

# 2021

## SUSTAINABILITY REPORT



**GENTHERM**



## INTRODUCTION

Gentherm continues to make strides on our sustainability journey. In 2021 we continued working toward our established environmental performance and efficiency metrics, resulting in our team achieving our targeted efficiency levels in just two years. We also worked to ensure that our metrics and our reporting continue to align with industry benchmarks and sustainability standards, including the Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals (SDG). Additionally, we launched our first web-based sustainability system, supporting environmental data tracking and increased transparency of our progress and our actions.

While there is work ahead as we grow our sustainability practices, our commitment to People, Planet, and Places guides our actions as we build positive, lasting impact for our employees, customers, and stakeholders.

*"We know sustainability is a key ingredient to creating value for our customers and shareholders. The strides we made, along with the strong foundation we have built, shows investors and other stakeholders how integral sustainability is to Gentherm's mission and long-term strategy."*



Yijing Brentano  
SVP of Strategy, Corporate  
Development and Investor Relations

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A LETTER FROM OUR CEO

At Gentherm we strive to positively impact lives and make meaningful differences in everyday life. We know being responsible global citizens means we must put sustainability at the core of our business. To do this we are developing products that make a positive impact on our environment, actively engaging in the communities where we do business, and working to build strong employee engagement.



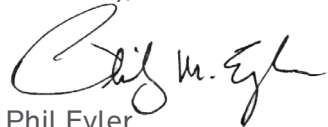
I am extremely proud of what the Gentherm team was able to accomplish in 2021, in what was a continuously challenging operating environment. To continue driving sustainability forward, our team is developing a net-zero carbon position plan which is being thoughtfully developed, taking into consideration our customers, suppliers, and other stakeholders.

As part of our commitment to sustainability, in 2021 we filed our CDP Climate Change submission for the first time. This submission increases our transparency in this area, and also helps identify further opportunities for progress. We also worked to significantly improve our environmental data measurement by implementing a web-based sustainability tool.

Gentherm’s commitments to People, Planet, and Places are interconnected. Our success depends on our ability to recruit, retain, and motivate our team members. To do this, we prioritize the health and safety of our global team and create a diverse workforce that helps inspire innovation.

*Sustainability begins with our mission to create and deliver extraordinary thermal solutions that improve health, wellness, comfort and energy efficiency. We believe our current and future technologies play an important role in leading the development of sustainable, safe, and intelligent solutions for electric vehicles and the future of mobility.*

We have made great progress toward our sustainability goals over the past few years. Together we will continue our journey to create a sustainable future for our employees, customers, communities, and stakeholders.

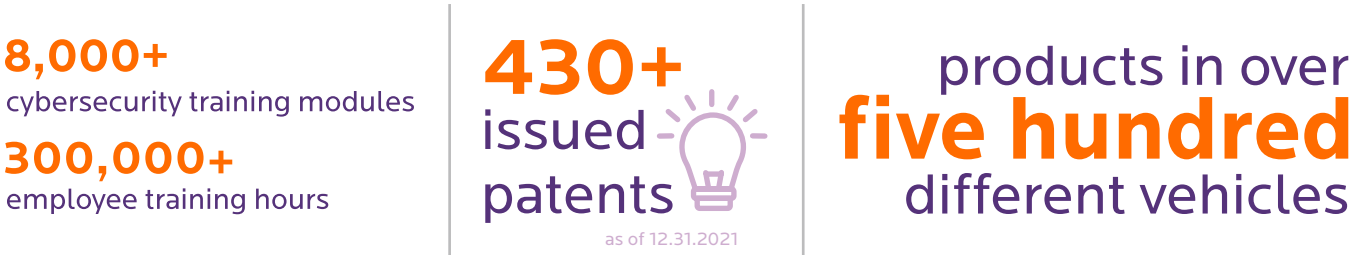
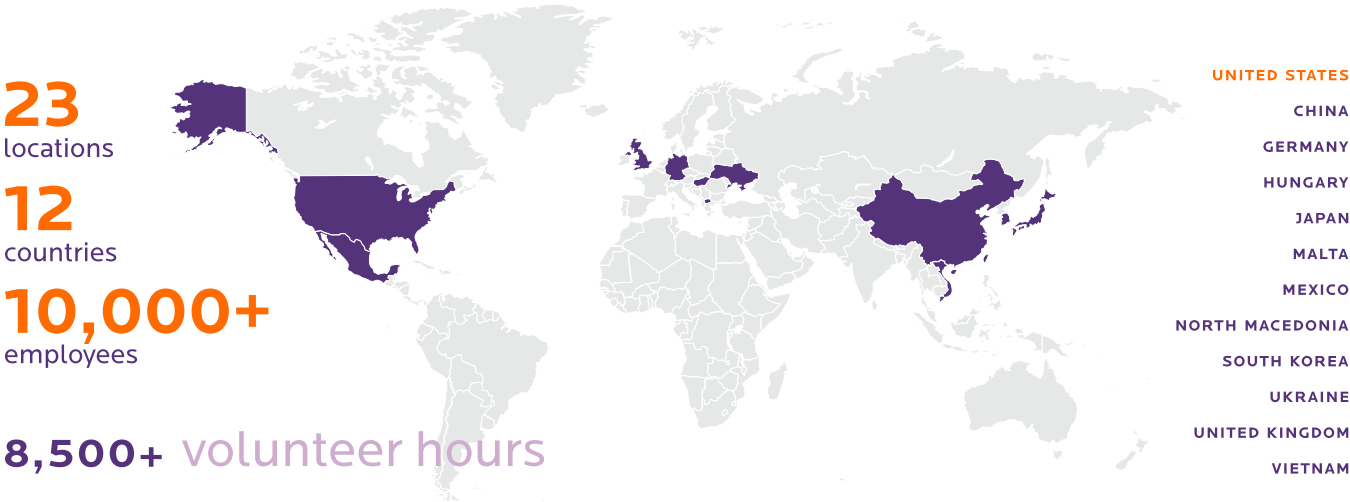
Sincerely,  
  
Phil Eyler  
President and Chief Executive Officer





# About Us

Gentherm creates and delivers thermal solutions making meaningful differences in everyday life—improving health, wellness, comfort, and energy efficiency—making the world a better place for generations to come.



## IN 2021, GENTHERM’S SUSTAINABILITY PROGRAM WAS RECOGNIZED FOR OUR ACHIEVEMENTS

**Investor’s Business Daily 100 Best ESG Companies:**  
Top Stocks For Environmental, Social And Governance Values, recognizing companies with strong stocks and growth without trading off environmental, social, and governance values.

**America’s Most Responsible Companies – Newsweek:**  
Identifying companies that work to be corporate citizens and to give back to the communities they operate in.





# Sustainability Approach

Sustainability is more than environmental impact. It affects our people, the planet, and where we live and work, touching every corner of our company. It is weaved throughout our products and technology. We drive our sustainability program by raising awareness, building support, and creating excitement among our employees and stakeholders.



LEADERSHIP

An Environmental, Social, & Governance (ESG) steering committee, comprised of five senior leaders, sustainability program leaders, and key contributors from manufacturing, human resources, and corporate strategy, meet regularly to help drive our program forward. Project activity and status are reviewed, goals are set, messaging is determined, and new policies and actions are put into place.

Our Board of Directors’ Nominating and Corporate Governance Committee also provides oversight around Gentherm’s corporate responsibility and sustainability. This committee reviews and provides feedback about our sustainability activities at least quarterly, with a report to the Board of Directors at least annually.

We foster support for our ESG program by linking it to compensation for certain senior leaders through the performance modifier in our annual bonus plan. This affects those leaders’ bonuses based on the achievement of our strategic goals. We also establish individual performance metrics tied to ESG goals for other specific employees.

SUPPORTING SYSTEMS

Measuring and ensuring sustainability data is reliable and accessible is essential to improving comparability across companies and industries. In 2021, Gentherm improved our data measurement process by engaging a web-based sustainability application, the Bee, provided by Manufacture2030.

This application helps support our data in two key areas. The first is tracking the status of our sustainability projects, calculating our environmental projects’ impact, and suggesting new sustainability projects. The system also supports environmental metric calculations by using raw metrics from our global locations and helping calculate key measurables such as GHG emissions (Scope 1 and Scope 2) and cost impact.



This system is endorsed by three of Gentherm’s largest customers, allowing us to work with them using improved data communication and transparency, helping us as we strive to increase sustainability across the supply chain.



**PEOPLE**

At Gentherm, our leaders treat employees with respect and provide a safe working environment. We provide career opportunities, development, support and more. People create our success.



**PLANET**

We strive to minimize our environmental impact. Our product lineup reduces the environmental impact of automobiles through our innovative products and technologies, and we continue to improve our operations through more efficient use of resources and reduced emissions.



**PLACES**

As a global company, we strive to be a positive force in the communities where we operate. Our teams support an array of causes, including STEM education and training, and provide financial support for local charities. Types of community involvement and support vary across our sites, based on local needs and culture.

REPORTING STANDARDS & TRANSPARENCY

As our sustainability practices grow and evolve, Gentherm looks to industry benchmarks and standards for guidance and direction. Similar to 2020, for 2021 we disclosed information aligned with SASB Standards for Auto Parts and the United Nations Sustainable Development Goals (SDG) (see Appendix for details). In summer 2021 we also filed our first CDP Climate Change response, providing insight into opportunities for improved activities and increased transparency.





