responsibility for managing impacts	Governance	65-66
	2-14 Role of the highest governance body in sustainability reporting	Governance	65-66
	2-15 Conflicts of interest	Ethics and Compliance Training Conflict of Interest Policy	70 –
	2-16 Communication of critical concerns	Ethics and Compliance Program Code of Business Conduct	69 –
	2-17 Collective knowledge of the highest governance body	2026 Proxy Statement : Corporate Governance	–
	2-18 Evaluation of the performance of the highest governance body	2026 Proxy Statement : Corporate Governance	–



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GRI 2: GENERAL DISCLOSURES 2025 – (CONTINUED)			
	2-19 Remuneration policies	2026 Proxy Statement : Corporate Governance Benefits and Compensation	– 31
	2-20 Process to determine remuneration	2026 Proxy Statement : Compensation Discussion and Analysis	–
	2-21 Annual total compensation ratio	2026 Proxy Statement : CEO Pay Ratio	–
	2-22 Statement on sustainable development strategy	Chairman and CEO Letter	6
	2-26 Mechanisms for seeking advice and raising concerns	Code of Business Conduct	–
	2-27 Compliance with laws and regulations	Code of Business Conduct	–
	2-28 Membership associations	Industry Associations	73
	2-29 Approach to stakeholder engagement	AAM's Material Topics Stakeholder Engagement About this Report 2026 Proxy Statement : Corporate Governance	7 9 75 –
	2-30 Collective bargaining agreements	2025 Form 10-K : Business Labor Relations	– 24



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GRI 3: MATERIAL TOPICS 2025			
	3-1 Process to determine material topics	Sustainability Strategy About this Report	7 75
	3-2 List of material topics	Sustainability Strategy	7
	3-3 Management of material topics	Governance	65-66
GRI 200: ECONOMIC			
205 - ANTI-CORRUPTION			
	205-1 Operations assessed for risks related to corruption	Ethics and Compliance Reporting and Monitoring	71
	205-2 Communication and training about anti-corruption policies and procedures	Ethics and Compliance Program	69-71
	205-3 Confirmed incidents of corruption and actions taken	2025 Form 10-K : Legal Proceedings	—
206 - ANTI-COMPETITIVE BEHAVIOR			
	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	2025 Form 10-K : Legal Proceedings	—

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	301-2 Recycled input materials used	Sustainable Product Development	49
302 - ENERGY			
	302-1 Energy consumption within the organization	Emissions and Energy Environmental Supplemental Information	13-16 78-79
	302-2 Energy consumption outside of the organization	Emissions and Energy Supply Chain	16 58, 60, 63
	302-3 Energy intensity	Emissions and Energy	14
	302-4 Reduction of energy consumption	Emissions and Energy	14
303 - WATER AND EFFLUENTS			
	303-1 Interactions with water as a shared resource	Water Management 2025 CDP Response	17 —
	303-2 Management of water discharge-related impacts	Water Management 2025 CDP Response	17 —
	303-3 Water withdrawal	Water Management	17
	303-4 Water discharge	2025 CDP Response	—
	303-5 Water consumption	2025 CDP Response	—

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GRI Standard	Disclosure	Reference/Response	Page
GRI 300: ENVIRONMENTAL – (CONTINUED)			
305 - EMISSIONS			
	305-1 Direct (Scope 1) GHG emissions	Emissions and Energy	13
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions and Energy	13
	305-3 Other indirect (Scope 3) GHG emissions	Emissions and Energy Monitoring Processes Supplier Sustainability Council	16 13-16 60
	305-4 GHG emissions intensity	Emissions and Energy Carbon-Free and Renewable Energy	13-16 15
	305-5 Reduction of GHG emissions	Emissions and Energy Carbon-Free and Renewable Energy	13-16 15
306 - WASTE			
	306-1 Waste generation and significant waste-related impacts	AAM Environmental Policy Waste Management	– 18
	306-2 Management of significant waste-related impacts	AAM Environmental Policy Waste Management	– 18
	306-3 Waste generated	Waste Management	18
	306-4 Waste diverted from disposal	Waste Management	18
	306-5 Waste directed to disposal	77,637 tons sent to landfill	18
308 - SUPPLIER ENVIRONMENTAL ASSESSMENT			
	308-1 New suppliers that were screened using environmental criteria	Onboarding and Monitoring	57-58
	308-2 Negative environmental impacts in the supply chain and actions taken	Onboarding and Monitoring	57-58



