Gentherm - Climate Change 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Gentherm Incorporated is a global developer, manufacturer and marketer of products including innovative thermal management technologies for a broad range of products, including 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. Our automotive products can be found on vehicles manufactured by nearly all the major OEMs operating in North America and Europe, and several major OEMs in Asia. We operate in locations aligned with our major customers' product strategies to provide locally enhanced design, integration and production capabilities.

Our Battery Performance Solutions segment develops and markets innovative Battery Thermal Management Solutions, Cell Connecting Systems and Battery Cable Technology. These advanced technologies work together to protect electric vehicle batteries from temperature extremes, ensure safe transmission of power and accurately monitor both temperature and voltage resulting in significant improvements in driving range, extended service life and overall battery performance. By developing products like these that make electric vehicle batteries run more efficiently and effectively, we are playing our part in helping the automotive industry transition from manufacturing vehicles powered by the internal combustion engine to those powered by batteries instead.

In addition to electric vehicle battery technologies, we also offer automotive interior comfort solutions which offer positive impact. This includes our CO2-reducing Climate Control Seat (CCS) product, which when used in conjunction with a standard HVAC system, helps a vehicle produce less CO2 than by using just the HVAC system alone. How? Gentherm's CCS product can cool a passenger more quickly and efficiently as compared to using just the HVAC system - and this was proven in extensive research conducted by the National Renewable Energy Laboratory (NREL). Another product we're developing is ClimateSense(TM), a passenger thermal management system that satisfies consumer requirements for comfort while taking into account the imperative for energy efficiency. ClimateSense's DNA is the coordinated operation of cutting-edge hardware combined with advanced software algorithms. This delivers not just passenger comfort but also improved energy efficiency. Gentherm and a global automaker collaborated on ClimateSense testing in 2019, ultimately generating results which validated our findings of significant vehicle energy savings in both hot and cold weather driving. By manufacturing products like Climate Control Seats or ClimateSense, we're helping to mitigate the CO2 emissions coming from automobiles. And as the fleet of electric vehicles rapidly grows around the world, these products could see wider adoption, given their energy efficient nature.

In 2021 we continued working toward our established environmental metrics, guided by industry benchmarks and sustainability standards. These targets were set in 2019 with a 7-year plan, but through the efforts of our global team we achieved these targets in just two years. We also again published our Scope 1 and Scope 2 GHG emissions in our annual Sustainability Report. Additionally, we launched our first web-based sustainability monitoring system, supporting the data tracking of CO2 emissions along with dozens of other environmental metrics, which will facilitate the transparency of our CO2 emissions reduction progress and other sustainability-oriented actions. In 2021 overall, Gentherm invested over $800,000 into projects to drive energy savings and efficiency.

We've also engaged with a well-recognized sustainability consulting firm to help us develop a plan to continue to drive forward -- looking towards carbon neutrality. The Operations Team hosted regular meetings throughout 2021 to discuss sustainability projects and the impact each one has on improving efficiency, reducing energy use, etc., and these meetings continue to the present day. As another step forward in 2021, we've calculated our Scope 3 emissions for the first time - giving us a better view into the actions needed to reduce our carbon footprint, internally, upstream, and downstream.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	Yes	1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

China
Germany
Hungary
Japan
Malta
Mexico
North Macedonia
Republic of Korea
Ukraine
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	THRM
Yes, an ISIN code	US37253A1034
Yes, a CUSIP number	37253A103

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	As stated in the Committee Charter for the Nominating and Corporate Governance Committee, this Committee is tasked with overseeing, and reviewing and reporting to the Board on a periodic basis regarding, the Company's development and implementation of programs related to matters of corporate responsibility and sustainability performance, including addressing potential short- and long-term trends and impacts to the Company's business of sustainability, environmental, social, and governance (ESG) issues - this includes those issues related to climate change. The Nominating and Corporate Governance Committee reviews and approves the Company's public reporting on sustainability topics -- in recent years this has been in the form of our annual Sustainability Report published on Gentherm's website. As also stated in its Charter, this Committee assists the Board in defining and executing the Company's strategy and in reaching agreement on an annual plan and target for ESG matters (which includes those related to climate change), reviewing the Company's performance against the Company's environmental goals and targets (including KPIs), initiatives and commitments, and recommending to the Compensation and Talent Committee suitable Company ESG targets and incentive arrangements tied to for the Company's executive officers, some of which are highlighted throughout this disclosure document. The members of the Committee collaborate to make decisions and decide on required actions related to sustainability. To support the process is this manner, the Committee also utilizes broader participation – inviting other Board members to sit in on areas of interest. When dealing with Sustainability issues, this would frequently include participation from other non-committee Board members that are key executives at global manufacturing companies. Their insights and experience provide additional knowledge and insight to help the Committee arrive at the decisions that are best for Gentherm, including those related to climate change issues.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	Reviewing and guiding strategy, reviewing and guiding major plans of action, reviewing and guiding business plans: The Gentherm Board has been instrumental in collaborating with Gentherm managers to advance the Company's climate change and sustainability goals and commitments. Gentherm's journey to better understanding climate change issues began in 2019 with planning for our first Sustainability Report and has continued on annually since. The annual report is closely reviewed by executive leadership and the Board. The Board also was engaged last year as the Global Director of Sustainability and Compliance presented the potential to partner with a well-known energy sustainability consulting firm on the development of a carbon reduction strategy. The Board determined a carbon reduction plan to be a strategic priority for Gentherm and so the contract was signed in 2021 for work to begin in 2022. Reviewing and guiding annual budgets: The Board has approved of the expansion of the budget for Sustainability Team activities, which in 2021 included its approval to engage with a well-known energy sustainability consulting firm as well as looking at options to add internal resources to support the sustainability team's work on climate-related issues, as well as other ESG topics. Setting performance objectives: As stated in the Charter for the Nominating and Corporate Governance Committee, the Committee has the oversight responsibility of the goal-setting for executive bonus plans relative to the achievement of ESG/climate change, which after Committee approval goes to the Compensation and Talent Committee for final sign-off. Multiple member of our Executive Committee were assigned objectives and targets related to sustainability / climate change by the Board for the first time in 2021, and every member was assigned ESG metrics of some sort. Overseeing major capital expenditures: There have been ongoing discussions regarding the potential for solar panel installation at Gentherm-owned facilities around the world. If a proposed investment was of a significant enough nature, the Board would be required to approve the investment, under our standard approval process. Monitoring and overseeing progress against goals and targets for addressing climate-related issues: Both the Nominating and Corporate Governance Committee and the Board at-large receive status updates on key environmental and climate change-related matters at least once per year but usually more frequently. The updates always include an annual review of Gentherm's progress on climate change-related goals, among others, and includes mid-year updates should it be requested or warranted.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	While there is no set criteria for determining a board member's competence on climate-related issues, a holistic understanding of climate change and its current and potential impact on a business is recognized as a key knowledge area for Gentherm Board members - especially for members seated on the Nominating and Corporate Governance Committee. As noted previously, this Committee collaborates to make decisions and determine actions needed in their responsible areas, including with regards to climate change-related issues. In addition, the Nominating and Corporate Governance Committee will often encourage broader Board level participation, including leveraging the experience and knowledge of other Board members that include key executives from global manufacturers. Their experience and knowledge helps support the Committee to fully consider all information and arrive at appropriate decisions.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Sustainability committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Overall responsibility for addressing the impact of climate change on Gentherm is handled by the Environmental, Social and Governance (ESG) Steering Committee. The Committee is comprised of seven of Gentherm's highest level executives who are listed here along with their associated responsibilities:

- Senior Vice President and General Counsel - oversees all legal matters for Gentherm including corporate governance, IP, litigation, securities regulation, corporate compliance and data policy, reporting to the CEO
- Senior Vice President of Strategy, Corporate Development and Investor Relations - developing and advancing the company's corporate strategy both organically and through M&A, reporting to the CEO
- Senior Vice President and Chief Human Resources Officer - oversees organizational performance and culture, compensation and benefits, talent acquisition and management, learning and development and employee experience, reporting to the CEO
- Senior Vice President, Global Operations and Supply Chain - leads the team responsible for global manufacturing, supply chain, purchasing and quality, reporting to the CEO
- Senior Vice President of Global Sales, Marketing and Corporate Communications - head of global sales, marketing initiatives and corporate communications, reporting to the CEO
- Vice President of Global Manufacturing **-** leads Gentherm's global manufacturing organization, which includes responsibilities for six different plants spread across Europe, Asia and North America, reporting to the SVP of Global Operations and Supply Chain
- Global Director of Sustainability & Compliance - This Director is the key leader of Gentherm's sustainability work. It was this Director who has piloted most sustainability initiatives from their beginning just a few years ago while continuing hands-on involvement in almost every aspect of the sustainability program today; reporting to the SVP and General Counsel
- Chief Executive Officer - joins the ESG Steering Committee as appropriate, joining meetings for key updates or decisions

The ESG Steering Committee is led by the General Counsel, who while collaborating with all Committee members in setting ESG/climate change impact strategy with the Steering Committee at-large, also provides high-level oversight of all sustainability and climate change-related initiatives as they are executed.