# Technology



Gentherm's product portfolio delivers on our mission statement—making meaningful differences in everyday life, by improving health, wellness, comfort, and energy efficiency—by contributing to vehicle efficiency and occupant comfort. This includes vehicles with an internal combustion engine as well as electric vehicles.

Electrified vehicle production, including mild hybrid, full hybrid, and battery electric, is expected to grow from 20% of global production in 2021 to 70% in 2030 (IHS Markit). Our technologies promote increased efficiency and electric range by reducing overall energy consumption of a vehicle, positioning Gentherm as a major driver and thought leader in the area.

GENTHERM AUTOMOTIVE


CLIMATE CONTROL SEATS (CCS)

Gentherm’s CCS seating products include CCS-A (active) and CCS-V (vent). Both products employ patented technologies to provide heating and cooling / venting through the seating surfaces, delivering optimal passenger comfort while reducing overall vehicle energy needs. The National Renewable Energy Laboratory, part of the U.S. Department of Energy, conducted testing verifying vehicles using Gentherm’s CCS products have lower CO<sub>2</sub> output rates (per mile driven, under similar conditions) than those not similarly equipped.


	Cars with:	CCS-V	1.0 gram / mile	CCS-A	2.3 gram / mile
	Trucks with:	CCS-V	1.3 gram / mile	CCS-A	2.9 gram / mile

To help demonstrate the actual and potential impact of carbon dioxide reduction driven by Gentherm’s CCS-V seats, if 15% of all new vehicles sold globally in a year included our CCS-V seats, we estimate that the resulting tailpipe emissions avoidance would be over 50,000,000 kg CO<sub>2</sub>\*— an amount almost 20,000,000 kg greater than Gentherm’s total Scope 1 and Scope 2 emissions.


50,000,000 KG OF CO<sub>2</sub> IS APPROXIMATELY EQUIVALENT TO:



5,600,000  
gallons of gasoline consumed

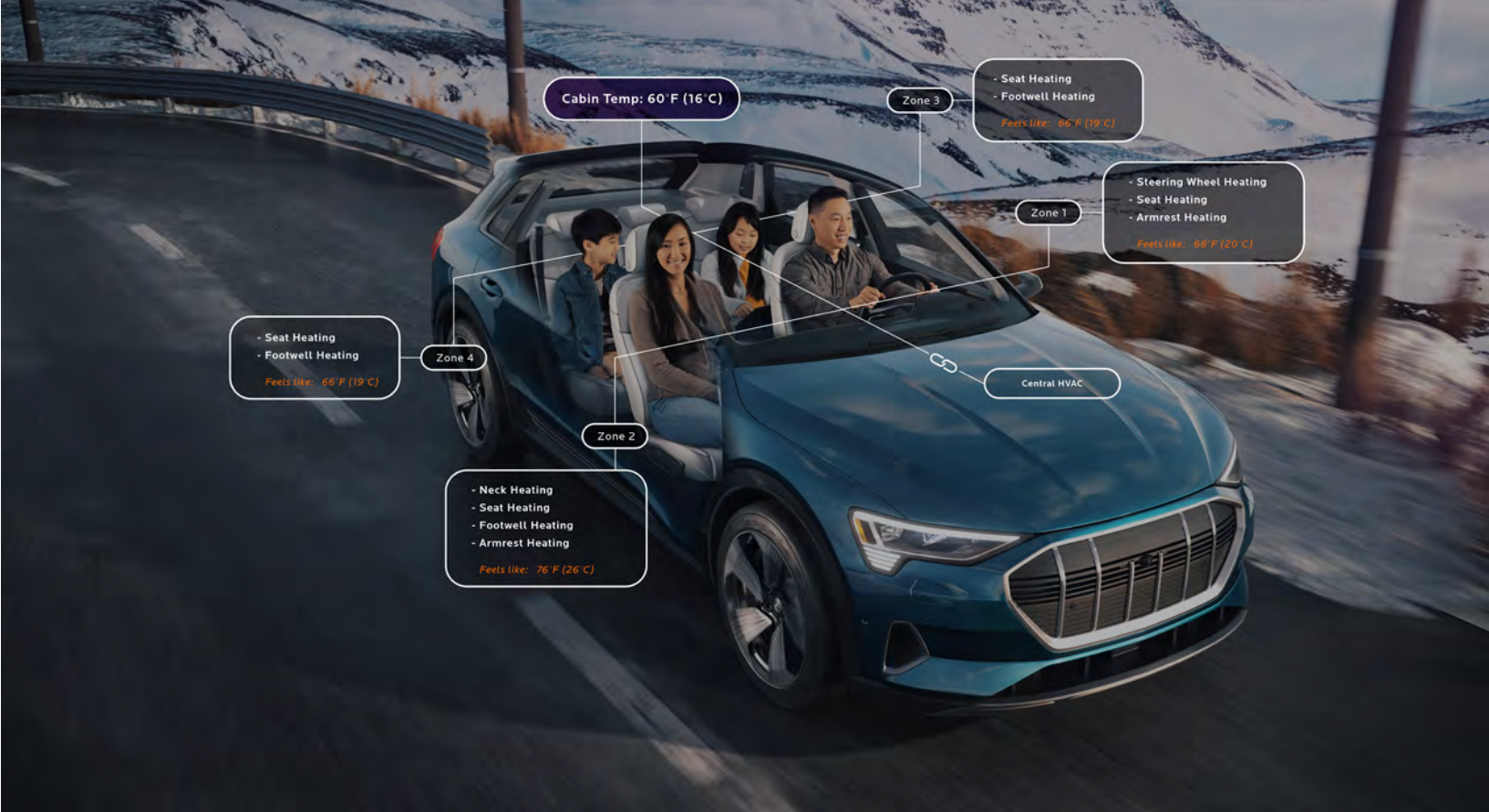


6,000,000,000  
smartphones charged




6,000  
average U.S. home's electricity usage for one year

\* Based on annual global volume of 80,000,000 vehicles (50/50 car truck split), with 25% use rate, and 15,000 miles driven per year




CLIMATESENSE™

Gentherm’s ClimateSense™ is a microclimate comfort system based on cutting-edge hardware operating in coordination with advanced software algorithms, delivering optimal passenger comfort with improved energy efficiency. It focuses on heating and cooling each vehicle passenger directly rather than centrally heating and cooling the cabin air around them, delivering a personalized comfort solution for each individual only when their seat is occupied. In 2021, we received our [first production vehicle award](#) for this technology, paving the way for future growth.



COLD WEATHER TESTING:  
(-7°C)

Over 50-69%  
energy savings



HOT WEATHER TESTING:  
(25°C WITH 850W/M2 SOLAR LOAD)

Over 34%  
energy savings

External testing in electric vehicles has shown that traditional central HVAC systems for heating in cold temperatures can reduce range by up to 30%. ClimateSense™ has the potential to reduce range degradation by up to 75%.

Note: Testing conducted on a mass market EV, based on two occupants in vehicle. [More details here.](#)

“Gentherm continues to offer technologies to customers worldwide that reduce overall energy needs. Working together we can benefit our key stakeholders as well as our customers’ stakeholders.”



Helen Xu  
SVP & General Manager, Climate and Comfort Solutions and Managing Director of Asia





**BATTERY PERFORMANCE SOLUTIONS (BPS)**

Gentherm’s BPS product portfolio includes systems that improve the performance of the battery packs in hybrid-electric vehicles by heating a battery during cold conditions and cooling it during warm conditions. This temperature management technology increases the life of a battery pack, reducing waste by delaying the need to recycle or dispose of the battery.

As part of our BPS, our Cell Connecting Boards (CCB) system within the battery pack provides a reliable and continuous flow of temperature and cell voltage information during the charging and discharging process, ensuring performance and safety. This technology also eliminates the use of acids and other chemicals used for chemical etching, as well as utilizing readily-recyclable aluminum.

“The technology we developed to make electric vehicles more efficient and effective is here, today. The more it is adopted, the more we will contribute to decreasing greenhouse gas emissions.”

Thomas Stocker  
SVP & General Manager, Digital Interiors and  
Battery Performance Solutions and Managing Director of Europe



**2021 TECHNOLOGY AWARDS**

[German Innovation Award](#) for our innovative and proprietary technologies around Cell Connecting Systems with Mechanical Structuring Process (MSP), essential technologies of our BPS product line.

China Automobile Parts Industry [Development and Innovation Award](#), also for our Cell Connecting Systems with Mechanical Structuring Process (MSP).



**2021 QUALITY / SUPPLIER AWARDS**

- Bosch Global Supplier Award
- GM Supplier of the Year, awarded to less than 1% of GM’s supply base globally
- Honda Excellence in Value Award (North America, second consecutive year)
- Lear Changan, Excellent Supplier Award (Langfang, China)
- Sanyo Trading Top Performing Supplier, Excellence in Quality and Continuous Improvement (Vietnam)





## MEDICAL

Like Gentherm's automotive solutions, thermal management technologies are a central feature at Gentherm Medical.

