GENTHERM

2026



Sustainability Update

Gentherm has been publishing a sustainability report since 2019. We now have significantly more experience with all ESG issues. However, regulations and customer requirements are changing. Similarly, the questions on various ESG assessment platforms are becoming more detailed. For this reason, we have decided to publish some additional information in our 2025 Sustainability Report.

01

Our Sustainability Approach

Engagement Survey & Development

Gentherm completed a global employee engagement survey in 2025, with plans to repeat on a 2-year cycle. The results of that engagement survey are reviewed with senior leaders and department managers, helping to drive actions that increase employee satisfaction and engagement.

In 2025, our survey had an average response rate of 90% and showed an increase in the overall engagement score (+1% compared with 2023).

In general, all our training courses are evaluated. We send out a survey to all participants right after a session ends.

For some specific skills training, we also run pre- and post-training assessments to measure effectiveness. All these evaluations are managed at the site level.

Mental Health Awareness

Through our website, we offer free, external, and confidential emotional support.

Highly qualified professionals are available to listen to employees' concerns and help them or their family members with a wide range of issues, including anxiety, depression, stress, grief, loss, and life changes, as well as relationship and marital conflicts. Through a toll-free number, you have direct access around the clock to a counselor who will answer employees' questions and, if necessary, refer you to a therapist or other support services.

In the engagement survey mentioned, we ask questions on topics such as recognition, stress, balance of work-life, health and well-being, fair treatment, and respect, among others.

There are also local activities, such as chair massages, hands-on stress relief activity (coloring), build your own calming kit.

GHG Emissions

On page 6 of our 2025 Sustainability Report, it is mentioned that we have set a goal to reduce our Scope 1 and Scope 2 emissions by 59% by 2035 compared to the base year of 2021. It should be noted in this context that the reduction comes exclusively from Scope 2. Scope 1 emissions primarily consist of emissions from refrigerants and fuel. We have very limited opportunities to reduce these emissions. Therefore, the reduction target for Scope 1 is 0%. For Scope 2, we can achieve a significant reduction by switching to renewable electricity. Consequently, the reduction target for Scope 2, relative to the base year 2021, is 63.3% in total. These two targets for Scope 1 and 2 result in the previously mentioned overall target of a 59% reduction by 2035.

Savings from energy conservation programs.

Gentherm's locations have implemented various energy-saving projects. These include initiatives such as replacing incandescent light bulbs with LED lights and introducing newer, energy-efficient machinery. The total savings in 2025 amounted to approximately $210,000.

Water

To supplement our 2025 Sustainability Report, we would like to provide you with the following details.

Of the 196,391 m³ of water we used in 2025, approximately 85.5% came from local water utility suppliers. About 14.5% of the water is drawn from springs located on the company's premises. Permits for this have been issued by the local authorities.

The amount of water discharged is slightly lower than the amount of water drawn. Most of the water is used for restrooms and kitchens. In addition, significant amounts are used for watering plants. No water is used in the manufacturing processes. Therefore, Gentherm does not generate any industrial wastewater. A small amount of water is evaporated in cooling towers. We estimate this proportion to be around 2%. This means that approximately 98% of the water drawn is discharged.

The mentioned 196,391 m³ of withdrawn water are identical with the total amount of consumed water. This number covers 100% of our operations

Waste

The company recycles a significant portion of its production waste. Our clear goal is to further increase this percentage and reduce the amount of waste that is incinerated or sent to landfills.

02

Governance

Board Leadership

As noted in the Board of Directors, Nominating and Corporate Governance Committee Charter (here - Documents & Charters | GENTHERM INCORPORATED), section "Corporate Responsibility", the Committee is specifically responsible for "environmental, social, and governance" matters. Sustainability is noted as a standing agenda item for each Nominating and Corporate Governance Committee meeting, which occur four times per calendar year. These standing meetings would also, when necessary, include updates or overviews with the Board Committee related to the Gentherm Global Human Rights policy. As part of the ESG / Compliance program, the Committee has oversight of this and related policies.

Executive Leadership

Our current senior leadership team, including the CEO, consists of five people. Two of them are women—which represents 40% of the team.

Policies

In addition to the Gentherm Code of Business Conduct and Ethics document, the company also maintains a focused Anti-Bribery Policy (available here - Policies & Reports | GENTHERM INCORPORATED). In that document, we specifically define bribery and note that the rules apply to "facilitation payments."

Human Rights

Gentherm takes human rights due diligence very seriously and undertakes a number of steps to ensure a robust human rights due diligence process. These steps include screening suppliers for human rights commitments during onboarding, inclusion of specific human rights topics in our Supplier Code of Conduct, our Supplier Requirements Manual, and our Terms and Conditions of Purchase (all available at Automotive Resource Center - Gentherm). Each of these documents touches on key topics such as forced labor, child labor, appropriate pay and wages, employee safety and more. By establishing specific human rights requirements as we add suppliers, and then reinforcing those principles via these documents, during our business relationship, we have established a robust process for driving human rights alignment through our supply chain.

In 2026, the Gentherm Compliance team launched a number of compliance training programs to continue to educate our employees on key topics in the compliance area. Among those programs launched were:

- Supporting Human Rights: This program covered forced and child labor, human trafficking and similar related topics. Program was launched to all professional employees, including those across our supply chain functions.
- Anti-Bribery – Subtle Bribes: This program covered the different types of corruption and bribery, and how to be aware and address potential risks. Program was launched to all professional employees.