Key budgetary, strategic and tactical decisions are made with the general consent of the ESG Steering Committee and then flow down through the General Counsel to the Global Director of Sustainability and Compliance. The General Counsel provides key oversight and guidance with implementation then led by the Global Director of Sustainability and Compliance who drives the results across the organization. The Director also receives support (since 2019) from a Strategy Analyst on the Corporate Strategy Team, and (since 2021) from a Specialist on the Quality Team. These individuals assist with the myriad projects that are currently underway.

Climate-related issues are monitored by the Global Director of Sustainability and Compliance, who surfaces any issues that could require the input of the Steering Committee as well as providing regular status updates at ESG Steering Committee Meetings, which are held approximately every six weeks.

To upgrade Gentherm's emissions monitoring capabilities, the Global Director of Sustainability and Compliance signed a contract in 2021 to engage with a firm called Manufacture2030 which has developed a tool called 'the Bee'. Initially implemented in late 2021, it will enable the Global Director and his team to more easily monitor and thereby report the latest emissions data, track efficiency-boosting and emissions-reduction projects, and more.

With the ESG Steering Committee including five executives who report directly to the CEO, as well as additional Vice-Presidents and the Global Director of Sustainability and Compliance, it's clear that Gentherm is fully engaged in giving potential climate change impacts the maximum visibility possible within the organization, especially for primary decision-makers.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	See response to 1.3a for further details.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify (Global Director of Sustainability and Compliance and Sustainability)	Monetary reward	Company performance against a climate-related sustainability index	The Global Director of Sustainability and Compliance has a significant portion of bonus awards tied to Gentherm's performance on the E&S Disclosure QualityScore developed by Institutional Shareholder Services (ISS). The E&S QualityScore measures and identifies risk in environmental and social areas of concern through thorough analysis of company disclosures. The 'E' or Environmental part of the score is comprised of four categories, one of which is entitled 'Carbon and Climate'. It's the largest category in the Environmental segment with 59 questions relating to disclosure efforts around climate change. Notably, since the Director began leading the program in 2019, the 'Carbon and Climate' score has fallen 37.5% from its high to reach a score of 5. While the score in this category alone is not tied to a bonus, the broader Environmental QualityScore is tied to a bonus. And given the growth and success of the overall Sustainability Program at Gentherm, the Director's bonuses tied to climate change-related initiatives will be growing in scope for 2022. This person now has even more goals around the achievement of specific environmental and climate change-related targets before the end of the calendar year.
Corporate executive team	Monetary reward	Other (please specify) (Gentherm strives to be as transparent as possible with its disclosures, but it was decided to limit the release of details on executive bonus plans. Suffice it to say that certain executives have climate change-related goals to reach to get bonused.)	Beginning in 2020, Gentherm began fostering support for the ESG projects including climate change-impact related initiatives, by linking it to compensation for certain senior leaders through the performance modifier in our annual bonus plan. The modifier affects each leader's bonus based on the achievement of goals set out at the beginning of each year.
Other, please specify (Strategy Analyst - Sustainability Support)	Monetary reward	Other (please specify) (The Strategy Analyst was tasked with making a strong contribution to the Sustainability Team, as requested by the Global Director of Sustainability and Compliance.)	The Strategy Analyst has assisted with the Sustainability Team since it began, but for the first time in 2021 had work associated with tied to an incentive. The goal itself, the achievement of which is subjective in nature, would be reached if the Strategy Analyst's manager, the Director of Corporate Strategy, heard positive feedback from the Global Director of Sustainability and Compliance on his overall work, specifically on making a significant contribution to the organization's annual sustainability report and also bringing forward new ideas on helping the team grow, potential sustainability initiatives (including those related to climate change), and more. This included work on Gentherm's first ever CDP filing, working with site contacts at each of Gentherm's global locations to collect emissions data and more. However, 2021's most notable achievement for the Strategy Analyst was the signing of a contract that put Gentherm's Michigan facilities on 100% renewable energy, an idea that this individual had originally pitched to the Global Director of Sustainability and Compliance. For the Strategy Analyst, achievement of the Sustainability Goal (which could be achieved at 50%, 100% or 150%) represented 20% of this individual's overall annual monetary reward, with the remaining 80% based on reaching goals in business areas not directly related to sustainability.
Other, please specify (Quality Specialist - Sustainability Support)	Monetary reward	Other (please specify) (The Quality Specialist was tasked with supporting Gentherm's Sustainability Team on a wide variety of ad hoc tasks assigned by the Global Director of Sustainability and Compliance.)	Joining the Sustainability Team part-time in 2021, the Quality Specialist also had a goal set that was tied to her performance on tasks assigned to her by the Global Director of Sustainability and Compliance. Similar to the Strategy Analyst, the achievement of the Quality Specialist's Sustainability Goal (which could be achieved at 50%, 100% or 150%) represented 20% of this individual's overall annual monetary reward, with the remaining 80% based on reaching goals in business areas not directly related to sustainability.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	0 to 2 years represents an approximate range of what Gentherm would define as "short term". This could vary depending on topic, situation, etc., and would not be consistent or firm across all areas of the company.
Medium-term	3	5	3 to 5 years represents an approximate range of what Gentherm would define as "medium term". This could vary depending on topic, situation, etc., and would not be consistent or firm across all areas of the company.
Long-term	6	99	6 to 99 represents an approximate range of what Gentherm would define as "long term". These could also vary depending on topic, situation, etc., and would not be consistent or firm across all areas of the company.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

At Gentherm, we have a few processes for measuring and defining substantive financial impact on the business.

The first process is centered around our Financial Controls / Sarbanes-Oxley processes – in which our Internal Audit and Finance teams, in coordination with our external financial audit team, define materiality around revenue and net income. Through this process, Gentherm leadership has established a financial guidepost for what is considered financially material. While these numbers are not publicly disclosed at this time, they continue to provide our leadership with a simple reference point on financial materiality – ensuring that we don't over-react to minor issues, or dismiss financially meaningful events.

The second process that helps us to identify and define materiality and risk to the organization, is our Enterprise Risk Management (ERM) process. Our Enterprise Risk Management (ERM) process has parameters for measuring the impact of risks & opportunities (R&O). While our ERM process does not publicly disclose our materiality standards, the overall process helps us to identify those risks that represent the greatest risk to the organization. Within the ERM process, we measure our items on two axes -- Risk / Materiality, and Likelihood / Response. Within Risk / Materiality, we define risks as irrelevant, low, medium, high or very high depending on the expected impact to sales, costs, reputation, and a few other key factors. Once the materiality is agreed, the process evaluates the likelihood of the event as well as our preparedness in dealing with that event, if it was to occur. This approach allows out team to focus on the proper areas / proper risks, while still monitoring other items for changes or shifts.