With the COVID-19 pandemic continuing in 2021, Gentherm Medical saw increased demand for its Blanketrol® III used to raise, lower, or maintain a patient's temperature. Because fever is a key concern with COVID-19 patients, the Blanketrol III can help caregivers manage patients' temperatures accurately, and it can help reduce a patient's fever without the risk of invasive devices.

As hospitals return to more normal operations, Gentherm is excited for our customers to experience our Astopad® patient warming systems. Launched at the end of 2020, the Astopad® patient warming system provides the benefit of resistive warming as compared to conventional air and water devices. With an expected increase in elective surgeries as the pandemic ebbs, this technology is ideal for the operating room and anywhere in a hospital where quiet, comfortable, and reliable warming is needed to help prevent and treat hypothermia in a surgical patient.



"Instead of letting the ongoing COVID-19 pandemic slow down the medical team, we made a concerted effort to learn and grow from the challenges thrown our way. We are proud of the strides we made and have a solid path forward for growth."

Steve Fletcher  
SVP & General Manager, Medical







# People

Gentherm's mission—to create and deliver extraordinary thermal solutions that make meaningful differences in everyday life, by improving health, wellness, comfort, and energy efficiency—is brought to life each day by our people.



WINNING CULTURE BEHAVIORS

Customer focus, global mindset, performance and accountability, and employee engagement and inclusion shape our Winning Culture Behaviors. Some examples of team members from across the globe who exemplify Gentherm’s Winning Culture Behaviors in 2021 include:



CUSTOMER FOCUS

Brian Ballman, Gentherm Medical Plant Manager, Cincinnati, Ohio. Brian led an “all hands on deck” effort supported by the site’s capital equipment team to work around supply chain disruptions and fulfill customer orders.



GLOBAL MINDSET

Harald Heimerl, Executive Director of Program Management, Odelzhausen, Germany. Through process enhancement and structure optimization, Harald helped drive major transformation in our global climate and comfort business.



PERFORMANCE AND ACCOUNTABILITY

Tim Cao, Purchasing Category Director, Shanghai, China. Tim worked closely with a key manufacturing partner affected by component shortages and COVID outbreaks, leading daily communications for many months to manage through the supply challenges and help Gentherm deliver on our commitments.



ENGAGEMENT AND INCLUSION

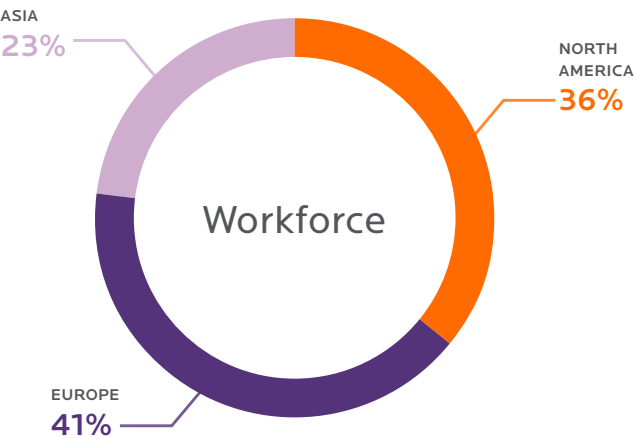
Thania Esquivel, Global Marketing Director, Northville, Michigan. Thania led the formation of Gentherm’s Diversity, Equity + Inclusion council and supported employee engagement to drive an enhanced, diverse work culture.

HUMAN CAPITAL

We aspire to attract, develop and retain results-driven, high-performance talent while providing each employee with a compelling and personal experience. We also strive to promote a safe work environment and a culture that values fairness, diversity, equity, inclusion, and belonging.

Our global workforce creates a competitive advantage and operates in 12 countries in 23 locations.

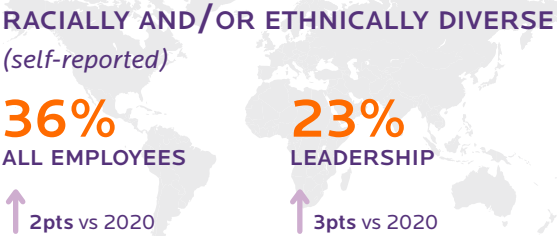
Human Capital



“Our engagement survey is the voice of our employees across the globe and the blueprint to fortify and enhance a culture of trust and transparency.”

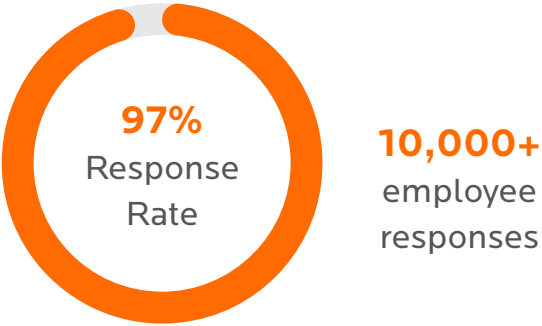
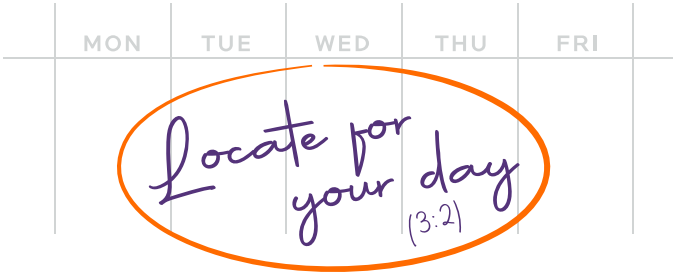


Barb Runyon  
SVP & Chief Human Resources Officer



Since the onset of the pandemic, Gentherm’s human capital goals have evolved to a more flexible, personal, employee value proposition, ensuring that we are aiding our employees in navigating through the demands of maintaining a proper work-life balance. We introduced a new flexible working guideline called “Locate for Your Day.”

58%  
OF GLOBAL WORKFORCE  
IS FEMALE



In November 2021, we completed our first global engagement survey with a best-in-class response rate of 97%, nearly 20 points above the manufacturing benchmark. Survey results combined with several new listening tools help our managers adapt to meet the needs of our workforce and further enhance our culture.





HEALTH AND SAFETY

Gentherm continues to follow the Vision Zero strategy, emphasizing health and safety within our culture and values. Beyond committing to Vision Zero’s Seven Golden Rules to eliminate work accidents and injuries, Gentherm is continuing to get better at identifying hazards and unsafe behaviors before they happen by implementing “near miss reporting.”

Benchmarking among Gentherm sites has fostered significant optimization and continual improvement. By implementing these routine components in daily work, the overall safety culture continues to improved across all Gentherm operations. We reduced lost work-time incidents by 75% since 2018.


Approximately 60% of all Gentherm employees operate in facilities that are ISO 45001 (OHSAS 18001) certified, with two major facilities forecasting certification in 2022, which would bring our total to over 80%.

DIVERSITY, EQUITY + INCLUSION


Our DE+I mission cascades from our corporate mission:

*Embracing Diversity Inspires Innovation. We are building a culture of belonging where we value our differences to positively impact the lives of our employees, customers and communities.*


Three platforms organize our efforts:



**Connect**  
Enhance our local communities where we operate.



**Collaborate**  
Engage with our employees and provide a strong employee experience.



**Cultivate**  
Enrich the capabilities and skills of our employees and acquire diverse talent.

Gentherm’s DE+I Council built strong momentum in 2021 with monthly engagement activities and enrichment programming promoting awareness and celebrating ethnic and underrepresented employees within the company. Activities included inclusion trainings called “Elevate the Dialogue” to all global people leaders, educating team members on consistent standards, identifying feedback mechanisms to solve for conflict, and creating a culture that unites us all. We also trained our senior leaders to build awareness of unconscious bias.

Our executives continue to lead by example. Gentherm’s CEO is an active member of the Center for Automotive Diversity and Inclusion (CADIA) CEO Council and recently signed the CEO Action for Diversity and Inclusion pledge.

GENTHERM WAS ALSO RECOGNIZED IN  
InForum’s Women’s Leadership in Michigan  
Public Companies “Triple Check”

*one of only 28 companies in Michigan that have at least one woman director, executive officer, and named executive officer.*







2021 FAST FACTS

- Trained 600 leaders in Gentherm’s !MPACT leadership development program
- Introduced year-long Accelerator program, giving high potential participants access to executive leaders, concluding with a capstone presentation
- Provided over 300,000 hours of training for all employees including safety, quality, leadership, competency skills, personal effectiveness, and diversity, equity + inclusion
- Completed over 8,000 cybersecurity training modules including security awareness, social engineering, and URL safety
- Completed over 7,000 ethics and compliance training sessions

TOTAL REWARDS

Gentherm is refreshing its overall compensation structure to ensure we are providing contemporary and equitable total rewards across our business. Compensation and benefits programs are designed to attract, motivate, and retain our employees in the locations where we compete for talent, consistent with employee positions, skill levels, experience, knowledge, and geographic location.

We align our executives’ and eligible employees’ annual bonus opportunity and long-term equity compensation with our shareholders’ interests by linking realizable pay with company financial and stock performance.

TALENT DEVELOPMENT

Training underpins our focus on helping team members realize their full potential. Foundational leadership development programs ensure our people leaders are equipped to engage and lead in today’s complex business environment. We also expanded our training programs to provide on-demand, flexible learning solutions for our global salaried workforce.

