

GENTHERM

# United Nations Sustainable Development Goals Index

2023

# United Nations Sustainable Development Goals Index

The United Nations Sustainable Development Goals (SDGs) are a comprehensive set of global goals that provide a roadmap for addressing pressing social, economic, and environmental challenges facing the world. Adopted by the United Nations in 2015 as part of the 2030 Agenda for Sustainable Development, the SDGs aim to tackle a range of interconnected issues. The SDGs consist of 17 ambitious goals, each with specific targets and indicators, designed to guide governments, businesses, and individuals towards sustainable development and a more equitable future. These goals cover a broad spectrum of areas, including poverty eradication, quality education, gender equality, climate action, clean energy, sustainable cities, and more. The SDGs represent a global commitment to creating a better world by 2030, where no one is left behind, and economic, social, and environmental sustainability are pursued hand in hand.

At Gentherm, we firmly believe that the SDGs are not only a global commitment but also a fundamental driver of positive change in society.

We are dedicated to creating a workplace where everyone has equal opportunities, basic rights, and dignity. Our commitment to the SDGs resonates strongly with our core values and shapes our strategies for a better future. The SDGs also emphasize a commitment to environmental issues — ensuring that we are working to minimize our footprint and drive positive change.



Gentherm's dedication to the SDGs is positively aligned with our Sustainability pillars — People, Planet, and Places. We strive to foster inclusive workplaces, prioritize quality education and training, and advance environmental efforts. With the SDGs as one of our guiding sets of principles, we can help create a future where the well-being and empowerment of people, and environmental awareness, are at the forefront of our efforts.

#### People

 $\tilde{\mathcal{O}}$ 

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. We believe 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. As part of Planet, our approach includes an emphasis on our Products — what materials go into them, what are the impacts of their use, and even how they are dealt with at the end of their useful life.

#### Places

 $\bigcirc$ 

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.



# SDG 3: Good Health and Well-Being

Ensure healthy lives and promote well-being for all at all ages.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
Gentherm is committed 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, including supporting healthy living, exercise, and more. Gentherm Medical provides innovative equipment and supplies that help improve patient outcome and contribute to improved well-being.	<ul> <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> <li>2022 Sustainability Report (Pages 25, 35, &amp; 38)</li> </ul>



#### SDG 4: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
We are committed to and believe in the importance of education, training, and growth for 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 as well, offering programs for employees to complete their high school education.	<ul> <li>Internal trainings and career development training</li> <li>Mentorship program</li> <li>High school graduation programs and support</li> </ul>	<ul> <li>2022 Sustainability Report (Pages 29, 32, &amp; 37)</li> </ul>



### SDG 5: Gender Equality

Achieve gender equality and empower all women and girls.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
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 towards equality. Our Human Rights Policy lays out clearly and firmly our commitment to treating people with respect and dignity.	<ul> <li>Diversity, Equity, and Inclusion Council</li> <li>Gentherm Global Human Rights Policy</li> </ul>	<ul> <li>2022 Sustainability Report (Pages 6, 29, 33, &amp; 34)</li> <li>Gentherm Human Rights Policy (Sections 1.a &amp; 1.b)</li> <li>Gentherm 2023 10-K (Pages 13 - 14)</li> </ul>



#### SDG 6: Clean Water and Sanitation

Ensure availability and sustainable management of water and sanitation for all.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
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 achieved that target in just a few short years. In 2022, we were also recognized by one of our major customers for efforts to reduce water usage and increase water reuse and recycling. We are also proud of our new mechanical structuring process, which produces cell connecting products using over 90% less water than traditional chem-etch methods.	<ul> <li>Water Usage Improvement Target</li> <li>Water Usage Metrics</li> <li>Water Reduction Projects</li> <li>Cell Connecting Board Manufacturing Process</li> </ul>	<ul> <li>2022 Sustainability Report (Pages 2, 21, 46, &amp; 47)</li> </ul>



