

Anti-Retaliation Policy

1 Definitions

- **Anti-Retaliation Network:** A collective of regional and international human rights experts, including those in Mexico and the Inter-American system, that the Coordination Unit in Mexico can consult for advice on handling retaliation.
- **Complainant:** An individual, group, or entity who formally reports or raises a concern regarding human rights abuses or violations within the scope of the MRDH's operations. This includes anyone who, either directly or through a representative, brings forward information or allegations about activities that potentially infringe upon human rights. The complainant may be a direct victim, an indirect victim, a witness, or any other party with credible information regarding such abuses.
- **Complainant Autonomy:** The principle that any action taken in response to a complaint will be with the explicit consent of the complainant, except in anonymous cases.
- **Human Rights Defenders:** An individual or natural person acting individually or as a member of a group, organization, or social movement, as well as any entity or legal person, group, organization or social movement, whose purpose is the promotion or defense of human rights.
- **Non-Retaliation:** A commitment that no individual or group will suffer negative consequences for reporting in good faith or participating in an investigation into human rights abuses.
- **Immediate Protection Mechanism (Mecanismo de protección inmediata):** A set of actions detailed in Annex I, designed to immediately address and mitigate significant risks or incidents of retaliation against complainants.
- **Retaliation:** Any adverse action taken against a person or group who has reported a concern, participated in an investigation, or engaged in rights protection. This includes but is not limited to threats, harassment, discrimination, adverse employment consequences, legal action, or any form of penalization or physical harm.
- **Rightsholders:** Individuals or groups directly or indirectly impacted by business activities in a manner that affects or has the potential to affect their human rights. This includes:
 - **Direct Victims:** Individuals who have suffered actual harm, impairment, or injury, whether economic, physical, mental, emotional, or otherwise, as a direct consequence of a business activity. This harm or impairment aligns with the notion of a 'victim' as recognized under the Mexican General Law on Victims.
 - **Indirect Victims:** Individuals or groups who, while not directly impacted, suffer secondary or derivative harm as a result of the effects of business

activities on direct victims. This includes family members, dependents, community members, and other affiliated groups or individuals who experience consequential harm or impairment.

- **Risk Assessment Tool:** An instrument used to identify and measure the potential for retaliation, factoring in local and situational factors to safeguard against and manage such challenges effectively. The Risk Assessment Tool also serves as a part of the onboarding process for new members of MRDH to ensure they are aware of and equipped to manage the specific challenges they may face in their operational contexts, reinforcing the commitment to uphold the principles of non-retaliation from the outset of their membership.
- **Stakeholders:** Individuals, groups, or organizations that have an interest or stake in the outcome of the MRDH's activities. This encompasses employees, contractors, suppliers, civil society, and any other relevant parties.

2 Introduction

Retaliation in any form is unacceptable and contradicts the values and objectives of the MRDH. Through this Anti-Retaliation Policy, the MRDH reaffirms its dedication to creating a safe environment where grievances can be aired without fear, fostering a culture of transparency and accountability.

The Anti-Retaliation Policy is founded on the principle of proactive mitigation, which includes raising awareness about the policy's mechanisms, anti-retaliation measures, and the availability of support through the Anti-Retaliation Network. By ensuring that these elements are widely known and accessible, we establish the groundwork for a safe and transparent environment where stakeholders can confidently voice their grievances.

This Anti-Retaliation Policy is designed to prevent retaliation against rightsholders who report complaints or engage in the complaints process regarding the activities of MRDH members and their supply chains in Mexico, directly to MRDH or indirectly via individual grievance mechanism (IGM) referrals of MRDH members. The policy ensures that all employees of MRDH members, as well as those within their extended value chain, trade unions, affected rightsholders, community groups, and their legitimate representatives, can safely raise concerns without fear of retaliation. The responsibility for the policy's implementation and enforcement lies with the MRDH member companies and the various governance structures of the MRDH, ensuring that it is not merely a set of guidelines but an integral part of our operations.