Our aspiration is for leaders to operate as coaches and give meaningful, real-time feedback to team members. Our performance management process is designed for everyday coaching combined with formal performance goals discussions four times per year. Coaching is focused on reaching objectives (“the what”) within our company’s Winning Culture Behaviors (“the how”).



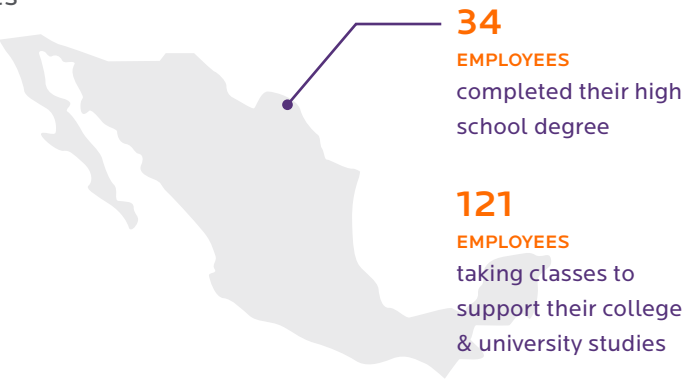
Talent Development

PEOPLE SPOTLIGHT

Across the world, we are focused on making sure Gentherm is a great place to work, that we present opportunities for our employees to succeed, and that we motivate our team to continue to work together. Some notable examples from 2021 follow.

Mexico (Acuna)

A continuing education program provided classes in multiple subjects and the opportunity for employees to earn a high school equivalency diploma. More than 150 employees have earned their high school degree through this program since it began in 2017, with 34 employees completing it in 2021. Another 121 employees also took classes to support their college and university studies this past year.



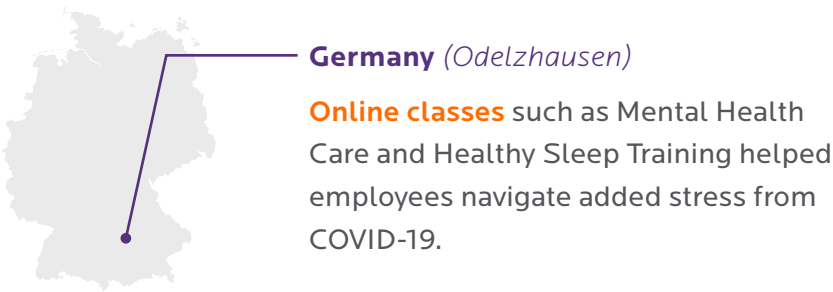
North Macedonia (Prilep)

Five certified trainers mentored our employees in North Macedonia, helping them develop skills around industrial mechatronics.



United States (Northville)

Health club memberships are subsidized to encourage exercise and well-being. Classes to support cigarette smoking cessation are also offered.



Talent Development

WORKPLACE AWARDS



Michigan (Northville)

Named to Detroit Free Press' list of [Michigan Top Workplaces](#), determined through employee feedback measuring 15 culture drivers important to organizational success.

Germany (Odelzhausen)

Named Top Employer for Engineering from Germany's [Top Employers Institute](#) for the eighth consecutive year.



Vietnam (Ha Nam)

Honored by the American Chamber of Commerce in Vietnam with the [Corporate Social Responsibility Award](#) for its commitment to safeguarding employees and having a positive impact on the community during the COVID-19 pandemic.



CYBERSECURITY / IT TRAINING SESSIONS

Gentherm's cybersecurity and IT training programs are focused on ensuring our employees are knowledgeable about cybersecurity risks. We provided online training for security awareness, social engineering, and URL safety with over 8,000 modules completed in 2021.





“At Gentherm, we make it a priority to provide easily-accessible ethics and compliance information in multiple languages to ensure our employees know how ingrained this is within all of our business practices.”

Matteo Anversa  
EVP, Chief Financial Officer  
and Treasurer

ETHICS AND COMPLIANCE

The Gentherm Code of Business Conduct and Ethics (“Code of Conduct”) details expectations of our employees, providing guidance and direction across the entire organization. The Code of Conduct covers a multitude of topics including legal compliance, appropriate workplace conduct, anticorruption, gifts and gratuities, and conflicts of interest. It is part of the new hire and employee orientation at every Gentherm location, and it is available to our employees in 11 different languages.

GENTHERM ETHICS HOTLINE

Gentherm maintains a global, externally-hosted ethics hotline ([here](#)) with options for reporting via telephone or website when employees become aware of actions not aligned with our Code of Conduct or values.

While employees can report issues directly to local management or use other available on-site resources, the hotline provides an anonymous, 24/7 resource for employees. The Gentherm Code of Conduct prohibits retaliation against any employee that reports an issue in good faith.

In 2021 we continued a global awareness campaign reminding employees of their responsibilities under the Code of Conduct and the resources available.

ANNUAL CONFLICT OF INTEREST SURVEY

Gentherm’s annual Conflict of Interest and Business Ethics Survey is another tool used to educate and reinforce to our employees the importance of doing business the right way. This survey is delivered to every active gentherm.com email and covers topics such as legal compliance, workplace conduct and harassment, insider trading, import-export and embargoed nations, bribery, and corruption. All survey results are reviewed by our compliance team, and any potential issues or concerns are investigated and reported to appropriate leadership.

COMPLIANCE TRAINING

In 2021, we launched our global web-based compliance training program. Our first program launched in mid-2021, and by year end we delivered over 7,000 training modules covering topics such as:

- Speaking Up In the Workplace – Do the Right Thing
- Avoiding Corruption and the FCPA
- Insider Trading – It’s Never a Good Idea

HUMAN RIGHTS

At Gentherm we firmly believe that all people should be treated with dignity and respect. Our Code of Conduct clearly states our stance against harassment and discrimination, and to further clarify our position, we published a Global Human Rights Policy outlining our position on harassment, forced labor, child labor, safe working conditions, and labor practices. Our policy can be found [here](#).

In 2022 we are launching our next compliance training module, focusing on human trafficking and modern-day slavery. It is required training for our internal supply chain team and other key Gentherm employees.

As a global company, we are aware of the risks of improper business conduct at our locations and throughout our supply chain, and we take those risks seriously. In all locations we expect our employees to operate with respect for all people and their well-being. As part of our annual sustainability survey, each location is required to outline the local steps and procedures taken to ensure we follow high standards related to our workforce and always operate in compliance with all applicable laws and regulations.

Our commitment to human rights is also demonstrated in our annual conflict minerals process and filings. We conduct annual due diligence on the source and chain of custody of tantalum, tin, tungsten, and gold (3TG) and ensure compliance with U.S. Securities and Exchange Commission rules governing the reporting of sources of 3TG used when producing our products.







# Planet

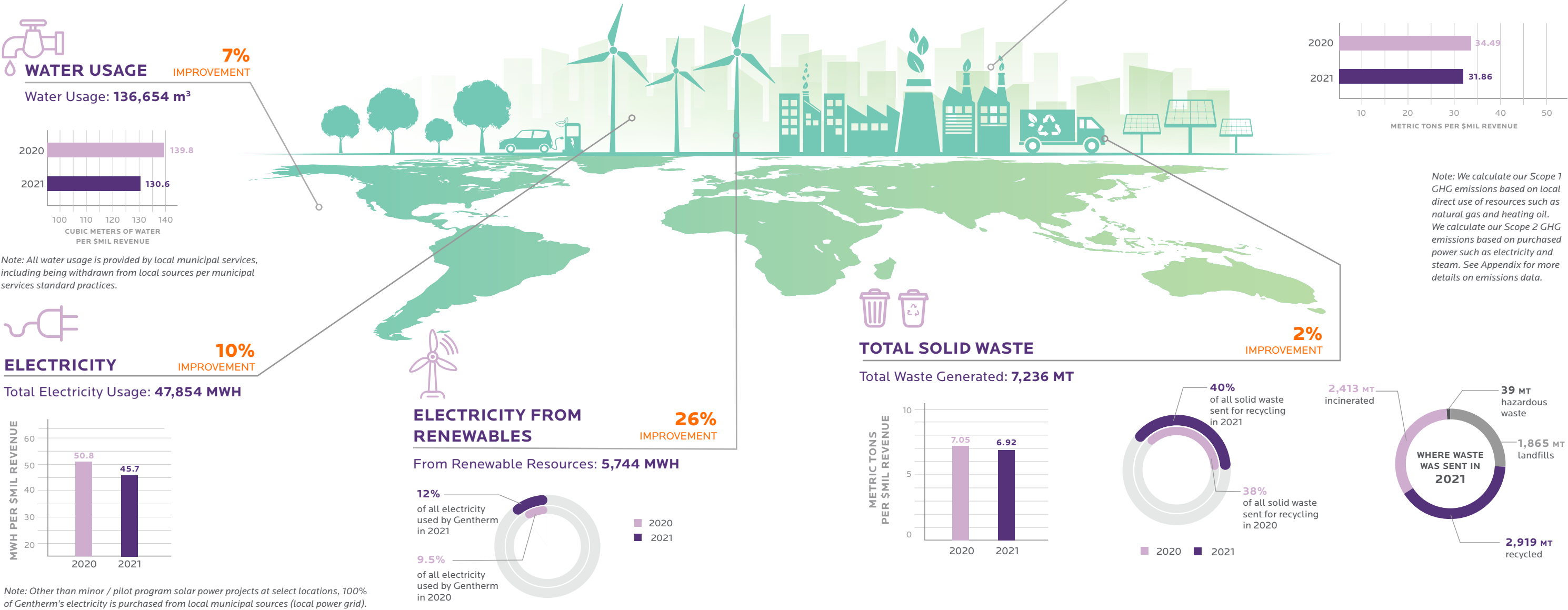
Protecting the environment is a shared global responsibility. As part of this responsibility, the automotive industry is significantly shifting toward energy efficiency and vehicle electrification.