Defined categories are as follows:

Risk / Materiality
- Very High
- High
- Medium
- Low

Likelihood:
- Most Likely
- Probable
- Possible
- Unlikely

Response:
- Under Control / Mitigate / Incident Closed
- Mainly Controlled
- Partly Controlled
- Not Under Control

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Our risk assessment process is carried out on a regular recurring basis, with bi-monthly meetings to review status as well annual reporting to our Board of Directors and our Audit Committee. During this ongoing process, members of the ERM team evaluate the risks on an ad hoc basis, adjusting overall risk ratings as new information emerges, etc. Gentherm's global ERM process covers a wide array of topics, and looks at risks across the company. We do not specifically call out climate-related risks and opportunities, however, climate and sustainability related items are embedded within various risk items as described further below. First, our team looks at risks and opportunities related to technology through a product analysis looking at how climate risks are driving actions, which have the potential to impact our business. For example, we are monitoring how electric vehicles are increasing in market share and how that aligns with our product portfolio and offerings. Our team also looks at physical risks -- such as at our manufacturing locations or impacting our supply chain—that could be exacerbated by climate change, for example, the impact of flooding or other extreme weather events on our manufacturing locations. Overall, while our process includes risks and opportunities that may be exacerbated by climate change, we are considering expanding our ERM process to create a separate category for climate change and sustainability-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
As an officially stated responsibility of the Board's Nominating and Corporate Governance Committee, it is part of the responsibility of that Committee to discuss risks related to sustainability (climate change included). At each Nominating and Corporate Governance committee meeting, the Committee receives updates about the latest projects the Gentherm team is working on, what risks we see with customers or other stakeholders, how our investors are reacting, and more. The Committee then holds open discussions about appropriate next steps, risk areas for focus, options to address risks, and business opportunities related to the shifting and changing business landscape. With representatives from different business and industries, the input and guidance of the Committee provides valuable insight to our Sustainability team. With meetings occurring quarterly, their frequent feedback and input helps guide our overall program at a high level.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, sometimes included	Monitoring current regulations and our adherence to them is a key part of our global program. As is expected, Gentherm clearly states that our operations are expected to "comply with all applicable laws and regulation" – and this would of course include laws and regulations related to sustainability. To help with our adherence to and consideration of current regulations, we look to two key teams within Gentherm – our global Legal and Compliance team (to ensure that we are aware of all applicable laws), and our Global Operations team (to ensure that our sites are adhering to and following all aspects of the regulations). Within the realm of climate related regulations, the key areas that our teams focus on would include, but are not limited to; • Proper treatment and disposal of hazardous waste • Monitoring and control of emissions, generally related to on-site fuel consumption • Federal regulations around the measured positive environmental impact of Gentherm's products, such as carbon emission reduction via products described in the Introduction like Climate Control Seats and ClimateSense.
Emerging regulation	Relevant, always included	In March 2022, the Securities and Exchange Commission (SEC) proposed rules for climate change disclosure requirements for U.S. public companies, of which Gentherm is one. The requirements would apply to annual reports on Forms 10-K, with material changes to be reported quarterly on Form 10-Q. The proposed climate change reporting framework is extensive and detailed, which could require organizational changes, hiring new people and additional external consultants / support, investing in upgraded software, etc. So while the potential regulations are certainly not a risk to the business, they do represent an administrative item to be considered. However, it should be noted that every public company headquartered in the U.S. as well as those foreign companies required to file documents with the SEC, would face similar risk and scrutiny should these regulations be instituted.
Technology	Relevant, always included	Gentherm, as part of the automotive industry, is beset by technology risk. The industry itself is undergoing a significant transformation as vehicles electrify, gain semi-autonomous driving features, increase their connectivity to the Internet and new ownership models like car-sharing emerge. Gentherm technology leaders face these megatrends every day, each of which has, and will continue to, significantly disrupt the industry. Each one in its own way is tied to climate change. In general, Gentherm is well-positioned product-wise for the transforming industry but does continue to manufacture some legacy components for internal combustion engine vehicles, such oxygen sensors. Although a very small piece of Gentherm's overall revenue, the steady growth rate in electric vehicle sales puts the oxygen sensor business at risk, although it's highly possible it would be made up by sales coming from Gentherm's electric vehicle-oriented products.
Legal	Relevant, sometimes included	Gentherm takes the issue of legal compliance very seriously all across the organization, and climate change-related issues are no exception. A potential way that the company could face climate-related legal risk would be if materially incorrect or intentionally misleading emissions data was published on a consistent basis. To mitigate the risk of this happening, key public-facing documents that include details on Gentherm's climate change risks, CO2 emissions, etc. are reviewed internally and by external third-parties with experience and expertise in the related areas, including on climate change issues, to ensure that no incorrect or misleading data or details will be publicly released on behalf of the company. These documents include our Annual Report on Form 10-K, filed with the SEC (Form 10-K), the annual Sustainability Report published on our website, and other similar filings and statements made on behalf of Gentherm. Based on the cooperation and communication between our internal and external resources, we believe we have appropriate controls through our people and our processes to appropriately manage our data and information in this area.
Market	Relevant, always included	As a Company that derives the majority of its revenue from the automotive industry, the health of the global consumer car market is of vital importance. Significant shifts in the overall market, or in consumer preferences, could have a significant impact on Gentherm. With regard to climate change, Gentherm carefully monitors the market for how consumer awareness to emissions is driving vehicle choice - for example conducting a market research study where customers were asked dozens of questions, including about their usage of comfort technology for the purposes of operating their vehicle more efficiently. By monitoring these trends, and looking towards the future, Gentherm can better adapt to changes in the market that are being driven by climate change.
Reputation	Relevant, sometimes included	It's the general judgment that Gentherm faces low reputational risk relative to climate change. As a Tier 2 automotive supplier, we are not an end-customer facing company – i.e. our products are one or a few parts of a product that is bought and includes dozens / hundreds of other parts / components. And our products are manufactured using methods that are not generally responsible for high levels of emissions. However, we could still be subject to climate risks. We monitor other companies in our industry, to ensure that we are equal or better to a peer group in terms of our environmental performance. This view allows us to better understand how our climate change / sustainability position appears versus similar firms - an important way to gauge our reputation level. As another tool to monitor our reputational risk, including in the area of climate change, our Marketing and Public Relations team uses an web-based program to actively monitor online sentiment about Gentherm. This ensures that the Public Relations team would the opportunity to develop an appropriate response in the unlikely situation of a climate change-related, reputation-damaging event.
Acute physical	Relevant, always included	Our Operations team leads the process for monitoring and planning for acute physical risks, such as extreme weather events, especially those related to our manufacturing sites. Operations has taken steps to develop detailed disaster recovery and business continuity plans – ensuring that an acute event (hurricane, tornado, etc.) that causes significant damage and threatens our operating ability, is planned for – minimizing the impact to the business. These plans are reviewed regularly by the operations team and are an inherent part of their planning. Our team also is working to adapt its view over time -- understanding that risks associated with extreme weather events are changing, seemingly driven by climate change. For example, at our site in Acuna, Mexico, there was an extremely large snowstorm, dropping approximately 8 inches of snow in an area that had not seen significant snow in over 20 years. This example demonstrates the view that our operations team takes with regard to this topic - that the past does not necessarily dictate the future risks, and that each event gives us a change to adjust our view and take away "lessons learned" that help in the future. The team also notes that with the increasingly complex and tight global supply chains, the review of acute risks is not limited to just our sites, but to other members of our supply chain -- and how events that affect them could have a large impact on our operations as well.
Chronic physical	Relevant, always included	Our Operations team leads the process for monitoring and planning for chronic physical risks, especially those related to our manufacturing sites. For chronic risks, the Operations team monitors the situation, and decides when it is necessary to develop "next step" plans. For example, for any manufacturing site near sea-level or a potential long-term flood area, the team would decide at what point the risks necessitate additional planning and steps. As with acute risks, our Operations team also has a view that chronic physical risks related to weather / climate change are not just looked at internally, but also across our supply chain. Again, as the supply chains have grown tighter and more complex, we realize this increases Gentherm's potential risk relate to chronic physical risks outside of our direct operations.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Non-specific natural disaster)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

General acknowledgement of risk within our supply chain. Our supply chain may be adversely impacted by events outside of our control, including macro-economic events,

trade restrictions, political crises, labor relations issues, liquidity constraints, natural or environmental occurrences or other factors. As stated in our Form 10-K: “Our supply chain has been and may in the future be adversely impacted by other events outside of our and their control, including other macroeconomic events, trade restrictions, economic recessions, political crises, labor relations issues, liquidity constraints, natural disasters and extreme weather events, which may become more frequent due to climate change”

Time horizon
Unknown

Likelihood
Unknown

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Gentherm recognizes that climate change impacts could result in an increased likelihood of natural disasters that could potentially have a negative physical impact on company facilities. However, as these acute physical events are by their very nature highly uncertain, so to is any calculation of any relevant financial impact figure. And so rather than develop an estimate based on assumptions lacking an appropriate level of confidence, Gentherm chooses to simply acknowledge the potential for financial impact without marking out a specific number or range.