To enhance the effectiveness of this policy, MRDH actively involves various stakeholders in its dissemination and support mechanisms. NGOs and trade unions serve as crucial information and support hubs, while platforms for human rights defenders are utilized to extend the policy's reach and impact. Moreover, MRDH collaborates with relevant associations within the automotive sector, leveraging their networks to further disseminate information about the anti-retaliation measures and foster a collective stand against retaliation.

This multifaceted approach, integrating strategic partnerships and practical measures, underscores MRDH's commitment to upholding human rights and ensuring a secure environment for all stakeholders. Recognizing the specific challenges faced in Mexico due to the historical and ongoing threats of retaliation by various actors, including organized crime, business entities, and sometimes complicit state authorities, this policy is a critical component of our commitment to safeguarding human rights. It operates in alignment with other governance documents of the MRDH, including the Terms of Reference for the Coordination Units and Panel Experts of the Cross-Company Grievance Mechanism for the German automotive industry, and the Rules of Procedure for the Multi-Stakeholder Board of the MRDH in Mexico. These documents collectively reinforce our comprehensive framework to prevent and address retaliation.

3 Scope and Coverage

Observance and Application: This policy is to be strictly observed and applied by all MRDH members, including companies and entities within their upstream value chains. This encompasses every tier of production, ranging from intermediate products to raw materials, and includes all associated personnel such as employees, contractors, and direct and indirect suppliers.

Protection and Coverage: The guarantees of this policy extend to protect a broad range of individuals and groups. This includes not only those directly employed or contracted by MRDH members and their upstream value chains but also any affected persons and communities, organizations representing rightsholders (such as NGOs or trade unions), and those filing collective complaints. The policy also protects anyone who, acting in good faith, reports suspected human rights abuses or participates in any investigations related to such claims.

Geographic Scope: The coverage of this policy extends to all locations in Mexico, with particular focus on areas where there is a concentration of industry and member company activities. In implementing this policy, consideration will be given to the involvement of state-level governments in different localities. Additionally, victim-oriented service providers offered by local governments will be referenced and potentially utilized, ensuring an approach that is differentiated, specialized, and responsive to the diverse local contexts across Mexico.

4 Extended Protection for Witnesses and Relatives

Recognizing the potential risks faced by witnesses and their relatives in providing information related to human rights complaints, MRDH extends the protective measures of this policy to them in accordance with Mexican law. Should an analysis of the situation reveal manifest or potential dangers to individuals or groups aiding in the complaint process, MRDH is committed to taking swift action to promote their safety. While such action may include activating the Immediate Protection Mechanism to provide interim protection measures, the primary action taken by MRDH will be to refer the case to the Mexican authorities and or independent entities to provide further protection measures. The MRDH's role in such cases will center on coordination and

referral in recognition of the limited funds and capacity of the MRDH to provide protection.

5 Protection for Direct and Indirect Victims

The Anti-Retaliation Policy provides protection for both direct victims and indirect victims, particularly family members of complainants. Acknowledging that the repercussions of reporting human rights violations often extend beyond the individual complainant to their relatives, the policy ensures that these indirect victims are afforded the same level of protection and support.

6 Commitment to Human Rights

MRDH firmly commits to respecting human rights and protecting individuals who raise concerns about actual or potential human rights abuses. This commitment is in alignment with our core values and the UN Guiding Principles on Business and Human Rights.

7 Local Context Considerations

Retaliation is a serious concern in Mexico, often normalized and seldom prosecuted. High-risk zones frequently coincide with the automotive industry's footprint. Human rights defenders and community members in insecure regions are particularly vulnerable. Understanding this context is critical to the implementation and effectiveness of this policy.