# SDG 7: Affordable and Clean Energy

Ensure access to affordable, reliable, sustainable and modern energy for all.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
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 2022, 16.1% (8,416 MWH) of our total electricity was noted as coming from renewable resources. For 2023, our senior leadership has committed to increasing our renewable energy usage, including adding a metric to our 2023 Senior Level Bonus Plan.	<ul> <li>Renewable Energy Measurement &amp; Tracking</li> <li>Voluntary Renewable Energy Purchases</li> <li>Solar Power Generation and Usage</li> </ul>	<ul> <li>2022 Sustainability Report (Pages 15, 46, &amp; 49)</li> <li>2023 Proxy (Pages 9 &amp; 25)</li> </ul>
In 2022, Gentherm had a total of seven (7) separate locations that operated on 100% renewable electricity. Also in 2022, Gentherm became a proud member of the U.S. Environmental Protection Agency (EPA) Green Power Partnership program.		



#### SDG 8: Decent Work and Economic Growth

Ensure access to affordable, reliable, sustainable and modern energy for all.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
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, and Inclusion Council, our Women's Network, and our Career Development programs, we strive to promote productive and decent work and opportunity for all. Our Human Rights Policy lays out clear guidance around employee wages and benefits, and our commitment to equal pay for equal work.	<ul> <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> <li>2022 Sustainability Report (Pages 29, 32, 34, 36, 37 &amp; 38)</li> <li>Gentherm Human Rights Policy (Section 6)</li> </ul>



# SDG 9: Industry, Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
We believe the future of transportation lies in vehicle electrification, and that electrification is key to sustainable activates 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 to support sustainable economic growth. Our commitment to research and development is an essential part of our business approach. Gentherm further demonstrates our commitment to sustainable	Gentherm Technologies	<ul> <li>2022 Sustainability Report (Pages 18 - 23)</li> <li>Gentherm 2023 10-K (Page 7)</li> </ul>
industrialization through the development and launch of our mechanical structuring process used for producing cell connecting boards. This innovative process uses over 90% less water and produces over 98% less CO <sub>2</sub> emissions (as compared to traditional chem-etch methods).		



# **SDG 8: Reduced Inequalities**

Reduce inequality within and among countries.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
We support the rights of all people around the world to be treated fairly and equitably. Through our Diversity, Equity, and 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.	<ul> <li>Diversity, Equity, and Inclusion Council</li> <li>Gentherm Women's Network</li> <li>Global Human Rights Policy</li> </ul>	<ul> <li>2022 Sustainability Report (Pages 29, 33, 34, &amp; 36)</li> <li>Gentherm Human Rights Policy (Section 6)</li> </ul>



# SDG 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
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. Gentherm is also proud to have established and declared a long-term carbon reduction goal - committing to lowering our Scope 1 and Scope 2 emissions by 59% by the year 2035.	<ul> <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> <li>2022 Sustainability Report (Pages 43, 45, 46, &amp; 47)</li> </ul>



#### SDG 13: Climate Action

Take urgent action to combat climate change and its impacts.

Gentherm Alignment and Approach	Key Related Activities and Actions	References (Report Location)
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. In our 2022 Sustainability Report, we publicly declared a long-term carbon reduction goal - committing to lowering our Scope 1 and Scope 2 emissions by 59% by the year 2035.	<ul> <li>Sustainability Approach, Leadership Updates</li> <li>Environmental Metrics, Scope 2 GHG Emissions</li> </ul>	<ul> <li>2022 Sustainability Report (Pages 43 - 47)</li> </ul>

To learn more about the United Nations Sustainable Development Goals (SDGs), visit the UN SDG homepage <u>here</u>.

To learn more about Gentherm's Sustainability efforts, visit the Gentherm Sustainability homepage here, or read our latest annual Sustainability Report here.

Additional Supporting Documents: 2023 Gentherm Schedule 14A - Proxy 2023 Gentherm 10-K Gentherm Global Human Rights Policy



Gentherm 21680 Haggerty Rd. Northville, MI 48167

www.gentherm.com

Technology to the next degree<sup>™</sup>