Cost of response to risk

Description of response and explanation of cost calculation
Gentherm chooses not to provide a specific response or potential cost of response given the uncertain nature of acute physical risks. Suffice it to say, however, Gentherm does have appropriate backup plans to ensure continued operation in the event of a possible business disruption.

Comment
Gentherm recognizes that climate change is introducing novel risks into business processes and operations and that the must be accounted for. These risks are taken into account in strategic planning and risk management but the Company does not wish to make these details public at this time.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
OEMs and Tier 1s to whom we supply our products are dependent on an ever-greater number of global suppliers to manufacture and sell their products to consumers, which drives sales of our products. These global supply chains have been and may be adversely impacted by events outside of our and their control, including macroeconomic events, trade restrictions, economic recessions, political crises, labor relations issues, liquidity constraints, natural or environmental occurrences or other factors.

Time horizon
Unknown

Likelihood
Unknown

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure

Cost of response to risk

Description of response and explanation of cost calculation

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Markets

Primary climate-related opportunity driver
Access to new markets

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
Spurred on both by the global impact of climate change combined with the increasing impact of that change on the public, including changes in consumer behavior, electric vehicle demand has been continuing to grow in recent years. Gentherm is playing a key part in that growth as a supplier of battery cell connecting systems, specifically the eCCB. The eCCB is comprised of integrated cell sensing electronics that enables the continual monitoring of electric vehicle battery cells in order to communicate their status to the battery management system. This helps ensure for the smooth and safe operation of vehicles powered by batteries.

Time horizon
Long-term

Likelihood
Unknown

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Gentherm is actively marketing this product but does not wish to provide a sales forecast at this time.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
Gentherm does not wish to provide specific figures around the research and development of this product as it proprietary information.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Gentherm's global operations team is actively engaged in identifying and implementing projects that drive energy / resource efficiency. Using our online sustainability tool, our sites are able to share best practices, estimate cost and resource impact, and even benchmark our ideas versus other companies – including seeing ideas and projects from outside of Gentherm. This process is designed to drive our resource efficiency, impacting both the cost (i.e. reduced energy usage, less waste generation, etc.), as

well as reducing our environmental impact.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure

Cost to realize opportunity
800000

Strategy to realize opportunity and explanation of cost calculation

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Upstream

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of recycling

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Gentherm has initiated significant efforts to substantially increase our use of recycled and recyclable content in our products. By looking at our highest volumes bill-of-materials (BOMs), we are able to identify the individual components that make up the most weight / material content in our parts. That then allows us to focus our efforts on the areas that have the most impact. Our focus at this point is on increasing our use of recycled plastics and metals. While this delivers significant environmental impact, we are also optimistic that we may realize additional benefits including reduced costs around end-of-life treatment, disposal, and more. While many of these efforts are still under development, our team is cautiously optimistic about the opportunity it presents. In addition, our team continues to work to improve resource efficiency by reducing waste, increased recycling, and other methods designed to drive material resource efficiency.

Time horizon
Unknown

Likelihood
Very likely

Magnitude of impact
Unknown

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We are not yet able to provide a financial estimate.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

The Sustainability Team at Gentherm strongly believes in the value of developing a transition plan to a 1.5°C world, and it is something the team would like to develop. However, at this time we believe that there are foundational aspects we must focus on as we work to develop that plan. For example, in our 2021 Sustainability Report, we state our intention to develop our carbon transition plan: " 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. " We believe that developing a broader understanding of what our stakeholders and industry standards require is a foundational part of developing our 1.5C scenario. Gentherm does not want to develop a "greenwashed" plan, or announce intentions without a plan on how to execute and an understanding of how it affects our business and our stakeholder relationships. In short, we are approaching the development of our plan with thoughtfulness and intention. These foundational aspects include items such as differentiating between how we tackle Scope 1 and 2 emissions (which we have more control over) versus how we address Scope 3 emissions (which requires influencing our customers and vendors). Overall, we are working on carbon reduction plans, and on truly understanding what plan Gentherm can develop that reduces our carbon output -- and hopefully we can arrive at a plan that aligns with SBTi (dropping our Scope 1 + 2 by 4.2% per year) -- but that plan is still being developed. Gentherm is working to develop appropriate carbon reduction plans, and our intent is that they would align with industry standards and global targets, but most importantly we are working to ensure that our plan is realistic, achievable, and honest.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, but we anticipate using qualitative and/or quantitative analysis in the next two years	Important but not an immediate priority	Climate scenario analysis is a newer concept for Gentherm, which has in the past relied on standard forecasting techniques to project what will happen in the months and years to come. However, the idea of using climate scenario analysis as a way to augment existing standard forecasts has started to take root. One of the ways it has been introduced to key managers throughout the Company is via the climate scenarios developed by the International Energy Agency (IEA). The IEA has developed scenarios like the Net Zero Emissions (NZE) scenario which are then applied to different types of forecasts, such as global electric vehicle sales. The IEA electric vehicle forecasts as well as others also based on the IEA's additional in-house scenarios and which are relevant to Gentherm have been occasionally included within an internal report widely distributed across Gentherm's global management that's published biweekly and called the Gentherm Market Intelligence Digest. By making the introduction of these concepts and forecasts to the broader organization, we believe that we are setting the stage for understanding and acceptance when the time comes, sooner rather than later, for climate scenario analysis to be embedded in organizational analyses. Gentherm recognizes that climate change means that the world of tomorrow could be quite different than the world of today, thus it only makes good business sense for climate change scenario analysis to be integrated into strategic planning. That is why the multiple choice options that we selected indicating that we plan to use climate scenario analysis in the next two years better reflects our organizational position than the question associated with this text box, which suggests we have no plans to use it in the future. In fact, the Strategy Analyst assigned to assist the Sustainability Team has been assigned a goal of making the organization's first attempt at climate scenario analysis in 2022. The first attempt at this task is expected to be an internal draft that would not be used for decision-making purposes, but would help determine strategy / next steps. We know that this is a direction in which the organization must go but we also know that the development of these early climate scenario analyses will be an iterative process and the sooner we can begin the better.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Gentherm sees opportunity in the efforts to mitigate climate change. In one example of this, the we announced in 2021 that it is the lead investor in a Seed round of financing in Carrar, an Israel-based technology developer of advanced thermal management systems for the electric mobility market. The technology is being developed to be applied in EV battery packs to address the significant challenges global automakers are facing with heat dissipation.
Supply chain and/or value chain	Yes	Gentherm carefully monitors the global supply chain of our products. We understand that certain countries and markets are being impacted by climate regulations, and we are working to understand how that affects (or potentially affects) our business plans.
Investment in R&D	Yes	Gentherm had R&D expenses of over $90,000,000 in 2021 (approximately 9% of revenue), with a significant percentage of this investment directed to inventing or enhancing products that use fewer resources, consume less energy, mitigate CO2 emissions and drive vehicle electrification forward.
Operations	Yes	Gentherm's Global Operations team works on an on-going basis to drive resource efficiency – driven by our desire to both reduce costs and to minimize our environmental impact. To assist this process, our Operations team uses a "Project Funnel" to track all project ideas, implementation status, estimate resource and cost savings, etc.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Capital expenditures Acquisitions and divestments	Gentherm continues to seek out opportunities around the world in which to invest, and in fact has set aside financial resources to address said opportunities should it be determined it's the right move to pursue them. In early 2022, Gentherm hired a key position, Director of Corporate Development, to seek out potential deals that align with Gentherm's Mission and Values and also that make sense for the business at large. In addition, Gentherm continues to take actions in this area. For example, as stated in a press release in June 2021, Gentherm announced that it's the lead investor in Carrar, an Israel-based technology developer of advanced thermal management systems for the electric mobility market. The expected time horizon for a return on this investment is medium to long-term, but Gentherm remains flexible in its outlook. Carrar's disruptive two-phase cooling technology has the potential to enable fast charging and discharging of a battery to overcome the challenges for electric vehicle batteries, on-board electronics, and charging infrastructures. By acquiring this interest in Carrar, Gentherm has furthered its investments in technologies that both drive forward the global Energy Transition to low or zero CO2 technologies while also aligning with the business's mission and values, as well as its strategic and financial goals. And as stated in another press release in October 2021, China-based Datang NXP Semiconductors and Gentherm announced that they have made a joint investment in the development of a cell connection system that will combine the technology of Datang NXP Semiconductors with the proprietary design of Gentherm's Cell Connecting Technology. The new battery cell monitoring solution increases the safety and longevity for electric vehicles, leading to improved economics and increased performance for drivers. With the technology making electric vehicles an even more viable proposition for consumers, this may not only be good for Gentherm as electric vehicle purchase likelihood may rise, but also with this potential purchase likelihood rise comes the possibility of incremental CO2 emissions avoidance. In the very same month that the partnership was announced, the first prototype of this technology was delivered to a major global automotive battery maker, demonstrating the potential appetite for this advanced electric vehicle technology. The time horizon for a possible return on this investment is short to medium-term, but could be longer as Gentherm remains flexible in its outlook. And in forecasting company revenue growth for future years, Gentherm believes that our products that facilitate the operation of electric vehicle batteries are likely to, on the whole, grow faster than revenue on products that have reached higher levels of maturity, such as heated seats. While the Company is not ready to make these forecasts public at the current time, there is no doubt that these products, the portfolio of which is managed by the Battery Performance Solutions segment, have the potential to see the high growth rates at the same level as electric vehicle sales around the world. However, it should noted that given the uncertainty surrounding the automotive industry and by extension the global economy that these growth rates, while having some level of probability are far from guaranteed and Gentherm's financial planning takes both scenarios into account.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Please select