8 Additional Protections for Women Complainants

MRDH acknowledges the unique and often heightened risks faced by women who come forward with human rights complaints. Women may encounter distinct forms of retaliation, including gender-based violence and discrimination, which necessitates specific protective measures. MRDH, therefore, commits to gender-sensitive risk assessments and tailored protective actions to address the particular needs of women complainants. This will include, but not be limited to, providing access to women-only reporting channels, offering support services tailored to the needs of women, and ensuring confidentiality to protect their identities. MRDH will collaborate closely with organizations that support women's rights to bolster these protective measures. The goal is to foster an environment where women feel safe and supported throughout the reporting and investigative process, free from any gender-specific barriers or risks.

9 Clear Prohibitions Against Retaliation

Retaliation in any form is categorically prohibited against any rightsholders or their legitimate representatives who report human rights concerns or participate in investigations. The prohibition recognizes the role such representatives play in supporting communities of complainants and their need for protection from retaliation. This includes direct actions like intimidation, harassment, discrimination, adverse employment consequences, legal action, and indirect actions such as threats,

violence, unusual surveillance, or any form of menacing behavior that negatively affects rightsholders, workers, or their families, aimed at punishing or intimidating them for their involvement in such activities.

10 Principles Underpinning the Anti-Retaliation Policy

1. **Clarity and Transparency:** MRDH is dedicated to the clear communication and widespread dissemination of its non-retaliation policy to ensure that all members, including those at the individual and supply chain levels, are well-informed and understand the expectations and standards regarding non-retaliation. All members are bound by the contents of this policy and expected to put in place the necessary measures to enforce it effectively at the individual member and supply chain level. The organization is committed to continuous outreach to reinforce awareness of the policy's existence and scope.
2. **Commitment:** All parties involved in the mechanism must demonstrate a strong commitment to the principles of non-reprisal and must clearly communicate this throughout their organisations and value chains. It is our firm belief that any indication of reprisal, whether potential or actual, mandates a swift and significant response. This dedication is not just a part of our internal ethos but a standard we expect all parties involved in our mechanism to uphold, ensuring that our collective actions reflect a shared and unwavering commitment to this aspect of our operations.
3. **Responsiveness:** A prompt and accessible process must be available to individuals and defenders who face retaliation. We value the importance of hearing their concerns and prioritizing their safety. To this end, MRDH maintains a Immediate Protection Mechanism to ensure immediate assistance is available to individuals and defenders facing retaliation. Detailed steps of this mechanism, along with the responsibilities of various parties involved, are outlined in an annex to this policy, ensuring that actions are taken promptly and responsibly in the event of any reported retaliation.
4. **Coordination:** We shall establish well-defined and secure communication channels, incorporating necessary safeguards, with the relevant state and international organizations that are charged with protecting citizens and human rights defenders from retaliation. The approach of the MRDH should not undermine effective and appropriate State-based mechanisms. Rather, it aims to close gaps in protection and access to effective remedy.

11 Strategic Components / Policy Implementation

11.1 Risk Assessment:

- To mitigate the risk of retaliation against complainants and any indirect victims, a Risk Assessment Tool will be developed and utilized. This tool will be tailored to account for local risks, including variations between different Mexican states. The Coordination Unit Mexico will perform initial risk assessments using

publicly available information alongside details provided by the complainant, enabling the activation of protection measures. Complainants will also be asked to identify any perceived risks of retaliation during the complaint submission process, and this will be factored into the assessment.

- As part of the investigative process, experts will conduct a detailed analysis to determine if, and how, the identified threats or risks are connected to the complainant's membership in or content of the MRDH. This analysis aims to uncover any causative or correlational relationships between the threats and the activities or the substance of the MRDH.
- Based on the risk categorization, corresponding protection measures, as defined in our protocol, will be implemented. As part of the case investigation by the experts, it is to be identified whether and how the threats are linked to the membership or content of the MRDH.

11.2 Protection Measures

In addition to the Immediate Protection Mechanism for immediate threats, MRDH implements various protection measures to safeguard complainants and any indirect victims. Enhanced privacy and anonymity measures are in place, ensuring the confidentiality of the complaint process and protecting identities through secure communication channels. Regular safety check-ins will be conducted post-resolution to monitor the well-being and safety of complainants. MRDH also provides referrals to counseling and psychosocial support services, helping complainants to cope with stress and trauma. For legal support, MRDH has developed a network of legal professionals and organizations that offer pro bono or discounted services, particularly for advice on legal rights and options in cases of retaliation.