Gentherm is at the forefront of developing key technologies that support the future of transportation, including for vehicles powered by traditional internal combustion, a hybrid, or a full electric powertrain. Our technologies help reduce overall energy consumption, resulting in improved fuel efficiency, or improve the life and efficiency of batteries, contributing to increased adoption of powertrain electrification. Research shows various Gentherm products can reduce CO<sub>2</sub> output per mile or reduce electric vehicle range degradation associated with traditional HVAC systems. We believe our products are enabling a faster march toward electrification with innovative solutions, while improving passenger comfort.

METRICS

Measuring our activities and understanding the data drives resource efficiency throughout Gentherm's operations. The information below summarizes key environmental metrics, both in absolute quantity and intensity (usage versus revenue). As Gentherm grows, we expect changes in total resources; by measuring intensity, we can measure our efforts to minimize our environmental impact.



“Gentherm products are poised to play a key role in the shift toward electrification, and that means our products are helping reduce the environmental impact related to transportation. We are excited to work with our customers to develop products that deliver environmental benefits.”

**Matt Fisch**  
SVP & Chief Technology Officer



TARGETS

In 2020, Gentherm established four environmental targets to measure our performance against our goals to reduce our resource intensity, choosing 2019 as our baseline. While global supply chain disruptions continue to challenge our productivity, our teams continue to work to drive improvement. As a result of this focus, our efficiency metrics show strong positive momentum. In 2021 we achieved our seven-year targets in just two years. With that in mind, our team will continue monitoring





these metrics and examine possibilities to update them to ensure we keep driving our results forward.

Part of driving our efficiency and sustainability forward is making investments in areas related to energy efficiency. In 2021, Gentherm invested over \$800,000 into projects that produced energy savings and improved efficiencies. Examples include new high efficiency heating and cooling equipment, electric car charging stations, continuing movement toward LED lighting, equipment to improve indoor air quality in manufacturing locations, and moving to energy efficient multi-stage air compressors.



“While we are proud that we hit our seven-year environmental targets in less than the half the time we allocated, we are not resting on our accomplishments. Instead, this provides a base from where we will build more opportunities to improve our sustainability efforts.”

Rafael Barkas  
SVP, Global Operations  
and Supply Chain

		Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Target Metric	Present Status	Improv. Goal	Improv. to Date	Status
		2019	2020	2021	2022	2023	2024	2025	2026					
	Electricity Usage Total - MWH	49,837	46,427	47,854						47.7	45.7	7%	10.8%	*target achieved
	Metric: Electricity Usage - MWH / \$Mil. Revenue	51.3	50.8	45.7										
	Waste to Recycling Total - Metric Tons	2,534	2,462	2,919						35.9%	40.3%	7%	20.2%	*target achieved
	Metric: Waste to Recycling as a Percent of Total Waste	33.6%	38.2%	40.3%										
	Hazardous Waste Total - Metric Tons	45	33	39						0.043	0.038	7%	18.9%	*target achieved
	Metric: Hazardous Waste - Metric Tons / \$Mil. Revenue	0.046	0.037	0.038										
	Water Usage Total - Cubic Meters	141,236	127,626	136,654						135.2	130.6	7%	10.1%	*target achieved
	Metric: Water Usage - Cubic Meters / \$ Mil. Revenue	145.3	139.8	130.6										

\*For all metrics, even those noted as “achieved”, we will continue to monitor our progress versus baseline and toward our targets. We believe that the impact of COVID-19 on business operations in 2020 and 2021 may have resulted in metrics that are outliers / non-normal, and hence we may see reversions or data variance over the short term.





ISO-14001

Gentherm looks toward ISO-14001 (environmental management systems) certification as a systematic approach to set and achieve environmental objectives and targets, especially for our manufacturing locations. In 2021, over 90% of our employees worked at locations that are ISO-14001 certified, including 100% of employees at automotive manufacturing locations.

PLANET SPOTLIGHT


Every one of our sites impacts the environment—they use water and electricity, and generate some level of waste. Gentherm is focused on continuous improvement to minimize and mitigate these risks, and we are taking measurable actions to minimize our environmental impact. Local action improves global use of resources. At every Gentherm site around the world, our teams find ways to be more energy efficient, reduce their emissions, and drive our progress forward. A few examples include:



**NORTHVILLE, USA | STUTTART, GERMANY** entered arrangements to operate on **100% renewable energy**




We anticipate these two locations will increase our renewable energy share by approximately 50% versus prior years and we forecast a 4-5% impact on our total Scope 2 emissions in 2022. Adding to the renewables increase, the **Odelzhausen, Germany** facility continues boosting its renewable usage to 55% of its total power.



**LANGFANG, CHINA** facility installed new equipment to more efficiently manage the site’s air compressors and 46 outdoor lights powered by solar panels, forecasting an annual savings of over 100,000 KWH - enough to power 70 homes for a full year\*


**SHENZHEN, CHINA** uses recycled water to cool equipment, allowing for temperature management without using fresh water



At our **North Macedonia** site, the team achieved the international ISO-50001 certification for energy management systems in 2021, taking a huge step toward demonstrating its commitment to energy efficiency. Under the framework of the ISO-50001 process, the site is forecasting 4% annual improvements in energy efficiency.


\*Based on average energy usage in China

**ACUÑA, MEXICO** installed solar panels that will provide outdoor lighting, reducing the need to use standard, non-renewable power



**CELAYA, MEXICO** discharges its water to a water treatment facility industrial complex where it is cleaned and reused for irrigation within the complex

**Acuña** also worked on ways to reduce the waste generated during the production of specific parts; across six focus projects, the teams were able to reduce solid waste by an average of 19%. The team also worked to reduce the amount of adhesives used in other focus projects, completely eliminating adhesives in two part numbers.



**JAPAN** implemented “**Bring Your Coffee Mug to Work**” program to reduce the use of disposable paper cups

Embracing the philosophy that every bit helps, our sales office employees in **Japan** also brought in a small hand towel, eliminating paper towels for hand drying, wiping spills, and other similar uses.

Our site in **Vietnam** also made strides in water conservation through local landscaping practices, letting the grass around the facility grow longer before cutting. This allowed the grass to grow thicker and deeper to better retain water. This action alone reduced water use for landscaping by approximately 70%, as well as requiring less energy for mowing and related equipment.

Across Gentherm, recycling programs are vital to driving down the waste sent to landfills, and **100% of Gentherm facilities have local recycling programs**. From focusing on production waste at manufacturing sites, to packaging and pallets at our warehouses, down to printer paper, batteries, and plastic at our office sites, every Gentherm location has local practices driving recycling.







# Places

Gentherm strives to be a positive presence in communities where we do business, supporting local charities and being present in the community. We are more than just a place to work; we want to be part of the places where we operate.





PLACES

A part of helping build strong connections in our community is providing ongoing support. We recently announced a five-year commitment to [GreenLight Fund Detroit](#) to provide an annual \$50,000 donation for the next five years for a total of \$250,000. GreenLight Fund Detroit helps open opportunities for children, youth, and families experiencing poverty, funding important programs in the area to help break down barriers to prosperity in high poverty areas.

PLACES SPOTLIGHT

Mexico (Acuña)

Hosted “Operation Santa Claus” to collect and distribute donations of basic needs as well as toys for children in the area. The team also provided support to the Acuña Food Bank, helping to ensure food supply for those in need.

North Macedonia (Prilep)

Supported European Mobility Week in September, focused on raising awareness and encouraging the use of active mobility, public transportation, and other clean, sustainable means of transportation.

USA (Del Rio & Northville)

Bought lunch for the United Medical Center team as a simple way of saying thank you for their hard work and dedication in administering COVID-19 vaccines.

Hosted a canned food drive to support Hospitality House, a local organization that provides food and support for families in need, resulting in hundreds of cans of food and other necessities donated.

Ukraine (Vynohradiv)

Participated in “A City Without Garbage” for the 2nd year in a row, focusing on picking up trash and litter along the banks of a local river, resulting in 700 KG of plastic litter collected and sent to recycling.



Hungary (Pilisszentivan)

Gifted a special desk to the Bethesda Children’s Hospital specially designed for children with disabilities, allowing them to better participate in educational and classroom activities.

China (Bantian)

Donated musical instruments to the local Autistic Children Care Center for children’s music classes.

Community involvement is also a trait we seek and encourage in our leadership. Members of our senior leadership team are active in their own communities, demonstrating commitment to People, Planet, and Places.

*Gentherm employees provided 8,500+ of community volunteer hours*

Barb Runyon, Senior Vice President and Chief Human Resources Officer, is a board member to several local organizations including Loyola High School of Detroit, Michigan State University’s School of Human Resources and Labor Relations, Detroit City Mission, and Urban League of Detroit and Southeastern Michigan.

