

## Course of Remediation

The United States and Mexico agree to this Course of Remediation, for purposes of United States-Mexico-Canada Agreement (USMCA) Annex 31-A (United States-Mexico Facility-Specific Rapid Response Labor Mechanism), for the Denial of Rights determined by Mexico to exist, for purposes of USMCA Annex 31-A, for workers at the General Motors de México facility in Silao, State of Guanajuato. The agreed-upon date for remediation is September 20, 2021; however, each action specified in the Course of Remediation must occur by the date specified for such action in the Course of Remediation.

1. The Miguel Trujillo López Trade Union<sup>1</sup> (the Union) must hold a reinstated vote on the legitimization of the collective bargaining agreement (CBA)<sup>2</sup> at the General Motors de México facility in Silao, State of Guanajuato (the facility), no later than August 20, 2021, formally announcing the vote at least 15 business days before the start of voting.
2. The dates, times, and places assigned for the voting will be validated by the Secretariat of Labor and Social Welfare (STPS) to ensure that they meet the necessary conditions of security, accessibility and neutrality. The locations will be away from Union offices and Company<sup>3</sup> management offices, and in an area without cameras. The STPS and the Company will ensure that all workers who choose to vote are given a sufficient amount of paid time to vote and that workers are not coerced or required to vote. The Company will create a schedule for the days of voting, providing each worker with a specified paid time period on the worker's usual shift during which the worker will have no work responsibilities and may, but need not, vote. Each worker will receive the same amount of paid time for this purpose, and it shall be an amount adequate for any worker at the facility to go from the worker's work site to a voting location, vote, and return. Specified paid time periods for voting will be evenly distributed throughout each shift to avoid lines at voting locations. The STPS will review the Company's proposed schedule to ensure that it meets the criteria in this paragraph. If the Company has not proposed a schedule that meets these criteria at least five days before the scheduled start of voting, the STPS will create and mandate a schedule that meets these criteria.
3. The STPS will have federal inspection personnel that are necessary to verify the carrying out of the consultation. One thing that the inspectors will monitor will be that every person who comes to vote displays their official photo identification. The inspectors will ensure that only those individuals on the STPS-approved registry of eligible voters are permitted to vote. The inspectors will also ensure that each worker can vote only once.
4. The STPS will ensure that the voting area is secure. The STPS will verify that only the Union officials strictly necessary to perform the functions that are essential for the proper

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<sup>1</sup> Sindicato Nacional de Trabajadores de la Industria Metal-Mecánica, Sidero-Metalúrgica, Automotriz y Proveedoras de Autopartes en General, de la Energía, sus Derivados y Similares de la República Mexicana, “Miguel Trujillo López.”

<sup>2</sup> Collective Bargaining Agreement Number CC-973-2005-XII-2019-7819.

<sup>3</sup> The “Company” includes General Motors de México, General Motors Company, and all parent companies and subsidiaries, direct or indirect, of either.<sup>4</sup> The STPS Resolution on the CBA Legitimization Vote at General Motors Silao, May 11, 2021, Third Resolution, page 39.

carrying out of the consultation are approved to be permitted in the secure voting area. The STPS will approve such individuals based on transparent criteria. The STPS will also specify the function that each Union official permitted in the voting area is allowed to perform. The STPS will ensure that Company supervisors, team leaders, human resources, and other personnel do not have a presence in the voting area during the period of the vote.

5. The STPS will provide the electoral material that is required for the consultation and will safeguard that material from the beginning of the consultation until its conclusion. The STPS will ensure that the examination and tabulation of the votes is carried out at a single place and time after completion of the voting; that is, there will be no partial vote computations.<sup>4</sup>
6. In the event that the Union does not carry out the vote by the deadline of August 20, 2021, as established in the STPS's Execution Agreement of June 21, 2021,<sup>5</sup> the CBA will be terminated and workers will retain their benefits and work conditions recognized by the CBA.
7. The consultation will be attended by observers from the International Labor Organization (ILO). The ILO observers will be present at the facility each day from the day on which the vote is announced until the day after all voting and vote counting has concluded. The STPS will communicate in writing to the ILO observers the requirements for their accreditation, and the ILO observers will follow standard ILO procedures and the ILO's code of conduct for impartiality and neutrality to avoid any conflict of interest. As part of the criteria that the STPS will issue in order for the ILO to accredit its staff, STPS will include that the ILO observers must be recognized ILO officials selected by the ILO technical department – they may not be representatives of either the employer or worker sector – and they must not have had any affiliation with a Mexican union. It will be guaranteed that the ILO observers have a presence in each of the voting points and throughout the duration of the consultation, including inspecting and keeping watch on the ballot boxes.
8. In addition to observers from the ILO, the vote will be attended by national observers from the National Electoral Institute (INE)'s permanent staff.<sup>6</sup> The STPS will provide the list of accredited INE observers to the Company, so that it can provide the observers with all access that they require to carry out their duties. INE observers will be permitted to be present at the facility on the days that voting occurs. The STPS will communicate in writing to the INE observers both the code of conduct they must adhere to in order to guarantee impartiality, neutrality, and the absence of conflicts of interest, as well as the