11.3 Safeguarding Complainants:

- In scenarios where a very high risk of retaliation is identified, the MRDH will activate an Immediate Protection Mechanism to take steps to support the protection of the complainant. This action may require the cooperation of supervisors, assuming their trustworthiness, and will be conducted in such a way as to ensure the individual's safety. The measures of such a removal shall be detailed in the Immediate Protection Mechanism. However, it is important to note that the MRDH's capacity for direct protection measures, such as physical removal or relocation, is limited. In cases where such actions are necessary, the MRDH will conduct a differentiated risk assessment to decide whether to involve local authorities. Depending on the assessment, MRDH may coordinate with relevant authorities or activate alternative protection systems for complainants, through established Memoranda of Understanding (MOUs) with third-party organizations.
- MRDH acknowledges its limitations in directly improving the trustworthiness of local authorities. However, the MRDH will engage in highlighting issues with

local authorities when necessary and within its capacity to support a broader effort in ensuring safe and rights-respecting practices.

- **Monitoring and Follow-Up:** The well-being of complainants will be regularly monitored. Post-investigation, the MRDH will conduct follow-ups to ascertain if any retaliatory actions have occurred. Complainants are encouraged to report any such incidents after the conclusion of the case.
- **Anonymity and Ombuds Function:** Anonymous complaints are accepted and treated with the same level of seriousness as non-anonymous ones. The MRDH will also act as a neutral intermediary, when necessary, between complainants and their employers or the relevant company.
- **Investigations Unit:** Investigations will be conducted from the Coordination Unit Mexico and led by a staff member. In addition to the involvement of CU staff, there is the potential for engagement of one or more experts in the investigations. Investigations shall be protected by narrow restrictions of access to information to ensure confidentiality and impartiality.
- **Complainant Autonomy:** No action will be taken without the explicit consent of the complainant, except in the case of anonymous complaints where obtaining consent for each step may not be feasible.
- **Support and Resources:** Complainants will be provided with referrals to external support services, including legal advice and counseling services.
- **Building Trust:** Ensuring trust in the MRDH and its procedures is paramount. Whenever possible (considering limited human resources and temporary absences) a designated representative from the Coordination Unit Mexico will be assigned to guide each complainant through the process, from initial contact to resolution.
- **Public Commitment to Anti-Retaliation:** All parties involved in the MRDH are required to publicly commit to anti-retaliation, clearly articulating this commitment in their human rights policies which should include a zero-tolerance stance on retaliation. This policy should be clearly communicated throughout their organizations and value chains. MRDH member companies and all known direct suppliers will be provided with and are expected to sign a “Letter of Commitment” which will set out their commitment on anti-retaliation. These companies should make context appropriate efforts to disseminate information about the anti-retaliation policy to indirect suppliers in the member companies’ value chains.
- **Management of Information:** Both physical and digital information provided to the MRDH will be handled with strict confidentiality. Access to sensitive details will be limited to those directly involved in case management, excluding the Multi-Stakeholder Board or Executive Committee. MRDH will use a digital communication platform designed to offer high levels of privacy and security for complainants. It will include special protocols to ensure enhanced levels of confidentiality.