GRI STANDARDS INDEX																																																			
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GRI 400: SOCIAL																																																			
401 - EMPLOYMENT																																																			
	401-1 New employee hires and employee turnover	<table border="1"> <thead> <tr> <th>HIRES</th> <th>NUMBER</th> <th>PERCENTAGE*</th> </tr> </thead> <tbody> <tr> <td>Total Hires</td> <td>3,402</td> <td>18.9%</td> </tr> <tr> <td>Male</td> <td>2,463</td> <td>13.7%</td> </tr> <tr> <td>Female</td> <td>931</td> <td>5.2%</td> </tr> <tr> <td>Unidentified</td> <td>8</td> <td>0.0%</td> </tr> <tr> <td>29 and Under</td> <td>1,588</td> <td>8.8%</td> </tr> <tr> <td>30 to 49</td> <td>1,430</td> <td>8.0%</td> </tr> <tr> <td>50 and Over</td> <td>384</td> <td>2.1%</td> </tr> <tr> <th>TURNOVER</th> <th>NUMBER</th> <th>PERCENTAGE*</th> </tr> <tr> <td>Total Turnover</td> <td>3,734</td> <td>20.8%</td> </tr> <tr> <td>Male</td> <td>2,807</td> <td>15.6%</td> </tr> <tr> <td>Female</td> <td>925</td> <td>5.2%</td> </tr> <tr> <td>Unidentified</td> <td>2</td> <td>0.0%</td> </tr> <tr> <td>29 and Under</td> <td>1,346</td> <td>7.5%</td> </tr> <tr> <td>30 to 49</td> <td>2,027</td> <td>11.3%</td> </tr> <tr> <td>50 and Over</td> <td>361</td> <td>2.0%</td> </tr> </tbody> </table>	HIRES	NUMBER	PERCENTAGE*	Total Hires	3,402	18.9%	Male	2,463	13.7%	Female	931	5.2%	Unidentified	8	0.0%	29 and Under	1,588	8.8%	30 to 49	1,430	8.0%	50 and Over	384	2.1%	TURNOVER	NUMBER	PERCENTAGE*	Total Turnover	3,734	20.8%	Male	2,807	15.6%	Female	925	5.2%	Unidentified	2	0.0%	29 and Under	1,346	7.5%	30 to 49	2,027	11.3%	50 and Over	361	2.0%	—
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	401-3 Parental leave	We provide parental leave as required by federal and local rules and regulations	—																																																

* Percentages are calculated based on total global Associates

GRI STANDARDS INDEX			
GRI Standard	Disclosure	Reference/Response	Page
GRI 400: SOCIAL – [CONTINUED]			
403 - OCCUPATIONAL HEALTH AND SAFETY			
	403-1 Occupational health and safety management system	Health and Safety	20-21
	403-2 Hazard identification, risk assessment and incident investigation	Health and Safety	20-22
	403-3 Occupational health services	Benefits and Compensation	30-31
	403-4 Worker participation, consultation and communication on occupational health and safety	Health and Safety	20-22
	403-5 Worker training on occupational health and safety	Health and Safety Social Supplemental Information	20-22 80
	403-6 Promotion of worker health	Benefits and Compensation Wellbeing	30-31 32
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	Health and Safety	20-22
	403-8 Workers covered by an occupational health and safety management system	Management Structure	20
	403-9 Work-related injuries	Health and Safety One fatality during 2025	22 –
404 - TRAINING AND EDUCATION			
	404-1 Average hours of training per year, per employee	Social Supplemental Information	80
	404-2 Programs for upgrading employee skills and transition assistance programs	Career and Development	33-35
	404-3 Percentage of employees receiving regular performance and career development reviews	100% of eligible salaried employees receive regular performance and career development reviews	–



GRI STANDARDS INDEX			
GRI Standard	Disclosure	Reference/Response	Page
GRI 400: SOCIAL – [CONTINUED]			
405 - DIVERSITY AND EQUAL OPPORTUNITY			
	405-1 Diversity of governance bodies and employees	31% of Women on Board of Directors* 7% of BIPOC on Board of Directors*	– –
	405-2 Ratio of basic salary and remuneration of women to men	This data was collected and analyzed as part of AAM's Strategic Roadmap	–
408 - CHILD LABOR			
	408-1 Operations and suppliers at significant risk for incidents of child labor	Respect for Human Rights Human Rights Policy	23 –
409 - FORCED OR COMPULSORY LABOR			
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Respect for Human Rights Human Rights Policy	23 –
410 - SECURITY PRACTICES			
	410-1 Security personnel trained in human rights policies or procedures	100% of security personnel have completed Code of Conduct training, which addresses human rights policies and procedures	–
413 - LOCAL COMMUNITIES			
	413-1 Operations with local community engagement, impact assessments and development programs	Community Engagement	36-37
414 - SUPPLIER SOCIAL ASSESSMENT			
	414-1 New suppliers that were screened using social criteria	Onboarding and Monitoring	57-58
	414-2 Negative social impacts in the supply chain and actions taken	Onboarding and Monitoring	57-58

* Information above reflects Board of Directors as of March 5, 2026.



SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) STANDARDS INDEX				
Code	Topic	Metric	Reference/Response	Page
ACCOUNTING METRICS				
TR-AP-130A.1	Energy Management	Total energy consumed Percentage grid electricity Percentage renewable	5,690,054 GJ 100% of electric power drawn from the grid 68%	— — 15
TR-AP-150A.1	Waste Management	Total amount of waste from manufacturing Percentage hazardous Percentage recycled	612,412 tons (603,495 tons of non-hazardous waste generated + 8,917 tons of hazardous waste) 1% 86%	—
TR-AP-250A.1	Product Safety	Number of recalls issued, total units recalled	AAM had 0 product recalls during 2025.	—
TR-AP-410A.1	Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency and/or reduce emissions	2025 CDP Response	—
TR-AP-440A.1	Materials Sourcing	Description of the management of risks associated with the use of critical materials	Conflict Minerals Policy 2025 Form 10-K	59 —
TR-AP-440B.1	Materials Efficiency	Percentage of products sold that are recyclable	Sustainable Product Development Substantially all products we sell are principally comprised of steel, iron, copper or aluminum, which are recyclable materials.	49-51
TR-AP-440B.2		Percentage of input materials from recycled or remanufactured content	Packaging and Recycled Material	51
TR-AP-520A.1	Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	2025 Form 10-K: Legal Proceedings	—



TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD) STANDARDS INDEX		
Disclosure	Reference/Response	Page
GOVERNANCE		
a) Describe the board's oversight of climate-related risks and opportunities	Climate Strategy Management Structure and Board Level Oversight Sustainability Governance	8 65 66
b) Describe management's role in assessing and managing climate-related risks and opportunities	Climate Strategy Environmental Governance	8 11-12 65-67
STRATEGY		
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Climate risk assessment and scenario analysis was conducted in 2022. Results and strategy have been integrated into the AAM Enterprise Risk Management system (ERM) with risks and opportunities defined. A refreshed and expanded climate scenario analysis was completed in 2025.	—
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	2025 Form 10-K : Business	—
c) Describe the resilience of the organization's strategy under different climate-related scenarios, including a 2°C or lower scenario	Climate risk assessment and scenario analysis was conducted in 2022. Risks, opportunities and mitigation actions under both high and low carbon scenarios have been defined. A refreshed and expanded climate scenario analysis was completed in 2025.	—
RISK MANAGEMENT		
a) Describe the organization's processes for identifying and assessing climate-related risks	AAM leverages the risk management system to assess and develop action toward climate concerns. Input into the ERM is based on the results of a Climate Scenario Analysis conducted in 2022. Climate Risk is listed as one of the top ten risk concerns of AAM.	—
b) Describe the organization's process for managing climate-related risks	Analysis: Formal Climate Scenario Analysis Process: Risk Management Process	—
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	A dedicated environmental sustainability leader at a senior executive level identifies potential climate-related risks for analysis and consideration by the AAM Risk Management Working Group. This Group is responsible for determining which risks should be reviewed by the Company's Policy Committee and Board of Directors. Sustainability Governance and Risk Management	— 66-67
METRICS		
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Environmental 2025 CDP Response	11-16 —
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	Environmental 2025 CDP Response	11-16 —
c) Describe the targets used to manage climate-related risks and opportunities and performance against targets	Environmental 2025 CDP Response AAM Sustainability-Related Commitments	11-16 — 76



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