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Intensity metric
Other, please specify (Electricity Usage - MWH / $ Mil Rev. While not a direct measurement of intensity by CO2e, electricity usage is highly correlated with Scope 2 emissions.)

Base year
2019

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)
51.3

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure
<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure
<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure
<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure
100

Target year
2026

Targeted reduction from base year (%)
7

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]
47.709

% change anticipated in absolute Scope 1+2 emissions
7

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)
<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Achieved

Is this a science-based target?
No, and we do not anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain target coverage and identify any exclusions
Reviewing Gentherm's Scope 1 + Scope 2 global emissions, approximately 95% of it is directly attributed to Scope 2 emissions related to purchased electricity (i.e. purchased from local grid sources / local utility providers). By establishing a target for reducing our electricity intensity, we are working to reduce our Scope 2 emissions accordingly. Our target aims for annual reductions in electricity (versus Revenue), with the aim of a 7% reduction over 7 years. In 2021, we achieved this 7 year target (in just 2 years). While degradation is possible, our team is presently examining opportunities to set new targets in 2022 and establish a new long-term plan. Footnote: We believe that the impact of COVID-19 on business operations in 2020 may have resulted in metrics that are outliers / non-normal, and hence may we may see reversions or data variance over the short term

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2021

Target coverage
Site/facility

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2019

Consumption or production of selected energy carrier in base year (MWh)

% share of low-carbon or renewable energy in base year

Target year

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
12.5

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Achieved

Is this target part of an emissions target?
Gentherm's renewable energy target is not part of an emissions target.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
Our target of reducing energy usage and increasing share of renewable energy covers EVERY Gentherm location and facility. We are able to accurately track and monitor electricity usage, from our large manufacturing sites to our small office buildings.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
As part of boosting our renewable energy share, Gentherm has entered into multiple "Green Tariff" arrangements with utility providers -- providing us with increased renewable energy AND the related EAC / REC for "green credit". This includes our Northville Michigan main office / headquarters - which is on 100% renewable energy from DTE of Michigan. Our Global Technology Center, in Farmington Hills, Michigan is ALSO 100% renewable energy. In our Stuttgart, Germany medical equipment facility, they are also on 100% renewable energy. Our major building in Odelzhausen Germany has entered into a contract with the local utility provider to boost their renewable to around 50%. In the coming months, we will also be boosting our renewable energy usage in North Macedonia, and looking to get our Odelzhausen facility to 100%.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2020

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	Percentage of total waste generated that is recycled

Target denominator (intensity targets only)
Please select

Base year
2019

Figure or percentage in base year
33.6

Target year
2026

Figure or percentage in target year
35.9

Figure or percentage in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Please select

Is this target part of an emissions target?
Gentherm's waste management target is not part of an emissions target.

Is this target part of an overarching initiative?
Please select

Please explain target coverage and identify any exclusions
While considering how we can set additional targets and projects to reduce our total solid waste generation (relative to revenue), we have decided to work towards increasing our recycling rates. With that in mind, this target is designed to help us increase the percent of all solid waste that is sent to recycling facilities. This target was achieved in 2020, however, we will continue to monitor this for the 7 year process, as that metric could degrade (i.e. move in the wrong direction), or we could continue to see progress and over-achieve on our targets. We believe that the impact of COVID-19 on business operations in 2020 may have resulted in metrics that are outliers / non-normal, and hence we may see reversions or data variance over the short term.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 2

Year target was set
2020

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	Other, please specify (Hazardous Waste -- Metrics Tons generated per $Mil Revenue)

Target denominator (intensity targets only)
Other, please specify (Metrics Tons Hazardous Waste / $Mil Revenue)

Base year
2019

Figure or percentage in base year
0.046

Target year
2026

Figure or percentage in target year
0.043

Figure or percentage in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Please select

Is this target part of an emissions target?
No -- this target is about lowering hazardous waste output relative to revenue. This target drives our team to consider alternatives to hazardous chemicals, cleaning agents, and more.

Is this target part of an overarching initiative?
Please select

Please explain target coverage and identify any exclusions

This target is about reducing hazardous waste output relative to revenue, driving our team to consider alternatives to hazardous chemicals, cleaning agents, and more. While Gentherm does not employ manufacturing methods that necessarily produce a large amount of hazardous substances, our teams are still driven to reduce the amount produced. Our target was achieved in 2020, however, we will continue to monitor this for the 7 year process, as that metric could degrade (i.e. move in the wrong direction), or we could continue to see progress and over-achieve on our targets. We believe that the impact of COVID-19 on business operations in 2020 may have resulted in metrics that are outliers / non-normal, and hence we may see reversions or data variance over the short term.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
<Not Applicable>

Target reference number
Oth 3

Year target was set
2020

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Resource consumption or efficiency	Other, please specify (Water Usage -- Cubic Meters of Water / $Mil Revenue)

Target denominator (intensity targets only)
Other, please specify (Water Usage -- Cubic Meter / $Mil Revenue)

