

Global Environmental, Health and Safety Policy

BACKGROUND:

Gentherm is committed to ensuring that we provide a safe and environmentally appropriate workplace for our employees and site visitors and that our actions align with applicable environmental regulations and best practices. Safety is an absolute priority for Gentherm, and we take great care to eliminate risks and danger in our workplace. Gentherm firmly believes that Environmental, Health, and Safety (EHS) is an essential part of any effective short or long-term business strategy. Gentherm is committed to minimizing our environmental impact across our locations, focusing on topics including greenhouse gas emissions, solid waste disposal, recycling of waste, and water usage. Alignment with applicable environmental regulations is an absolute requirement at all Gentherm locations.

Our Global Environmental, Health, and Safety (EHS) Policy is intended to supplement (and not amend) the Gentherm Code of Conduct, our Global Human Rights Policy, and other applicable policies and practices developed in accordance with local regulations and requirements. In addition, this EHS policy contains content that is designed to align with requirements found in global safety standards, including but not limited to, ISO-14001 and ISO-45001.

This policy applies to Gentherm globally, including all of its subsidiaries, affiliates, partnerships, and other business associations that are effectively controlled by the company. All Gentherm directors, officers, and employees, including part-time, temporary, and other personnel working for or on behalf of Gentherm are subject to this policy.

GENTHERM GLOBAL ENVIRONMENTAL, HEALTH AND SAFETY (EHS) POLICY COMPONENTS:

Gentherm Incorporated is a global developer, manufacturer and marketer of innovative thermal management technologies for a broad range of heating and cooling and temperature control applications in the automotive and medical industries. Within the automotive industry, our products provide solutions for passenger climate comfort and convenience, battery thermal management, cell connecting systems, and more. Within the medical industry our products provide patient temperature management solutions.

Gentherm is committed to building and maintaining a safe and environmentally responsible working environment for our employees, visitors, and other stakeholders. As part of this commitment, the following items are considered essential to our EHS program at all Gentherm sites. In addition to these guidelines and principles, individual sites may have local policies or required practices that are designed to align with local operating requirements, local laws and regulations, or other site-specific parameters.

1. Safe and Healthy Working Conditions

- a. All locations are required to provide safe and healthy working conditions, including, but not limited to:
 - i. Implementing local procedures to prevent injuries.
 - ii. The fulfillment of HSE aspects for every site are described in the (GT-GL-HSE-PR01) Health Safety and Environmental Procedure. Taking into account:
 - *Personal protective equipment*
 - *Emergency preparedness, plan*
 - *Fire prevention and protection*
- b. Eliminating or limiting exposure to hazardous substances.
- c. Maintaining a focus on repetitive stress injuries.
- d. Ensuring that site facilities are properly designed and maintained to ensure health and safety during operations.
- e. Ensure access to safe, potable water for employees. Access to water is a fundamental human right and a key part of a healthy working environment.
- f. Providing on-site security services, as appropriate for the location and its needs related to local practices and risks. Appropriate on-site security services may include, but are not limited to, building entrance controls, personnel controlling building / site entrance, and other related services. Some locations, for example sales offices within larger office buildings or complexes, may rely up on the security services provided by a landlord, building management, or similar situation.

2. Compliance with Legal Requirements

- a. Each Gentherm site is required to ensure that their local operations align with all applicable laws and regulations, including but not limited to, those related to employee health and safety and environmental requirements. Sites should also align with applicable standard industry requirements and international standards.

3. Environmental / Sustainability

- a. Gentherm's environmental strategy is based on meeting customer requirements and guidance, meeting stakeholder expectations, compliance with applicable laws and regulations, and ensuring that our sustainability activities support our business operations and objectives.
- b. Gentherm is committed to operating in a manner that minimizes our environmental impact in a responsible manner. We believe that a healthy and clean environment is a basic human right.
- c. Gentherm is committed to complying with all applicable environmental laws and regulations and working to align with external guidance such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Science Based Targets Initiative (SBTi).
- d. Gentherm is committed to disclosing key information around our environmental activities and metrics, both voluntarily and in-line with applicable reporting requirements.
- e. Locations should strive to implement actions that drive positive environmental impact, including, but not limited to the items listed below. Actions taken may vary from site to site based on local requirements, action feasibility, and business impact.
 - i. Work to reduce greenhouse gas emissions of all types. Reductions may be driven by increased use of renewable energy, energy efficiency efforts, fuel switching, or other methods.
 - ii. Work to drive energy savings and increase energy efficiency. This may include equipment upgrades, external energy audits, process changes, or other locally relevant steps that drive energy efficiency.