- **Conflict of Interest Checks:** Stakeholders involved in the Immediate Protection Mechanism will regularly undergo rigorous conflict of interest checks before any involvement. Third-party organizations such as state parties or involved NGOs, will similarly undergo conflict of interest checks prior to any referral. These checks are critical to maintaining the integrity of the process and ensuring that all actions taken are in the best interest of the complainant without any undue influence.
- **Engagement with Third Parties:**
 - When a complainant seeks legal recourse against acts of retaliation, the MRDH is committed to providing support. The primary means by which the MRDH will provide such support is through referrals to appropriate legal resources and specialized organizations capable of offering the necessary legal assistance. To facilitate this, MOUs will be established between MRDH and relevant legal and human rights groups, outlining shared resources and collaborative support strategies. Through these partnerships, MRDH can provide complainants with access to a network of legal experts and organizations while not engaging in any form of direct or indirect representation of the complainant in any legal capacity in litigation, mediation, or other form of dispute resolution.
 - The Multi-Stakeholder Board (MSB) may become involved in exceptional situations to actively seek resolutions that prevent further reprisals, emphasizing the MRDH's protective role through specific communications, yet without disclosing details of individual cases.
 - A framework will be established for engaging with stakeholders such as government or transnational bodies, to mitigate the risk of reprisals. The MRDH will prioritize establishing communication channels with relevant organizations, such as the National Human Rights Commission (CNDH) and local human rights commissions, to work collaboratively on the issue of non-retaliation. This collaboration is particularly vital in instances where public authorities might pose a risk. In such cases, the CNDH and relevant local human rights commissions should be informed and involved and clear lines of communication maintained.
 - Member companies will be encouraged to engage with governmental institutions on broader systemic issues contributing to retaliation, underscoring the MRDH's commitment to collaborative, safe, and rights-respecting approaches to dealing with retaliation concerns. This includes the potential for individual member companies to issue public statements or press releases supporting human rights defenders and denouncing violence against them, thereby providing a form of political protection.
- **Anti-Retaliation Network:** The Coordination Unit in Mexico will liaise with human rights experts regionally and within the Inter-American system to seek advice on handling retaliation effectively.

11.4 Consequences for Retaliation:

- It is imperative that parties do not engage in any act of retaliation. In the event of any act of retaliation, MRDH shall promptly initiate a new case and conduct a thorough investigation. Additional consequences may include, but are not limited to, sanctions against the offending party, notification to higher authorities, inclusion in the material assessment of the complaint, or public disclosure in line with legal and ethical guidelines. Retaliation itself may be cause for a new complaint and may be cause for contract termination.
- Complainants who file a complaint should be aware that retaliation may ensue. They are encouraged to immediately report any such instances to MRDH for support and action. To assist in recognizing retaliation, please refer to the non-exhaustive list of “Examples of Retaliation” provided below. This list is dynamic and inclusive of both major and minor instances of retaliation.
- **Creative Solutions:** Recognizing the uniqueness of each case, the MRDH will approach each risk of reprisal with bespoke solutions, avoiding a one-size-fits-all methodology.
- **Review of Measures:** The anti-retaliation measures implemented by the MRDH will be subject to regular and structured review to ensure their effectiveness and relevance.

11.5 Examples of Retaliation (Non-Exhaustive)

This policy recognizes the following behaviors as retaliation, which will be subject to investigation and action:

- Dismissal, threats, harassment or loss of benefits for grievance-raising workers,
- Violence or threats thereof against rightsholders, their families, or defenders, including gender-based harassment or violence aimed at women, or
- Intimidation through surveillance, anonymous calls, following individuals or groups, or suggestive contact or veiled warnings about the consequences of grievance-raising.

11.6 Training and Communication

All members of MRDH, particularly managers at all levels and those in leadership roles, will receive regular training on this anti-retaliation policy. The policy will be widely communicated to ensure that it is understood and taken seriously across the entire organization.

11.7 Implementation and Communication

The MRDH commits to integrating this policy into its governance structures, operational procedures, and stakeholder engagement practices. Communication of this policy will be comprehensive, reaching all levels of the MRDH network ensuring that all stakeholders understand their rights and responsibilities under this policy.

11.8 Review and Improvement

This policy will be reviewed every six months/once a year or as needed to assess the impact of the policy and mechanism, and to identify any residual risks or areas for improvement. These reviews will include examining the effectiveness of our practices and incorporating evolving best practices.

Annex I: MRDH Standard Operating Procedure

The MRDH is structured to provide a systematic approach to handling retaliation complaints, ensuring the safety of complainants and relevant stakeholders. To facilitate the submission of complaints, the following resources are available for complainants:

- **Written/Online Complaint Form:** To facilitate the submission of complaints, the MRDH provides accessible written and online complaint forms on the official website. These forms are designed to ensure that the complainant can provide detailed information in a structured and user-friendly manner. They are available in Spanish and English.
- **Direct (Phone) Contact Points:** The MRDH has established dedicated phone lines staffed by trained personnel to receive complaints and respond to instances of retaliation. These contact points are backed by a robust written policy of confidentiality to protect the identities and information of those who reach out.
- **Escalation Routes and Procedures:** The MRDH has developed clear escalation routes and procedures within our internal units to ensure complaints are routed promptly and appropriately. The protocol includes necessary escalations to external state organizations, such as the National Human Rights Commission (CNDH), charged with protecting citizens and human rights defenders from retaliation.

The Standard Operating Procedures (SOP) of the MRDH detailed below are initiated upon the receipt of a complaint. These procedures encompass the complaint lifecycle and delineate the responsibilities of each actor at every stage of the process.

Order	Action	Description	Responsible Actor
1.	Complaint Submission and Receipt	Upon receipt of a complaint submitted via the MRDH Complaints Form, the Coordination Unit registers the complaint and initiates the Initial Risk Assessment process.	Coordination Unit
2.	Initial Review of MRDH Complaints Form	Perform a preliminary review of the completed MRDH Complaints Form to gather essential details about the complainant's engagement and the nature of the complaint. This review serves as the basis for the Initial Risk Assessment.	Coordination Unit

3.	Initial Risk Assessment	Conduct the Initial Risk Assessment using the detailed framework, which includes: Quick Review: Assess immediate red flags from the complaint based on predefined criteria. Risk Indicators Checklist: Evaluate potential risks of retaliation using specific indicators derived from the complaint details. Risk Level Determination: Classify the risk level (low, medium, high) based on the assessment to decide on the immediate need for protective measures.	Coordination Unit
4.	Decision on Immediate Protection Mechanism Activation	If the case is determined to be a high risk, activate the Rapid Response Mechanism. If not, proceed with further investigation for medium and low-risk cases.	Coordination Unit
5.	Implementation of Protective Measures	For cases identified as high risk, immediately implement interim protection steps, including removing the complainant from the hazardous situation if possible. For medium and low-risk cases, initiate further detailed risk assessment and consider any preventive measures.	Coordination Unit/Immediate Protection Mechanism
6.	Detailed Risk Assessment and Case Referral	Conduct a detailed risk assessment for cases not immediately escalated through the RRM, incorporating comprehensive information and additional investigation as necessary. Refer prima facie cases for further action or investigation.	Coordination Unit

7.	Safeguarding Complainant	Based on the detailed risk assessment, recommend and implement protection steps to ensure the safety of the complainant.	Coordination Unit
8.	Continuous Risk Assessment and Safety Monitoring	Continuously monitor the safety of the complainant, especially in high-risk cases, adjusting protection measures as needed. Engage third parties for additional safety provisions where required.	Coordination Unit
9.	Initial Investigation and Threat Linkage	Investigate the linkage between threats and complainant's MRDH membership or interactions.	MRDH Expert Panel
10.	Communication and Stakeholder Engagement	Inform relevant parties and stakeholders about non-retaliation importance and consequences for violators.	Coordination Unit
11.	Liaison and Remediation Efforts	Work with OEM companies and, where relevant, state actors, to remediate and prevent retaliation, ensuring complainant protection.	Coordination Unit
12.	Post-Investigation Actions, Case Resolving, and Follow-Up	Recommend post-investigation corrective measures and conduct follow-ups on the well-being of complainants to check for post-case retaliation incidents and resolve the case.	Coordination Unit
13.	Documentation and Continuous Improvement	Keep records of all processes and outcomes; review and improve the mechanism regularly.	Coordination Unit