Base year
2019

Figure or percentage in base year
145.3

Target year
2026

Figure or percentage in target year
135.2

Figure or percentage in reporting year

% of target achieved relative to base year [auto-calculated]
<Calculated field>

Target status in reporting year
Please select

Is this target part of an emissions target?
No - this is not part of an emissions target.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
While Gentherm does not employ manufacturing techniques that are generally water intensive, we do have large operations in Mexico, which is classified as a "high water stress" location according to the World Resources Institute. With this in mind, we have established a target to improve our water usage efficiency as noted above. Since our manufacturing techniques do not drive large amounts of water consumption, the reductions are focused on employee usage, cafeteria, landscaping / lawn care, etc. In year 1, we achieved over 50% of our 7 year target and expect to see continued progress. We believe that the impact of COVID-19 on business operations in 2020 may have resulted in metrics that are outliers / non-normal, and hence may we may see reversions or data variance over the short term.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*		
Implemented*		
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type
Please select

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur
Please select

Voluntary/Mandatory
Please select

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period
Please select

Estimated lifetime of the initiative
Please select

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Within operations, teams allocate funds for energy improvement / energy efficiency
Employee engagement	Gentherm utilizes many methods to generate ideas, including using our global employee idea submission tool, Ideascale, which enables employees to submit ideas / suggestions to drive sustainability forward.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation
Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon
Other, please specify (As defined by SASB, in particular "Design for Fuel Efficiency")

Type of product(s) or service(s)
Please select

Description of product(s) or service(s)
Over 44% of Gentherm's total revenues are derived from items that serve to increase fuel efficiency or drive energy efficiency. This includes our CCS seating products, which have been shown to reduce CO2 per mile driven (when engaged).

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
Yes

Methodology used to calculate avoided emissions
Other, please specify (Using NREL calculation on CO2 reduction per mile driven, we have calculated the emissions avoided (or potentially avoided) by use of our CCS seating products.)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)
Use stage

Functional unit used
Our estimate for our CCS emissions reduction / avoidance is measured in KG CO2 -- where our estimate is 50,000,000 KG CO2 per year, with specific assumptions as outlines in our 2020 Sustainability Report - page 12 here ---- https://www.gentherm.com/sites/default/files/documents/2021_Sustainability_Report.pdf

Reference product/service or baseline scenario used
All references to the emissions avoidance are related to CCS -- as noted on page 12 here -- https://www.gentherm.com/sites/default/files/documents/2021_Sustainability_Report.pdf

Life cycle stage(s) covered for the reference product/service or baseline scenario
Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
50000000

Explain your calculation of avoided emissions, including any assumptions
Gentherm CCS seats have been shown to reduce CO2 output per mile driven (when engaged). As a result, we can estimate that if CCS were on XX% of all vehicles driven, and the vehicles are driven Y miles per year, and the product is engaged Z% of the time -- with the global fleet a known number, we can use those variables and estimates to approximate an emissions avoidance number. With that methodology in place -- we published 50,000,000 KG CO2 avoidance -- as shown here ---- https://www.gentherm.com/sites/default/files/documents/2021_Sustainability_Report.pdf ---- Page 12

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
44.3

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
No

Name of organization(s) acquired, divested from, or merged with
<Not Applicable>

Details of structural change(s), including completion dates
<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
1255

Comment
In 2020 Gentherm emitted 1255 MT CO2e. In 2021 Gentherm emitted 1401 MT CO2e. The change in our scope 1 emissions from 2020 to 2021 is an increase of 12%. The CO2e figure was calculated using the GHG Protocol.

Scope 2 (location-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
Gentherm reports emissions in a market-based format.

Scope 2 (market-based)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
30236

Comment
Gentherm is reporting CO2e figures based on the GHG Protocol.

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
608872

Comment
Emissions for purchased goods and services are estimated using purchase quantity in the basic price of USD. Please note that upstream transportation nor travel expenses are included in this category. Gentherm is reporting its Scope 3 purchased goods and services CO2e figures based on the GHG Protocol using WIOD sector selection.

Scope 3 category 2: Capital goods

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
22976.763

Comment
Gentherm is reporting its Scope 3: capital goods CO2e figures based on the GHG Protocol.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
6782.75

Comment
Gentherm has calculated Scope 1 & 2 emissions for all facilities, minus a few smaller markets.

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
47096.59

Comment
Gentherm is reporting its Scope 3: upstream transportation and distribution CO2e figures based on the GHG Protocol.

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
1208.231

Comment
Calculated based on internal data and estimated amounts. Calculated via Quantis tool - based on GHG Protocol methods.

Scope 3 category 6: Business travel

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
1072.871

Comment
Calculated based on internal data and estimated amounts. Calculated via Quantis tool - based on GHG Protocol methods.

Scope 3 category 7: Employee commuting

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
20400

Comment
Calculated based on internal data and estimated amounts. Calculated via Quantis tool - based on GHG Protocol methods.

Scope 3 category 8: Upstream leased assets

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0.499

Comment
Calculated based on internal data and estimated amounts. Calculated via Quantis tool - based on GHG Protocol methods.

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0

Comment
Downstream transportation not separately calculated. All transportation covered in prior category (Category 4).

Scope 3 category 10: Processing of sold products

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0

Comment
Not material -- no noted processing of products identified.

Scope 3 category 11: Use of sold products

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
1068499.787

Comment
Use of sold products calculated based on sales volumes, average wattage draw per unit, expected lifetime of product, and average usage over that lifetime. Calculated for both automotive and medical products.

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
17383.76

Comment
Calculated based on internal data and estimated amounts. Calculated via Quantis tool - based on GHG Protocol methods.

Scope 3 category 13: Downstream leased assets

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0

Comment
Not material, -- no materials downstream leased assets.

Scope 3 category 14: Franchises

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0

Comment
Not material - no franchise impact identified

Scope 3 category 15: Investments

Base year start
January 1 2021

Base year end
December 31 2021

Base year emissions (metric tons CO2e)
0

Comment
Not material - no meaningful investment activity identified.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
IEA CO2 Emissions from Fuel Combustion
IPCC Guidelines for National Greenhouse Gas Inventories, 2006
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
1407

Start date
January 1 2021

End date
December 31 2021

Comment
Scope 1 emissions calculated via online sustainability tool based on GHG Protocol methodologies. In 2020 Gentherm emitted 1255 MT CO2e. In 2021 Gentherm emitted 1401 MT CO2e. The change in our scope 1 emissions from 2020 to 2021 is an increase of 12%.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
1255

Start date
January 1 2020

End date
December 31 2020

Comment
Scope 1 emissions manually calculated, using GHG Protocols and conversion / emission factors.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are not reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
All scope 2 emissions are calculated on per location basis, using their purchased energy and the corresponding emissions figures per unit in that locations (again, per GHG Protocol or other accepted standards). However, as many of our sites have special contracts / arrangements with energy providers (sometimes called green tariffs), we consider our emissions to be a market-based approach.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
<Not Applicable>

Scope 2, market-based (if applicable)
31295

Start date
January 1 2021

End date
December 31 2021

Comment
All Scope 2 emissions calculated via online sustainability tool based on GHG Protocol methodologies.

Past year 1

Scope 2, location-based
<Not Applicable>

Scope 2, market-based (if applicable)
30236

Start date
January 1 2020

End date
December 31 2020

Comment
Scope 2 emissions manually calculated, using GHG Protocols and conversion / emission factors.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
Small amounts of natural gas and electricity for general operation and heating of leased office space where the utilities are included in the lease. Please note these are not manufacturing locations. In these minor cases we are not able to ascertain the individual site's usage.

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
For a few small office locations (one office has 4 employees, another has approximately 10 employees), we are not able to obtain detailed heating details.

Estimated percentage of total Scope 1+2 emissions this excluded source represents
1

Explain how you estimated the percentage of emissions this excluded source represents
This value is estimated by comparing the known usage of electricity by a leased facility to those that are owned. One leased facility uses 0.6% of the total KWh used by the remaining 15 facilities. In total, there are three facilities in which utilities are included in the lease.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
608872

Emissions calculation methodology
Average data method
Spend-based method
Average spend-based method
Asset-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions for purchased goods and services are estimated using primary data from Gentherm's total amount spent on purchased goods and services. Using WIOD database sectors were selected for the spend categories, which include methodology from IPCC that considers environmental impacts combined with global warming potential impact. This is our first year of calculating scope 3 so this is our base year data. Purchased Goods and services are 33.93% of S1&S2, therefore considered relevant.