Jaymi Wilson, Senior Vice President Global Sales, Marketing and Corporate Communications, also gives back to the community by chairing the STEM Goes Red Campaign, part of the American Heart Association Go Red for Women.

“Across all of our Gentherm locations we have driven leaders and team members who make us proud every day through their hard work and determination to give back to their local communities.”



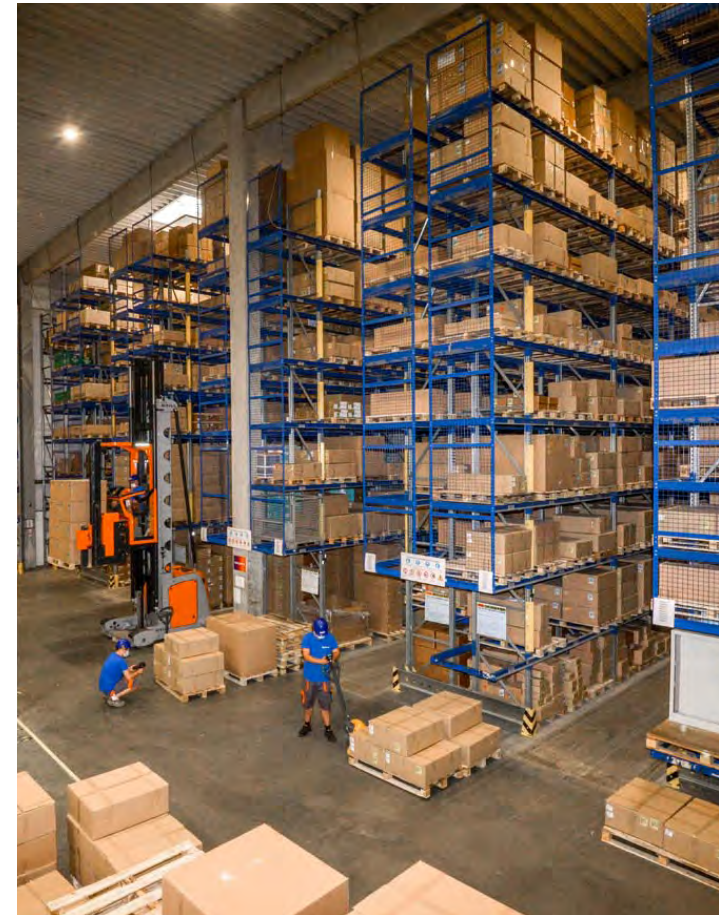
Jaymi Wilson  
SVP Global Sales, Marketing and Corporate Communications





# Stakeholders & Supply Chain

Our vision of sustainability is not limited to our sites and our people. We also consider our supply chain and our stakeholders. We want our business partners to have a positive sustainability stance aligned with Gentherm's values and focused on continuous improvement.



Gentherm publishes two key documents providing clarity and directions for our supply base: our Supplier Code of Conduct and our Supplier Requirements Manual, both available [here](#). These documents detail our expectations around key topics such as health and safety; restrictions against corruption, bribery, and extortion; labor and human rights, including child labor and human trafficking; and Gentherm's right to audit and review their operations across a range of topics.

Another vital piece of how we evaluate our stakeholders and supply chain is diversity. The Gentherm Supplier Diversity program seeks to increase the diversity of our purchasing spend. Whether related to productive materials, non-productive materials, or purchased services, Gentherm strives to drive supplier diversity and inclusiveness.

In addition to our internal efforts to drive sustainability, Gentherm also recognizes that we are part of a bigger picture. With that in mind, Gentherm works closely with our customers to understand their sustainability ambitions and requirements. Our objective is not only to meet their expectations, but also to coordinate and cooperate with them to drive sustainability forward. From increasing our use of recycled materials to designing products for easier tear-down and recycling, Gentherm's sustainability impact extends beyond just our sites.







# Governance

Gentherm knows a great company is built on a foundation of strong corporate governance. Our corporate governance structure is designed to support who we are today as well as where we want to go in the future—and making sure we do it the right way.

“Gentherm remains transparent in our corporate governance activities, fully supporting our corporate vision and approach to sustainability. ”

Wayne Kauffman

*SVP, General Counsel and Secretary*



At Gentherm, we know that a strong sustainability program, like many components of a successful business, is built on a foundation of corporate governance. Our program is designed to support the requirements of our company and our stakeholders, all while doing it the right way. Our executive leadership team, including our CEO and our Board of Directors, are held to high standards. We expect and demand compliance with our Code of Business Conduct and Ethics, our corporate governance policies, all applicable laws, and our Winning Culture Behaviors.

It is our goal to not only have a robust and thoughtful sustainability program, but also to ensure that we are transparent in our actions and in our results. The goal of our sustainability program is not limited to our internal efforts and results, but also to consider the impact on all of our stakeholders, including customers, suppliers, and shareholders. In order to achieve this, we continue to build and strengthen our program, including as noted previously, by adding oversight of our sustainability initiatives to the charter and responsibilities of our Nominating and Corporate Governance Committee ([charter here](#)).

For more information on our corporate governance structure and practices, refer to our annual Proxy Statement, or visit the Governance section of Gentherm.com ([here](#)).







# 2022 Plans & Commitments

People, Planet, and Places are not just three words, they capture Gentherm's sustainability commitment, driving our actions and supporting activities that aim to create long-term value for our customers and stakeholders. In 2022, we see our sustainability efforts maturing and evolving to consider additional facets of sustainability and how it affects Gentherm's overall business.



## OUR 2022 PLANS INCLUDE:

- Developing a net-zero carbon position plan. Our leadership is committed to driving Gentherm to a net-zero carbon position, and we are developing our plan thoughtfully and with consideration for our customers, suppliers, and other stakeholders.
- Increased reporting and alignment with third-party standards, focusing on TCFD and the Ten Principles of the United Nations Global Compact. While we already align with SASB and submit information to CDP, we want to expand our transparency and alignment and measure ourselves against frameworks at the forefront of sustainability.
- Implement additional risk and opportunity assessment procedures for our sustainability programs, including evaluating potential financial impacts and more fully integrating sustainability risks into our corporate Enterprise Risk Management (ERM) program.
- Continue to advance our internal sustainability structure, improve organizational refinement with focuses on benchmarking, roles and responsibilities, and increase engagement across Gentherm and our external stakeholders.
- Develop our first ever Scope 3 GHG emissions calculation. Using standard methodologies, our team will evaluate all facets of Gentherm's business to estimate each of the 15 standard categories of Scope 3 emissions. This represents a major step toward the ability to fully understand a product's full environmental impact – a step toward life cycle analysis (LCA).

If you have any questions or need further information, please visit our website at [Gentherm.com](https://www.gentherm.com) or email our team at [Sustainability@Gentherm.com](mailto:Sustainability@Gentherm.com).



# Appendix





SAFETY DEFINITIONS & INFORMATION:

**Lost-Work Time Incidents:** Any injury to health as a result of a one-time event with an impact of more than one day of absence, also includes injuries due to transportation in company-provided transportation or accidents during business trips. Also includes non-employee accidents / injuries on a Gentherm site. Lost-time incidents only includes “recoverable” accident, in which the person will fully recover from accident / injury.

**Non-Recoverable Incidents:** Any injury to health as a result of a one-time event with an impact of more than one day of absence, also includes injuries due to transportation in company-provided transportation or accidents during business trips. Also includes non-employee accidents / injuries on a Gentherm site. Non-recoverable accidents indicate permanent injury in which the individual will not / may not fully recover.

**Lost Time Case Rate (LTCR):** Measured according to standard OSHA methodology. No data around on-site, work-related fatalities is recorded or reported in this report as Gentherm has not recorded an on-site, work-related fatality in our 20+ year history.

ADDITIONAL DISCLOSURES

**Political Donations:** Gentherm does not donate to or allow the use of company funds to specifically support political purposes. In accordance with our internal Delegation of Authority policy, all charitable donations or similar activities must be approved by the Chief Executive Officer, and in agreement with the Chief Financial Officer, the Chief Human Resources Officer, and General Counsel.

As a global business, we align with trade associations and organizations related to our business which may, at their own discretion and under their own leadership, participate in the political process, including working to influence decisions that could benefit our company, our industry and related business.

Gentherm is a member of the Automotive Industry Action Group (AIAG), Original Equipment Suppliers Association (OESA), Human Resources Professionals Association (HRPA) and other similar industry groups. Our association with these industry groups generally include standard membership fees, with annual fees of approximately \$50,000 total.

**Fleet Vehicles:** Gentherm does not maintain a traditional vehicle fleet. We do, however, maintain a small number of company-owned vehicles designated for sporadic, non-specific employee use (“pool vehicles”). While this number may fluctuate based on expiring leases and other criteria, we estimate the average number is approximately 20 vehicles, operated at an average of 10,000 miles or less per year. Based on average CO<sub>2</sub> emissions for a vehicle, the total output would represent a de minimus amount to our total GHG emissions (less than 0.3%) and is therefore excluded from our detailed GHG tracking process.

**Material and Chemical Management:** Gentherm works to ensure that all of our manufactured goods align with all applicable regulations around the use or inclusion of controlled chemicals and materials. These efforts include utilization of the IMDS (International Material Data System), and monitoring of products and substances versus regulations such as REACH.