- iii. Sites should, in coordination with and supported by centralized corporate efforts, understand their related emissions (Scope 1 and Scope 2), and be engaged in efforts to reduce those emissions as part of Gentherm's overall decarbonization efforts.
- iv. Implement procedures that minimize waste produced during the manufacturing process. When waste is produced, sites should pursue options for recycling of waste, as opposed to usage of landfill or incinerator programs.
- v. Sites should work to eliminate hazardous substances from our workplace and from our operational processes.
- vi. Gentherm products should, when feasible, utilize sustainable materials and design methods (i.e. recycled content, lower carbon output resins, recycling friendly design, etc.). Products should, when feasible, utilize local sourcing to reduce transportation-related emissions and environmental impacts.
- vii. Sites should work to reduce the use of water, while also increasing water re-use and recycling.
- viii. Processes should consider, when applicable and feasible, bio-diversity impact, land usage impact, deforestation risks, animal welfare, noise emissions, [air quality](#), and soil quality. Applicability will vary by site, process, local regulations, and other criteria.
- ix. Individual Gentherm sites, while not required to establish local environmental targets, are expected to align with and support efforts towards achieving corporate level environmental targets.

4. Performance Measurement and Continuous Improvement

- a. Sites are responsible for implementing meaningful metrics for measuring their performance related to EHS and then using those metrics to help drive improvement.
- b. Sites should work with the global operations team to implement best practices, lessons learned, and information about improvements related to EHS.

5. Annual Review

- a. Global EHS data should be annually reviewed, and where appropriate, summarized for external / public reporting. This transparency helps to demonstrate Gentherm's commitment to our EHS stance and provides needed data to external stakeholders.

6. Employee Participation and Consultation

- a. Each Gentherm manufacturing site will develop appropriate practices to involve local workers in the EHS process, including a commitment to take local workers' consultation and feedback into account when establishing safety procedures.

SAFETY FOCUS – PROGRAMS AND PROCESSES

To drive safety at all of our locations, Gentherm uses various tools, methodologies, and metrics, including, but not limited to, the utilization of the global Vision Zero approach. Vision Zero is a globally recognized program designed to drive safety forward, by focusing on key principles, including:

- Investing in People and Culture: Build a culture that supports and promotes safety.
- Implement a Near Miss Reporting Culture: Near-misses provide opportunities to improve safety and should be reported and tracked similar to actual safety incidents.
- Safety is Everyone's Responsibility: Ensure that safety culture is followed throughout all levels of the organization.
- Continuous Training and Education in Health and Safety: Ongoing efforts increase both awareness and skills related to safety and accident prevention.

- 7 Golden Rules for Vision Zero:
 - *Take Leadership – Demonstrate Commitment*
 - *Identify Hazards – Control Risks*
 - *Define Targets – Develop Programs*
 - *Ensure a Safe and Healthy System – Be Well-Organized*
 - *Ensure Safety and Health in Machines, Equipment and Workplaces*
 - *Improve Qualifications – Develop Competence*
 - *Invest in People – Motivate by Participation*

ADDITIONAL GUIDANCE (DUE DILIGENCE, GOVERNANCE, & MORE)

Gentherm strives to ensure that these principles are followed throughout our entire supply chain. We will consider this policy and its underlying principles as we select major suppliers and service providers, taking into account noted non-compliance in these areas. Our suppliers, contractors and other business partners with whom we do business, are expected to adhere to these standards, including, but not limited to, providing safe working conditions and operating with environmental awareness. Additional details and requirements for our supply chain participants may be found in our Supplier Requirements Manual and Supplier Code of Conduct, available [here](#).

Gentherm encourages our employees, suppliers, customers, and any other stakeholders to report any activity that is contrary to our Global EHS Policy to appropriate management / leadership, via the numerous resources available, including but not limited to:

- Gentherm Ethics Hotline – phone or [web-based](#)
- Local Human Resources
- Direct Manager / Local Management

Failure to comply with this policy, may result in penalties up to and including possible termination of employment or contract, as appropriate.

Employees, suppliers, customers, and any other stakeholders with questions, suggestions for improvement, implementation, or other feedback on our Global EHS Policy can reach out to Gentherm management, either by contacting Gentherm Human Resources, or the Gentherm Legal / Compliance team at Compliance@Gentherm.com.