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<sup>4</sup> The STPS Resolution on the CBA Legitimization Vote at General Motors Silao, May 11, 2021, Third Resolution, page 39.

<sup>5</sup> The STPS Execution Agreement to Reinstate the Legitimization Procedure at General Motors Silao, June 21, 2021, Second Resolution, page 7.

<sup>6</sup> If the INE is unable to fulfill its role as specified in this Course of Remediation, the United States and Mexico will agree, within three business days of either being so informed by the INE, on another Mexican autonomous institution. For greater certainty, if the INE or the other institution is unable to fulfill its role as specified, remediation will not have occurred in the absence of an agreement on an alternative.

requirements for their accreditation.

9. The STPS, through its inspection body, will proactively investigate and verify the conditions surrounding the consultation. This includes identifying, documenting, and taking action to correct and sanction any misinformation, intimidation, and retaliation that has occurred in connection with the legitimization process. The STPS will also proactively investigate any potential misinformation, intimidation, and retaliation moving forward and will take action to correct any such occurrence and issue sanctions for it. The STPS inspectors will be present at the facility daily beginning July 15, 2021. The number of inspectors at the facility will increase progressively as the vote approaches, beginning with approximately eight inspectors at the facility for the entirety of each workday during the first week that inspectors are present, and finishing with approximately 32 inspectors at the facility for the entirety of each workday for the entirety of the week preceding the August vote. On a daily basis, the inspectors will conduct random interviews of workers on Company-provided personnel transportation, at pick-up/drop-off sites for that transportation, and at the facility. Inspectors will proactively interview workers each day to check that the environment is free from coercion and intimidation, and that the vote will be free, secret, and personal. Inspectors will document alleged or observed misconduct for follow-up remedial or punitive action by the STPS.
10. The STPS will collate and validate the registry of workers with the right to vote to ensure that the same list is used in the August vote as the list registered in the vote announcement filed on March 23<sup>rd</sup>, with the exception that the STPS will ensure that any errors in the list filed on March 23<sup>rd</sup> are corrected prior to the August vote.
11. The STPS will prepare and disseminate informational materials - audiovisual and printed - on the rights of workers within the framework of the process of legitimization of the CBA. These materials will inform workers about the effects of both possible vote outcomes, including that under Transitional Article 11 of the decree promulgating the May 1, 2019 reforms of the Federal Labor Law, workers retain all their rights under the CBA regardless of the outcome of the vote. The materials will also note the mechanisms to present nonconformities and complaints to the STPS, and will inform workers that their right to vote in the legitimization process is not subject to attending any meetings beforehand. In addition, the materials will inform workers that the April vote was annulled because the STPS found irregularities in connection with the vote. The STPS will ensure due dissemination of the materials in the places with the greatest foot traffic and visibility, in order to promote conditions of freedom and democracy for the August vote.
12. The STPS will validate any informational materials that the Company or Union develop or disseminate. These materials must be aligned with the STPS' institutional materials. The Company will disseminate – by physical and electronic means – to workers, as well as post in the most visible areas of the workplace, a declaration of neutrality highlighting its respect for the majority decision. The declaration will prominently include a guarantee from the Company that workers will not be retaliated against for exercising their rights, as well as a statement that the Company has a zero-tolerance policy for any

reprisals in connection with the vote and for any intimidation by Company employees. The declaration will tell workers that the Company is not involved in the vote and that the facility will not close if the CBA is not ratified. The declaration will also make clear that the Company is not involved in, and does not endorse the content of, Union meetings. The Company will also guarantee the delivery, 10 days prior to the vote, to all workers with voting rights, of a printed copy of the CBA, accompanied by the informational materials issued by the STPS.

13. The STPS email address for grievances will be monitored daily from announcement of the August vote until all voting and vote counting has concluded so that all workers can report to the STPS any legitimization-related intimidation or irregularity. The STPS will inform workers before the vote, by electronic and physical means, of their ability to report any retaliation, and will provide the STPS email address, and a hotline phone number for receiving complaints and for speaking with STPS officials. The STPS will allow workers who file a complaint during the five-day post-vote tabulation window to provide additional information within three weeks after the vote, and the STPS will respond to each complaint letting workers know they can do so. The Company will also permanently maintain a mechanism that permits workers to anonymously report any intimidation, retaliation, or misinformation.
14. The Company will abide by the terms of the FOURTH resolutivo of the STPS's May 11<sup>th</sup> Resolution on the Legitimization Vote.<sup>7</sup> Therefore, it will provide the necessary facilities to the STPS and the Union to enable the August vote to be carried out using the locations, dates, and schedules that are established, ensuring that workers can vote before, during, or after their working day, and that the personnel transport services work properly. Likewise, the Company will allow the verification conducted by the inspectors to include personnel transportation services.
15. The Company and the STPS will create an environment free from intimidation and coercion. The Company will instruct all employees, workers, and contractors not to engage in intimidation and coercion. As part of that instruction, the Company will provide examples of what intimidation and coercion may look like in connection with the legitimization vote, such as demanding workers vote in a certain way or that they not vote, or forcing workers to listen to information about the legitimization process against their will. The Company will investigate and report to the STPS any alleged intimidation or coercion related to the legitimization process, including on Company-provided transportation and at Company-controlled drop-off and pick-up sites for that transportation. The STPS will also prohibit the Company, all Company transportation providers, and the Union, from requiring or asking any worker to sign blank pages or documents for any reason.
16. The Company will ensure that no Company personnel engage in any intimidation or coercion with respect to the legitimization process, including with respect to workers' attendance at Union meetings. The Company will ensure that Company supervisors, team leaders, human resources officials, and other Company officials, are not part of or

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<sup>7</sup> The STPS Resolution on the CBA Legitimization Vote at General Motors Silao, May 11, 2021.

appearing to endorse the content of, any Union meeting, and at no time before the conclusion of the vote express to any worker eligible to vote any views about the vote or the legitimization process.

17. The Company will ensure that any reprisals taken in connection with the legitimization process, including both the April 2021 vote and the vote now scheduled for August 2021, are remedied. Remedies must include, but not be limited to, undoing any retaliatory transfers, demotions, changes in hours, or other personnel actions, as well as the payment of compensation for any financial loss experienced by a worker as a result of any such act. The Company will investigate any instances of retaliation of which it becomes aware and promptly take action. The STPS will promptly and thoroughly investigate all allegations of retaliation of which it becomes aware. The Company will take all actions necessary to facilitate such investigations, including by providing the STPS inspectors, on their request, with access to the facility and Company records and other documentation, as well as by requiring all managers, team leaders, human resources officials, and others who may play a role in personnel actions, to respond to questions from and otherwise cooperate with, investigators and inspectors. The Company will take any remedial action determined by the STPS to be appropriate, and will take personnel action against any employee found to have engaged in retaliatory actions or to have refused to cooperate with an investigation into such action.
18. Mexico, including the STPS, will continue investigating all individuals, organizations, and entities responsible for the conduct that led to the suspension of the April 2021 vote or for any other violation of law that may have occurred in connection with the legitimization process, including anyone that has told workers that not ratifying the CBA will lead to workers losing their benefits under the CBA. If potential violations of law occur in the future in connection with the legitimization process, including during the August vote, and come to the attention of the STPS, the STPS will likewise investigate those potential violations. All Mexican investigating authorities will complete their investigations, and take such steps as follow from the results of those investigations, as soon as possible. The STPS will issue a legal warning to the Union, establishing a zero-tolerance policy for misconduct in any way connected to the August vote. The notice will specify that any individual engaging in misconduct will have no role in the administration of the election or presence in the voting area, and will, if not a Company employee, be prohibited from being present in the facility until after the vote and all subsequent vote-related procedures.
19. The STPS will ensure that the Union abides by the terms of the STPS's May 11<sup>th</sup> Resolution on the Legitimization Vote, including its order that the Union refrain from taking any action or measure that could impede, limit, or inhibit the freedom and secrecy of the vote, including any misinformation action, intimidation, or reprisal. The STPS will take all necessary steps to ensure that the Company and the Union take all actions required of them under this Course of Remediation.
20. STPS will continue working with the Governing Board of the Centro Federal de Conciliación y Registro Laboral (CFCRL) on the reviewing and updating of the CFCRL's Protocol on the Legitimization Process, based on the experiences learned from

the legitimization process at the General Motors de México facility in Silao, in order to strengthen the CFCRL's capacities of supervising, investigating, and sanctioning violations that occur before, during, and after voting. The CFCRL's Protocol on the Legitimization Process will also include comprehensive and transparent criteria for accrediting observers.