**Hazardous Waste Disposal Methodologies:** In 2021, Gentherm’s hazardous waste was approximately 0.5% of all solid waste generated (39 metric tons). Gentherm’s hazardous waste types vary by location but are generally comprised of waste oil and related products used in lubrication and equipment maintenance, activated carbon scrap, scrap glues and adhesives, and non-production related items such as light bulbs and non-industrial batteries. Our methods of disposal vary from region to region in accordance with applicable laws and regulations and are based on substance, but may include incineration, physical-chemical treatment, or other appropriate disposal methods. Disposal methods may include engaging services from appropriately qualified and licensed third-party service providers in the local region.

KEY ENVIRONMENTAL METRICS BY REGION (2021)

Key Environmental Metrics by Region (2021)	North America	Europe	Asia	Total
Electricity Usage / Source				
Total KWH Used	19,253,628	11,213,111	17,387,171	47,853,910
Total KWH from Non-Renewable Sources	18,513,387	9,309,384	14,287,201	42,109,971
Total KWH from Renewable Sources	740,242	1,903,727	3,099,970	5,743,939
Percent of Total KWH Used	40.2%	23.4%	36.3%	100.0%
Percent of KWH from Non-Renewable Sources	96.2%	83.0%	82.2%	88.0%
Percent of KWH from Renewable Sources	3.8%	17.0%	17.8%	12.0%
Total Energy Usage / Source				
Total GJ Used	77,952	58,320	68,187	204,459
Total GJ from Renewable Sources	2,665	6,853	11,160	20,678
Total GJ from Non-Renewable Sources	75,288	51,466	57,027	183,781
Percent of Total GJ Used	38.1%	28.5%	33.3%	100.0%
Percent of GJ from Renewable Sources	3.4%	11.8%	16.4%	10.1%
Percent of GJ from Non-Renewable Sources	96.6%	88.2%	83.6%	89.9%
Solid Waste Source / Disposal				
MT Waste to Landfills	793	1,048	24	1,865
MT Waste to Recycling	1,277	842	800	2,919
MT Waste to Incinerators	771	21	1,621	2,413
MT Waste - Hazardous	12	9	19	39
Total MT Waste	2,852	1,920	2,464	7,236
Percent Waste to Landfills	27.8%	54.6%	1.0%	25.8%
Percent Waste to Recycling	44.8%	43.9%	32.5%	40.3%
Percent Waste to Incinerators	27.0%	1.1%	65.8%	33.3%
Percent Waste - Hazardous	0.4%	0.5%	0.8%	0.5%
Percent Total Waste	39.4%	26.5%	34.0%	100.0%
Water Usage				
Total Water Usage (Cubic Meters)	39,449	38,100	59,105	136,654
Percent Water Usage	28.9%	27.9%	43.3%	100.0%
Greenhouse Gas Emissions				
Scope 1 & 2 (MT CO2e)	10,646	7,263	15,277	33,186
Percent of Total Scope 1 & 2 (KG CO2)	32.1%	21.9%	46.0%	100.0%

Key Environmental Metric History	2019	2020	2021
Electricity Usage / Source			
Total KWH Used	49,836,657	46,426,671	47,853,910
Total KWH from Renewable Sources	2,932,913	4,423,996	5,743,939
Percent of KWH from Renewable Sources	5.9%	9.5%	12.0%
Solid Waste Source / Disposal			
MT Waste to Landfills	2,153	1,827	1,865
MT Waste to Recycling	2,534	2,462	2,919
MT Waste to Incinerators	2,816	2,115	2,413
MT Waste - Hazardous	45	33	39
Total MT Waste	7,548	6,437	7,236
Water Usage			
Total Water Usage (Cubic Meters)	141,236	127,626	136,654
Greenhouse Gas Emissions			
Total Scope 1 & 2 (MT CO2e)	33,186	31,492	33,331

*Note: Prior year GHG emissions numbers are updated to reflect adjustments compared to data reported in Gentherm's prior sustainability reports based on updated data collection and calculation methodologies, including movement from CO<sub>2</sub> to a CO<sub>2</sub>e calculation. While prior and present methods are both based on standard GHG Protocol methodologies, the updated CO<sub>2</sub>e method considers the impact of other emissions as well, converting all data to a CO<sub>2</sub> equivalency.*



SASB CONTENT INDEX



SASB Code	Disclosure Summary	2021 Disclosure and Response	References
Energy Management: TR-AP-130a.1	Total amount of energy consumed; purchased & on-site	Adding all energy sources, including purchased electricity & steam (Scope 2), as well as energy consumed on site including natural gas, heating oil, and similar (Scope 1): Total energy consumption calculated at 204459 GJ.	Appendix, Environmental Metric Details
Energy Management: TR-AP-130a.1	Percentage of all electricity consumed that is provide from local electrical grid	As noted in the Environmental metrics of the report, other than de minimus / pilot projects around solar energy, 100% of Gentherm's electricity is provided from the electrical grid.	Planet Section, Planet Metrics
Energy Management: TR-AP-130a.1	Percentage of all electricity consumed that is generated from renewable resources	As noted in the Environmental metrics of the report, approximately 12% of all electricity consumed is generated from renewable sources. Considering only at sites that are able to ascertain the generation sources of their purchased electricity, those sites average 21.0% from renewable sources.	Planet Section, Planet Metrics Appendix, Environmental Metric Details
Waste Management: TR-AP-150a.1	Total amount of waste from manufacturing	Total waste from Gentherm sites totals 7,236 Metric Tons, with effectively 100% of that waste produced at manufacturing / R&D sites.	Appendix, Environmental Metric Details
Waste Management: TR-AP-150a.1	Percentage of total waste that is hazardous	Hazardous waste represents 0.54% of all waste produced in 2021.	Appendix, Environmental Metric Details
Waste Management: TR-AP-150a.1	Percentage of total waste that is recycled	40.3% of all waste produced was sent to recycling facilities / operations in 2021.	Appendix, Environmental Metric Details
Product Safety: TR-AP-250a.1	Number of product recalls issued	In 2021, Gentherm did not have a single recall campaign item that was noted by NHTSA as part of their standard monthly recall reports.	Not Applicable
Product Safety: TR-AP-250a.1	Total units recalled	In 2021, Gentherm did not have a single recall campaign item that was noted by NHTSA as part of their standard monthly recall reports.	Not Applicable
Design for Fuel Efficiency: TR-AP-410a.1	Percent of total revenue from products designed to increase fuel efficiency and / or reduce emissions	\$463.4 million USD revenue (44.3% of total) including Climate Control Seating and Battery Performance Solutions (per studies cited in Product section).	Our Technologies
Materials Sourcing: TR-AP-440a.1	Description of the management of risks associated with the use of crucial materials	See Human Rights section and our Conflict Minerals process.	People Section, Human Rights People Section, Conflict Minerals
Materials Efficiency: TR-AP-440b.1	Percentage of products sold that are recyclable	During 2021 we recognized growing interest from our stakeholders regarding product input materials and product end-of-life disposition. While we have made efforts to utilize environmentally friendly inputs and to consider end-of-life disposition, we view this as an emerging opportunity for Gentherm, and our Sustainability team, including our ESG Steering Committee, is reviewing the situation. We will continue to examine the data, and strive to evolve our approach to input materials and end-of-life disposition. We are optimistic that future actions will work toward further reducing the environmental impact of our products.	Not Applicable
Materials Efficiency: TR-AP-440b.2	Percentage of input materials from recycled or remanufactured content		Not Applicable
Competitive Behavior: TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	\$0; Gentherm did not incur financial costs in 2021 as a result of legal proceedings related to anticompetitive behavior.	Not Applicable

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS TRACKING

In 2015, the United Nations introduced the Sustainable Development Goals (SDG), a series of 17 goals designed to be the blueprint to achieve a better and more sustainable future for all. As Gentherm continues to enhance and grow our sustainability, we look to align our actions with these global goals.



Sustainable Development Goal	Gentherm Alignment and Approach	Key Related Activities & Actions	References (Report Location)
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages.	We are dedicated to providing a safe work place for our employees and all visitors to our locations. Employee engagement activities include a focus on employee health and wellness, especially as related to COVID-19. Gentherm Medical provides innovative equipment and supplies that help improve patient outcome and contribute to improved well-being.	<ul style="list-style-type: none"><li>Employee health activities</li><li>Gentherm Medical equipment and mission</li><li>Focus on safety and continuous improvement</li><li>Vision Zero Safety Process</li></ul> <ul style="list-style-type: none"><li>People, Engaged Workforce</li><li>Planet, Our Technologies</li><li>People, Safety - Vision Zero</li></ul>
 4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	We believe in the importance of education, training, and continued growth for both our employees and those outside of our organization. Our internal programs offer career training, mentor / mentee relationships, and career planning and feedback. We also host internship and co-op programs, offering a chance for individuals to experience our company and potential career paths. We also believe in foundational education, offering programs for employees to complete their high school education.	<ul style="list-style-type: none"><li>Internal trainings and career development training</li><li>Mentorship program</li><li>High school graduation programs and support</li></ul> <ul style="list-style-type: none"><li>People, Career Development</li><li>People, Women's Network</li><li>Places, Introduction</li></ul>
 5 GENDER EQUALITY	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	We believe in the importance of diversity, equity, and inclusion across all facets of our business and all locations in which we do business. Through our Diversity, Equity + Inclusion Council we look to raise awareness and work toward equality.	<ul style="list-style-type: none"><li>Diversity, Equity + Inclusion Council</li><li>Gentherm Global Human Rights Policy</li></ul> <ul style="list-style-type: none"><li>People, DE+I</li><li>People, Human Rights</li></ul>
 6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all.	We believe in the importance of water conservation and sustainability and make dedicated efforts to improve our water usage. In 2020, we set a target to improve our water usage versus our revenue and have achieved that target in the first two years.	<ul style="list-style-type: none"><li>Water Usage Improvement Target</li><li>Water Usage Metrics</li><li>Water Reduction Projects</li></ul> <ul style="list-style-type: none"><li>Planet, Metrics</li><li>Appendix, Environmental Metric Details</li><li>Planet, Making a Difference</li></ul>
 7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all.	We strive to expand our use of renewable and clean energy, through selections of vendors, or through voluntary programs to purchase increased levels of renewable energy. We also have undertaken pilot programs related to solar power at multiple locations. In 2021, 12.0% (5,744 MWH) of our total electricity was noted as coming from renewable resources, with that rate rising to 21% when looking only at sites that are able to ascertain the source of generation of their grid purchased electricity.	<ul style="list-style-type: none"><li>Renewable Energy Measurement &amp; Tracking</li><li>Voluntary Renewable Energy Purchases</li><li>Solar Power Generation and Usage</li></ul> <ul style="list-style-type: none"><li>Appendix, Environmental Metric Details</li><li>Planet, Making a Difference</li></ul>
 8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	We are committed to providing high quality, fairly compensated employment at every one of our locations. We believe in treating people appropriately, providing career training, and offering opportunities for professional advancement. Through our Diversity, Equity + Inclusion Council, our Women's Network, and our Career Development programs, we strive to promote productive and decent work and opportunity for all.	<ul style="list-style-type: none"><li>Gentherm Career Development Programs</li><li>Diversity, Equity, and Inclusion Council</li><li>Gentherm Women's Network</li><li>Global Human Rights Policy</li></ul> <ul style="list-style-type: none"><li>People, Career Development</li><li>People, DEI</li><li>People, Women's Network</li><li>People, Human Rights</li></ul>
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	We believe the future of transportation lies in vehicle electrification, and that electrification is key to sustainable activities around transportation. Gentherm is committed to developing technologies and solutions that support and drive this future. Through our technologies such as Climate Control Seats, ClimateSense, Cell Connecting Boards, and Battery Thermal Management, we are helping support sustainable economic growth.	<ul style="list-style-type: none"><li>Gentherm Technologies</li></ul> <ul style="list-style-type: none"><li>Planet, Our Technologies</li></ul>



Sustainable Development Goals continued

Sustainable Development Goal	Gentherm Alignment and Approach	Key Related Activities & Actions	References (Report Location)
	Reduce inequality within and among countries.	<div>We support the rights of all people around the world to be treated fairly and equitably. Through our Diversity, Equity + Inclusion Council and our Women's Network, we work to raise awareness and ensure fair treatment. Our Global Human Rights Policy clarifies and reinforces our stance around the proper treatment of individuals, regardless of location or position.</div>	<div><ul style="list-style-type: none"><li>• Diversity, Equity + Inclusion Council</li><li>• Gentherm Women's Network</li><li>• Global Human Rights Policy</li></ul><ul style="list-style-type: none"><li>• People, DE+I</li><li>• People, Women's Network</li><li>• People, Human Rights</li></ul></div>
	Ensure sustainable consumption and production patterns.	<div>We believe in sustainable consumption and production of our products. Of our five environmental targets, two relate directly to measurables related to sustainability around our products, particularly manufacturing waste. By reducing our landfill percentage, increasing our recycling rates, and reducing our hazardous waste intensity, we can positively affect our manufacturing impact.</div>	<div><ul style="list-style-type: none"><li>• Environmental Targets, Waste to Landfill as a Percent of Total</li><li>• Environmental Targets, Waste to Recycling as Percent of Total</li><li>• Environmental Targets, Hazardous Waste Efficiency</li></ul><ul style="list-style-type: none"><li>• Planet, Environmental Metric Targets</li><li>• Planet, Environmental Metrics</li><li>• Appendix, Environmental Metric Details</li></ul></div>
	Take urgent action to combat climate change and its impacts.	<div>We have established a disciplined, detailed Sustainability program, with leadership at our Senior Leadership and Board of Director levels. This guidance and oversight helps to ensure that we are focused on key issues, including climate impact. Our disclosure of Scope 1 and Scope 2 GHG emissions, as well as our Environmental Target around reducing Scope 2 emissions through improved resource efficiency demonstrate a clear commitment to make progress in this area.</div>	<div><ul style="list-style-type: none"><li>• Sustainability Approach, Leadership Updates</li><li>• Environmental Targets, Scope 2 Emissions Efficiency</li><li>• Environmental Metrics, Scope 2 GHG Emissions</li></ul><ul style="list-style-type: none"><li>• Sustainability Approach, Leadership Updates</li><li>• Planet, Environmental Metric Targets</li><li>• Planet, Environmental Metrics</li><li>• Appendix, Environmental Metric Details</li></ul></div>

FORWARD LOOKING STATEMENTS AND DISCLAIMERS

This report contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent our goals, beliefs, plans and expectations about our prospects for the future and other future events. Such statements may be identified by the use of forward-looking terminology such as “anticipates,” “appears,” “believes,” “continues,” “could,” “designed,” “effect,” “estimates,” “evaluates,” “expects,” “forecasts,” “goal,” “initiative,” “intends,” “may,” “objective,” “outlook,” “plans,” “potential,” “priorities,” “project,” “pursue,” “seek,” “should,” “target,” “when,” “will,” “would,” or similar terms, variations of such terms or the negative of such terms.

The forward-looking statements included in this document, including our targets and goals, are made as of the date hereof or as of the date specified and are based on management’s reasonable expectations and beliefs. Such statements are subject to a number of assumptions, risks, uncertainties and other factors, many of which are difficult to predict and generally beyond our control, which could cause actual results to differ from that described in the forward looking statements. Such risks and uncertainties include the risks noted in reports that we file with the Securities and Exchange Commission, including the Risk Factors identified in our Annual Report on Form 10-K for the year ended December 31, 2021, as well as additional factors we may describe from time to time in other filings with the U.S. Securities and Exchange Commission. Except as required by law, we expressly disclaim any obligation or undertaking to update any forward-looking statements 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.

This report describes topics that we consider to be important to stakeholders when evaluating sustainability matters at Gentherm. The inclusion of information in this report is not an indication that such information is material as defined under the U.S. federal securities laws and the applicable regulations thereunder. No part of this report or our sustainability website disclosure constitutes, or shall be taken to constitute, an invitation or inducement to invest in Gentherm or any other entity and must not be relied upon in any way in connection with any investment decision.

Statements regarding our policies, guidelines or goals are aspirational in nature. They are not promised to be delivered nor guaranteed for achievement. We cannot guaranty that our directors, officers employees and suppliers follow the requirements of our codes, policies and guidelines in all circumstances. Uncertainties are inherent in collecting data from a wide range of facilities and operations in a global company. Standards of measurement and methods of calculating sustainability data are developing and numbers reported (other than audited financial data) are based on company calculations and good faith estimates and have not been externally assured.

Unless otherwise indicated, references to “Gentherm”, “the Company”, “we”, “our” and “us” in this report refer to Gentherm Incorporated and its consolidated subsidiaries. The content of this report generally covers subject matter for the 2021 calendar year unless otherwise noted and is limited to operations owned and/or operated by Gentherm. For some performance indicators, prior year data is provided to allow for annual comparisons.

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European Headquarters Engineering,  
Sales & Support

**Stuttgart, Germany**  
Engineering, Manufacturing &  
Distribution, Sales & Support

**West Midlands, UK**  
Sales & Support

**Pilisszentiván, Hungary**  
Engineering, Manufacturing &  
Distribution, Sales & Support

**Vynohradiv, Ukraine**  
Manufacturing

**Prilep, North Macedonia**  
Manufacturing

**Ta'Xbiex, Malta**  
Sales & Support

## NORTH AMERICA

**HQ - Northville, MI**  
Engineering, Sales & Support

**Farmington Hills, MI**  
Engineering

**Cincinnati, OH**  
Engineering, Manufacturing &  
Distribution, Sales & Support

**Del Rio, TX**  
Distribution, Sales & Support

**Acuña, Mexico**  
Engineering & Manufacturing

**Celaya, Mexico**  
Engineering & Manufacturing

## ASIA

**Shanghai, China**  
Asia Pacific Headquarters  
Engineering, Sales & Support

**Langfang, China**  
Engineering, Manufacturing &  
Distribution, Sales & Support

**Shenzhen, China**  
Manufacturing & Distribution

**Seoul, South Korea**  
Sales & Support

**Ulsan, South Korea**  
Distribution, Sales & Support

**Asan, South Korea**  
Distribution, Sales & Support

**Nagoya, Japan**  
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**Tokyo, Japan**  
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**Hiroshima, Japan**  
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Manufacturing

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