Capital goods

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
22976

Emissions calculation methodology
Spend-based method
Average spend-based method
Asset-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions for this category are calculated using cost and spending data regardless of indirect or direct procurement. The total amount spent in USD is noted here in CAPEX to avoid double counting between Category 1 (Purchased Goods and Services) and capital goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
6782

Emissions calculation methodology
Average data method
Spend-based method
Average spend-based method
Other, please specify (Area Method)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Gentherm was able to estimate the energy use based on the square footage of each location, Scope 1&2 emissions with a multiplier, and the number of employees to estimate the CO2e emissions. Fuel and energy is calculated as 0.38% of our S1&S2 and deemed relevant as part of our base year for future comparisons.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
47096

Emissions calculation methodology
Average data method
Spend-based method
Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Upstream transport was determined by identifying the total amounts spent on transport via specific mode such as rail, sea, air and road. The appropriate emission factor(EEIO) was then multiplied by the spend amount in USD. Primary data was used in the form of purchase records and Gentherm's internal transport management systems. Upstream transport is 2.6% of ourr total Scope 1 and Scope 2 emissions and deemed relevant as this is our base year.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1208

Emissions calculation methodology
Average data method
Spend-based method
Average spend-based method
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Gentherm calculated the CO2e factor by categorizing the methods of waste disposal used and multiplying it by the appropriate EEIO factor. Waste Geberated catergory is 0.07% of S1&S2, again this is deemed relevant as part of our base year.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1073

Emissions calculation methodology
Average data method
Spend-based method
Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
50

Please explain
Business travel is 0.1% of our Scope 1 and Scope 2 emissions. It is determined to be relevant as this is our base year for Scope 3 emissions. Business travel was not covered in category 1 or 4. Primary data was used to record all air, road, and road travel. This was a spend-based formula that incorporated all money spent multiplied by proper emission factor (EEIO). Gentherm also collected data on the number of nights at hotels for business-related travel.

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
20400

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Gentherm has 10,001 employees, using data from the US Department of Transportation data (USDOT 2014), in conjunction with eco-invent 2.2 datasets for various transportation modes in conjunction with GWP impact assessment (SCLCI 2010, IPCC 2007), as well as some assumptions about commuting and work schedules, it is estimated that the average employee emits 1,700 kgCO2-eq/year. Please note that these driving distances and modal splits are only typical of those in the U.S., and these are likely to vary considerably depending on not only country but location of corporate facilities relative to residences. This category is 1.1% of our Scope 1 and Scope 2 emissions, deemed relevant as this is our base year data.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Gentherm does not have meaningful / significant upstream leased assets. No material related emissions.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Downstream vs. Upstream transportation is not separated in our transportation data. All transportation activities and their commensurate emissions are included in Category 4 -Upstream Transport

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No sold product processing was identified. Not relevant.

Use of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1068500

Emissions calculation methodology
Average data method
Average product method
Methodology for direct use phase emissions, please specify (Vehicle components require fuel to start the vehicle so that elements can be turned on.)
Methodology for indirect use phase emissions, please specify (Components do not require fuel to operate once the vehicle is powered on. It is an indirect consumption of fuel.)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Use of sold products is 59.6% of our Scope 1 and Scope 2 emissions, therefore determined to be relevant. A full breakdown was completed for the use phase of each product line by gathering the respective quantity sold, lifespan in months, and energy demand per month. It was then multiplied by the appropriate emission factor for fuel according to USEPA, and GHG protocol. This was completed for Direct and Indirect use phases.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
17383.8

Emissions calculation methodology
Average data method
Spend-based method
Average spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
EOL of sold products is 1.0% of Scope 1 and Scope 2 emissions, with its relevance determined by looking at our base year recording and monitoring for the future for improvements. Gentherm made an assumption this year that 100% of sold products are landfilled as a conservative simplification. The total weight of products sold per material group was multiplied by the percentage of waste treatment method (100% landfill) and then multiplied by the emission factor for that waste treatment method.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Gentherm does not have meaningful / significant downstream leased assets. No material related emissions.

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Gentherm does not have any franchises / franchise activity. No material related emissions.

Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Gentherm did not identify any investments that would align with this emission type. No material related emissions.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No other items noted.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
No other items noted.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Gentherm is disclosing past data for scope 1 and scope 2, but we completed our first ever Scope 3 calculations for 2021, hence we do not have historical Scope 3 data.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

31.859

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

33331.9

Metric denominator

unit total revenue

Metric denominator: Unit total

1046200000

Scope 2 figure used

Location-based

% change from previous year

7.7

Direction of change

Please select

Reason for change

Prior year intensity = 34.489. Calculated as 31,492 MT CO2 / $913M. 7.7% improvement driven by increased almost 10% revenue increase with approximately 5% increase in Scope 1+2 emissions. Significantly more efficient.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	1407	Other, please specify

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
North America	391.3
Europe	938.4
Asia Pacific (or JAPA)	77.4

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Burlington, Ontario, Canada	30.109	43.32	79.79
Del Rio, Texas, USA	1.63	23.21	100.53
Cincinnati, Ohio, USA	122.02	39.6	84.3
Northville + Farmington Hills, Michigan, USA	237.57	42.25	83.28
Pilisszentiván, Hungary	446.58	47.6	18.9
Prilep, North Macedonia	14.9	41.34	21.55
Odelzhausen, Germany	194.42	48.3	11.2
Vynohradiv, Ukraine	282.49	48.14	23.03
Ha Nam, Vietnam	77.4	20.58	105.92
Stuttgart, Germany	0	48.69	9.16

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
North America *Includes measurements from facilities in the the U.S., Canada and Mexico.*	9153.31	
Europe *Includes measurements from facilities in Germany, Hungary, Ukraine, N. Macedonia, Malta, and the U.K.*	6551.38	
Asia Pacific (or JAPA) *Includes measurements from facilities in China, Hong Kong, Japan, South Korea, Vietnam*	16228.07	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Northville + Farmington Hills, Michigan, USA	1003.69	
Acuna, Mexico	5625.06	
Langfang, China (including small location in Shenzhen)	11040.89	
Odelzhausen, Germany	279.82	
Pilisszentiván, Hungary	479.48	
Vynohradiv, Ukraine	2006.61	
Ta' Xbiex, Malta	7.99	
Aanyang, South Korea (and Metro Area)	42.2	
Prilep, North Macedonia	3750.96	
Burlington, Ontario, Canada	80.3	
Ha Nam, Vietnam	4876.73	
Tokyo, Japan (Metro Area)	14.02	
Del Rio, Texas	177.31	
Cincinnati, Ohio	619.59	
Celaya, Mexico	1647.36	
Stuttgart, Germany	26.53	
Shanghai, China	246.22	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1000	Decreased		At 33,000 MT, 10% renewable increase is approx 3,300 MT. We increased our renewables by around 3 percentage points, so estimate a 1,000 MT decrease
Other emissions reduction activities	332	Decreased		Energy projects across Global Operations -- including new high efficiency HVAC system, replace lighting with LED, new high-efficiency computer equipment, and more
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		Gentherm did not make any major acquisitions that would account for any change CO2 emissions.
Mergers		<Not Applicable>		Gentherm did not merge with any other companies during the reporting year and so this would not have an impact on CO2 emissions.
Change in output	3000	Increased		Gentherm revenue was up 14.6% from 2020 to 2021, and we calculate our Scope 2 emissions (i.e. electricity usage) to be very highly correlated to production volumes which rise when our revenue increases. Our biggest energy usage is related to production machinery (not lighting, computers, etc.) Based on that, we estimate an 8-10% increase in emissions based on increased year-over-year production.
Change in methodology		<Not Applicable>		Gentherm maintained the same methodology year-over-year to measure and then disclose annual CO2 emissions for the organization.
Change in boundary		<Not Applicable>		Gentherm did not make any boundary changes for this reporting year versus the prior reporting year.
Change in physical operating conditions		<Not Applicable>		Gentherm's physical operating conditions have remained largely the same year-over-year and so this did not have any notable impact on CO2 emissions.
Unidentified		<Not Applicable>		There are no unidentified factors that Gentherm wishes to highlight that could have had an appreciable impact on the company's carbon emissions.
Other		<Not Applicable>		Gentherm has no further relevant details regarding year-over-year CO2 emission deltas.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Please select		8833.06	8833.06
Consumption of purchased or acquired electricity	<Not Applicable>	41872.19	5981.74	47853.93
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>		107.22	107.22
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	5981.74	50812.47	56794.21

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Gas

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
8833.1

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
8833.1

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Natural gas heating at facilities around the world

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
107.2

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
107.2

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Assorted fuels burned at facilities (Cooking gas, space heater fuels, etc.)

Total fuel

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity				
Heat				
Steam				
Cooling				

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method
Please select

Energy carrier
<Not Applicable>

Low-carbon technology type
<Not Applicable>

Country/area of low-carbon energy consumption
<Not Applicable>

Tracking instrument used
<Not Applicable>

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
<Not Applicable>

Country/area of origin (generation) of the low-carbon energy or energy attribute
<Not Applicable>

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
Please select

Consumption of electricity (MWh)

Consumption of heat, steam, and cooling (MWh)

Total non-fuel energy consumption (MWh) [Auto-calculated]
<Calculated field>

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Waste

Metric value
7236

Metric numerator
Metric tons of waste

Metric denominator (intensity metric only)
Not intensity related

% change from previous year
12

Direction of change
Increased

Please explain
Our total waste generated year-over-year did increase, however, our 2020 numbers were abnormally low due to COVID-19 drastically affecting vehicle productions (i.e. plants shut down for months at a time, etc.).

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers/clients

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation	Other, please specify (Collaborate on emissions targets)

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

In recent years, Gentherm has begun collaborating with many of its customers on accommodating their requests for emissions data, efficiency, etc. And we are continuing to work with each one that has taken this step to forge ever stronger partnerships, helping each one achieve their emissions reduction goals, to the extent that we are able to do so. But crucially, Gentherm does not limit its engagement to a set group of customers or a scope that only goes so far - in fact any customer that wishes to expand their business-relationship with us into issues of a climate-related nature is more than welcome to do so.

Impact of engagement, including measures of success

Gentherm has not established any quantitative measures of success relative to our engagement with our customers on carbon emissions and other climate-related topics. However, while certainly a subjective measure, it appears to the organization that our efforts to reduce harmful emissions and also dramatically increase our transparency about our emissions is greatly appreciated by our customers. Many of our customers have set goals for Scope 3 emissions reductions and as a part of their value chains we are glad to collaborate with each one, playing a small part in helping work towards their goals.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Gentherm does not currently have any specific processes in place to ensure MEMA/OESA has policies that are consistent with Gentherm's strategic direction on climate change.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (OESA, the Original Equipment Suppliers Association, which is a division of MEMA, the Motor Equipment Manufacturing Association)

Is your organization's position on climate change consistent with theirs?
Consistent

Has your organization influenced, or is your organization attempting to influence their position?
We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)
In a written statement dated August 26th, 2021 in response to the U.S. Environmental Protection Agency's (EPA) request for public comment on a proposed rule regarding light vehicle GHG emissions standards, the Motor Equipment Manufacturing Association (MEMA) shared its stance on many issues related to climate change: • MEMA supports working towards a net-zero carbon transportation future and suppliers are committed to providing innovative, affordable, and accessible technologies needed to continue reducing vehicle emissions and meet the administration's goal of economy-wide net-zero emissions by 2050. • MEMA supports expanding the off-cycle technology credit program and increasing the credit cap on the credits received through the off-cycle menu. (see note) • MEMA stands ready to work with the EPA to establish a holistic framework for long-term GHG standards that are ambitious but pragmatic. • MEMA supports polices that include consumer purchase incentives of electric and fuel cell vehicles, investments in electric and fuel cell vehicle charging and refueling infrastructure. • MEMA is committed to a shift towards significantly higher levels of electrification and motor vehicle suppliers will continue to support a transition to cleaner transportation. Note: The off-cycle credit program, as established by the EPA, provides credit for the use of technologies that decrease real-world emissions and fuel consumption but are not detectable using standard testing techniques. Increasing the credit cap would mean that automakers could account for more emissions reduction via the use of these off-cycle technologies than they do currently. Gentherm is generally in line with MEMA's position statements on these climate-related issues. The only position where Gentherm slightly differs from MEMA is in regards to the stated net zero goal by 2050. Gentherm certainly has no opposition to that goal in principle but as of the end of 2021, the company itself has not made any public commitment to a net zero goal of any kind. However, Gentherm did state in its 2021 Sustainability Report that the company obligates itself to work towards the development of a net zero or similar broad emissions reduction goal in 2022, so perhaps there will be full alignment by next year's CDP submission.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)
13500

Describe the aim of your organization's funding
MEMA is the trade association for motor vehicle and mobility suppliers and parts manufacturers and remanufacturers. The organization serves the industry as the voice of the motor vehicle and mobility supplier industry, speaking out on behalf of the largest manufacturing sector in the United States and Gentherm's funding supports these efforts.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
2021_Sustainability_Report.pdf

Page/Section reference
4 - CEO reference to CDP 10 - GHG tracking, CDP mention 12 - GHG avoidance via Gentherm products 29-30 - GHG emissions figures, other metrics 41 - Sustainability now built into corporate governance 43 - Includes strategic climate-related initiatives for 2022 and beyond Appendix - prior years environmental metrics, alignment with climate-related aspects of SASB and SDG

Content elements
Governance
Strategy
Emissions figures
Other metrics
Other, please specify (GHG avoidance)

Comment
Gentherm manufactures a component for automobiles called a Climate Controlled Seat or CCS, which has two types: CCS-A and CCS-V. 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. CCS has been proven via testing conducted by the Department of Energy to lower vehicle CO2 output when in use, and the 2021 Sustainability Report includes a few equivalencies to the CO2 emissions avoided, when considering an example CCS market penetration scenario. Gentherm did not include a specific emissions target in its 2021 Sustainability Report, but the Report does include electricity reduction targets, normalized by annual revenue. Because a vast majority of the emissions of which Gentherm has more direct control (i.e. not Scope 3) result from electricity purchases, a reduction in megawatt-hours used has a direct correlation to a reduction in CO2 emissions. So while specific GHG targets aren't directly included in the Sustainability Report, emissions specifically were taken into account as the Company decided on its electricity reduction targets.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, and we do not plan to undertake any biodiversity-related actions	<Not Applicable>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
No publications	<Not Applicable>	<Not Applicable>

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Our CDP response was circulated to our ESG Steering Committee, including 5 members that report directly to our CEO -- (General Counsel, CHRO, SVP Operations, SVP Investor Relations, SVP Sales)	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	1046000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Faurecia

Scope of emissions
Please select

Allocation level
Please select

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified
Please select

Allocation method
Allocation not necessary due to type of primary data available

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied
Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Requesting member
Magna International Inc.

Scope of emissions
Please select

Allocation level
Please select

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified
Please select

Allocation method

Please select

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied
Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member
Robert Bosch GmbH

Scope of emissions
Please select

Allocation level
Please select

Allocation level detail
<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified
Please select

Allocation method
Please select

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied
Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	We are still working on how to overcome this challenge at this time.
Managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult	We are still working on how to overcome this challenge at this time.
Doing so would require we disclose business sensitive/proprietary information	Some of our customer data / customer sales is non-disclosed data, and disclosing that detailed data may reveal sensitive / proprietary information.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

While we have not yet developed a detailed plan for how we will accurately allocate emissions, we are planning to continue to advance our data tracking, measurement, and allocation processes.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms