



Sensata
Technologies



POWERING
POSSIBILITIES **TOGETHER**

**WORKING TOGETHER FOR A
MORE SUSTAINABLE FUTURE**

Sensata's 2020 Sustainability Report



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ABOUT SENSATA

[WHO WE ARE](#)

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WHO WE ARE

Sensor-rich solutions delivering deep insights

Sensata is a leading industrial technology company that develops sensors and sensor-based, mission-critical solutions to create valuable business insights for customers and end users. We provide a wide range of customized, sensor-rich solutions that address complex engineering requirements and customer challenges. Our solutions enhance safety and reduce the environmental impact of thousands of consumer and industrial products worldwide.

Sensing is what we do.

Sensata’s name comes from the Latin word *sensate* or ‘those gifted with sense.’ Our logo also reflects this by spelling Sensata in Braille.

Vision, Purpose and Values

Our **vision** is to be a world leader and early innovator in mission-critical, sensor-rich solutions and insights. Our **purpose** is to help our customers and partners deliver a safer, cleaner, more electrified and connected world.

Sensata’s Values are the essence of our company’s identity.

They provide a level-set foundation and are a key way we can change or improve our culture. Moreover, they guide us in delivering against our vision and leading our industry:



INTEGRITY

We are open and honest with all our stakeholders. We do what’s right and deliver what we promise.



EXCELLENCE

We strive for continuous improvement in all we do. We find new, innovative ways to problem solve, grow our company and ourselves.



ONE SENSATA

We trust, respect and rely on each other. We recognize that a shared vision, diversity of background and perspectives and a global team are central to our enduring success.



PASSION

We have a dedicated and committed team working to solve some of the most challenging problems. We are passionate about serving our customers and building our future.



FLEXIBILITY

We operate in a dynamic, fast-paced environment while acting with integrity and agility to best serve our stakeholders.



Learn more about who we are [here](#).



WHO WE ARE

Sustainable innovation

Our commitment to sustainable innovation is guided by **three growth drivers**:



Clean & Efficient

Sensata sensors are used to help improve the efficiency, performance and safety of products, including improving fuel efficiency in cars and heavy off-road vehicles, ultimately reducing greenhouse gas emissions.



Electrification

As electrification trends, including electric vehicles, rise in popularity and demand, they require sensors to monitor and optimize everything from battery systems to thermal management systems.



Sensata Insights

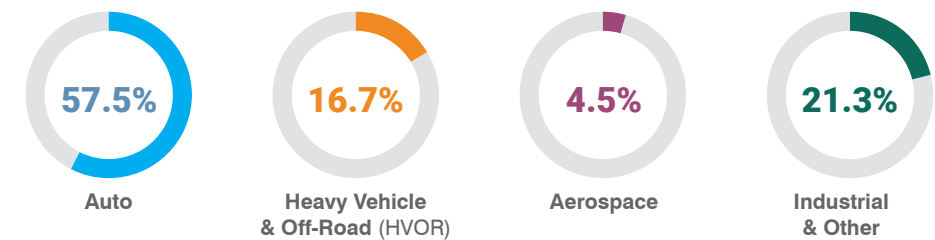
Sensata is developing smart, connected solutions that enable actionable insights for transport and logistics companies, enhancing safety and maximizing operational efficiency resulting in cost savings for our customers.

KEY METRICS

2020 REVENUE

\$3 billion

2020 REVENUE BY END MARKET



19,000+

number of employees

12

number of countries with facilities/operations

\$465m

new business wins

1 billion+

number of products shipped

2

female executives appointed as executive officers

5%

share of total automotive revenue from EVs



A MESSAGE FROM OUR CEO

Sensata is a leader in the opportunity-rich sensing market and provides mission-critical, differentiated solutions for our customers, helping them solve their most difficult challenges. We grow our business by ensuring our products launch on time, to exacting requirements. None of this would be possible without our people – who we refer to as Team Sensata.

Team Sensata has been the driving force behind our success for more than 100 years. Their commitment to delivering for our customers and for each other sets us apart, and this commitment was never more critical than in 2020.

I took over as CEO just weeks before COVID-19 was declared as a pandemic. Very quickly, we formed a global planning team and aligned our strategic imperatives to serve one mission: to keep our people safe and serve our customers. We knew this mission would also serve our shareholders. Teams worked around the clock, implementing numerous new guidelines for employees who had to work on site, including rotational shifts and stringent cleaning and sanitizing policies and a robust communication campaign. Our front-line workers showed up to work every single day, while our teams that could work from home adjusted to remote work. Financially, to address the economic fallout in the second quarter of the year, we tightened our belt including our Board cutting their cash retainers in half, our top leaders taking a pay cut and many of our employees taking unpaid time off in the second quarter.

With everyone chipping in – under our #InThisTogether campaign – we navigated one of the most difficult quarters in our company history. Our business rebounded in the second half of the year with a

much-improved culture. I've witnessed our culture evolve quite significantly: from our new hybrid work model that gives employees greater choice as to where they can work to a renewed commitment to Diversity, Equity and Inclusion (DEI). We've added critical DEI KPIs to the strategic leadership team's annual performance goals for the first time ever as well as introduced mandatory training on elements such as recognizing unconscious bias for leaders. Externally, we have made a commitment to protecting human rights and social justice in our communities and are working closely with our teams to expand how we collaborate on these important issues with like-minded partners.

At the same time, our entire company is in the middle of a significant transformation, pivoting from designing mission-critical components for fossil fuel-dominated industries to an increasingly electrified and connected world. With every Sensata solution designed to enable a safer, cleaner, more electrified and connected world, I couldn't be prouder of this unique shift we are helping orchestrate. And sustainability sits at the heart of it all: from what we are enabling to how we are making our products and solutions. As our customers shift their offerings responding to the megatrends impacting their businesses, we are designing for their success, from components that enable the electrification trend to technology solutions that improve connectivity. Some

of our growth will come from acquisitions but much of it will be through market growth and outgrowth driven by purposeful innovation.

In 2020, we also conducted and completed our first materiality assessment, which identified our core material environmental, social and governance (ESG) risks and helped inform our new sustainability strategy,

Powering Possibilities Together. This strategy, with four priority areas, is built to serve our mission and enable us to grow responsibly. Ultimately, I believe that we are the stewards of Sensata and our collective environment. We must care and put action in lockstep with our words.

Future generations expect it. Our employees deserve it. All of our stakeholders will benefit from it. And that is what Powering Possibilities Together ultimately stands for: that we leave our world better than the way we found it. With our products and people driving this charge, I have no doubt that Sensata will continue to chart the way forward for building a safer, cleaner and sustainable world for the next century.

Sensata has over 20 billion components out in the world, helping drive a safer, cleaner, more electrified and connected world.

“As stewards of Sensata and our collective environment, we must leave our company and world better than the way we found it. Together.”

Jeffrey J. Cote
CEO and President





A MESSAGE FROM OUR CHIEF SUPPLY CHAIN OFFICER

Building products that enable a cleaner, more sustainable future has always been our guiding principle at Sensata. Prior to my role as Chief Supply Chain Officer, I oversaw Sensata’s industrial business and saw firsthand increasing demand from our global customers for products that are greener, cleaner and more efficient. Today, Sensata sits at the intersection of our customers’ sustainability ambitions, consumers’ changing preferences and a changing climate. Our vision of enabling a safer, cleaner, more electrified and connected world is a guiding force in our approach to product design and innovation.

We produce more than a billion devices every year - most of which enable systems efficiency and safety. We foster sustainable innovation, including but not limited to sensors that enhance vehicle fuel efficiency and support electrification for electric vehicles or technology solutions that help advance connectivity and automation. Our mission to make these mission-critical applications and solutions flawless and safe is one we take very seriously. That’s where the passion, expertise and diversity of our teams gives us the competitive edge. Despite being tested by the COVID-19 pandemic, we pushed ourselves to work together, prioritize each other’s safety and ultimately deliver for our customers. We kept our employees safe, our factories running and kept on delivering for our customers against the backdrop of a global health and economic crisis. This is how we translate the idea of powering possibilities together, also the theme of our first sustainability report.

As we work toward building a more sustainable future, we are prioritizing our investments in energy

efficiency, carbon reduction across Scope 1 and 2 and better understanding our Scope 3 footprint. Our stakeholders are aligned – employees, customers and investors agree that energy efficiency and carbon reduction is a material issue for Sensata, and we have responded accordingly. We’ve committed to achieving carbon neutrality by 2050. And have a short-term target of reducing our GHG emissions intensity per unit of revenue by 10% by 2026 from the 2021 baseline.

Our goals are new, but our work is not. In fact, we have been integrating sustainability principles across our R&D and manufacturing processes since our inception a century ago. In our facilities, we continue to work to reduce our emissions, our water usage as well as waste generation, and across our operations, we prioritize responsible sourcing. We have also implemented green targets for all our new facilities to be built, and our newest European Headquarters is a zero-emission building. In the next two years, we anticipate setting baselines for our energy and emissions goals and gradually introducing new technologies and initiatives to achieve them.

Finally, I am very proud of everything Team Sensata does to support our local communities on issues that

matter to them. Through the Sensata Foundation in the United States and through direct support by our sites globally, we regularly make financial donations to local organizations and wholeheartedly support our employees’ passion and enthusiasm for giving back, whether through volunteerism or fundraising.

Looking ahead, we know that the journey continues. We are committed to evolving our sustainability efforts and launching purposeful partnerships to continue driving toward our vision. We’re building out Team Sensata with senior management roles to execute this vision. I hope

that you will see evidence of this commitment in our inaugural report – and join us in our journey as we build a world that is safer, more connected and sustainable for all.

“Our goals are new but our work is not. We have been working on reducing our carbon footprint for several years.”

Yann Etievre
Chief Supply Chain Officer





OUR RESPONSE TO COVID-19

Throughout the COVID-19 pandemic, Sensata ensured business continuity and prioritized the health and safety of our workforce and communities globally, as many of our global sites were deemed essential. We continue to focus on the health and safety of our employees and have begun a phased approach for our employees to return safely to the office with comprehensive, multilingual environmental health, hygiene, safety and incident response guidelines and training programs in place.



Our People (Team Sensata)

- Enacted emergency preparedness plans, including actions centered around people safety, business operations and supply chain integrity.
- Adopted remote working for most employees in professional and support staff roles, making it safer for those employees whose roles could not be performed remotely.
- Held weekly meetings with the COVID-19-related Crisis Management Team including representatives from senior management, Global Operations, Procurement, Legal, Customer Service, Environmental Health & Safety (EHS), Human Resources and Corporate Communications.
- Launched internal COVID-19 microsite and bi-weekly video communications from the Strategy Leadership Team (SLT) to maintain communications with global employees.
- Developed policies and procedures and provided trainings to employees and contractors regarding travel, remote working arrangements for indirect employees, building entry requirements, including employee and visitor health screenings and workplace safety strategies.
- Conducted weekly tracking of country and facility occurrences of COVID-19 exposure and infection.
- Led ongoing assessment of technologies for heating, ventilation and cooling (HVAC) enhancements, employee testing and contact tracing in the workplace.
- Conducted weekly self-audits against COVID-19 Response Action Playbook requirements at all operating facilities.
- Introduced additional and staggered shifts for direct workers to reduce the potential for workplace exposures and business interruption to maintain production goals, where applicable.



Communities

- Secured personal protective equipment (PPE) for employees, local community partners and healthcare organizations.
- Began working with several leading OEMs in healthcare-related applications, including life-saving ventilators.
- The Sensata Foundation fast-tracked grants to agencies in critical need in the communities where we conduct business.



Supplier Engagement

- Surveyed Tier 1 suppliers on operation risks, and workplace risk mitigation strategies.
- Identified and managed suppliers at risk due to COVID-19 supply chain disruptions.



Customer Support

- Continued communications to customers on workplace safety requirements at Sensata locations to maintain supply continuity.
- Engaged customers regarding supply chain risks with proactive communications on order status to enable better collaboration.



OUR RESPONSE TO COVID-19

Sensata Mexico Facilitates COVID-19 Vaccination Hub

In July 2021, the Sensata facility in Aguascalientes, Mexico hosted a one-day vaccination camp in collaboration with the city government. The camp was open to all Sensata employees, their direct family members as well as employees of the other companies located in the area, 30 years and older. Over 6,800 vaccines were delivered during the nine-hour camp, which included about 1,000 Sensata employees as well as employees from 33 other local companies. The camp, which was set up on three days' notice from the government, was built and organized by 50 Sensata employee volunteers coordinating the many tasks across Operations, Human Resources and Environment, Health and Safety.

Back to Better

Team Sensata's resiliency and focus on taking care of each other and our customers enabled us to emerge from the pandemic stronger than ever and has made a lasting change in our culture. As the company was exiting from the pandemic, senior leadership conducted a comprehensive global survey to assess employee sentiment on returning to the workplace. The Back to Better Survey results demonstrated that 79% of employees globally prefer to work in a hybrid or on-site work environment. Research from leading thought leaders supports the value of the hybrid workspace, and Team Sensata demonstrated higher productivity while working remotely throughout the pandemic. In 2021, Sensata launched a new hybrid work model for positions where remote work can be done. As we look to return to the workplace, it's not about going back to normal – it's about going back to better!





ABOUT THIS REPORT

This is Sensata Technologies' first Sustainability Report. It has been informed by leading reporting frameworks such as the [Global Reporting Initiative \(GRI\)](#), [Sustainability Accounting Standards Board \(SASB\)](#) and guidance from ESG rating agencies. It incorporates the results of an initial materiality assessment for ESG risks conducted in 2020 and 2021.

This report presents our sustainability data for fiscal 2020 and, in some cases, we have included historical and more recent data for 2021, for context. This report covers facilities worldwide that are under the operational control of Sensata and its wholly-owned subsidiaries. The data presented herein has been collected based on Sensata's internal systems and processes and is not externally assured unless otherwise noted.

Our Commitment to Sustainable Practices

Sensata has adopted sustainable practices throughout its operations that are aligned with the goals of its stakeholders and that address the applicable regulatory requirements in the countries we conduct business. Information regarding these practices has been disclosed to Sensata's customers and investors through third-party platforms, such as CDP, since 2017. To fully address our stakeholders' expectations for transparency, Sensata intends to use this and future annual sustainability reports to share our continuing efforts to expand and improve our sustainable practices and progress toward meeting our sustainability goals.

Forward-Looking Statements

This report includes information that could constitute forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These statements include those that may be identified by words such as "anticipate," "believe," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "would," and similar expressions. These statements are subject to risks and uncertainties, and actual results and events could differ materially from what presently is expected. Detailed information about some of the other known risks is included in our Annual Report on Form 10-K for the year ended December 31, 2020 and our other reports filed with the Securities and Exchange Commission. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, readers are urged to view all forward-looking statements contained in this report with caution. Except as required by applicable law, we do not undertake to publicly update or revise any of these forward-looking statements, whether as a result of new information, future events or otherwise.



OUR APPROACH TO SUSTAINABILITY

[POWERING POSSIBILITIES TOGETHER](#)

[MATERIAL SUSTAINABILITY TOPICS](#)

[OUR SUSTAINABILITY JOURNEY](#)

[ESG GOVERNANCE](#)



POWERING POSSIBILITIES **TOGETHER**

At Sensata, we power possibilities. We are engineered to solve big problems. Today, our solutions serve as critical building blocks for making safer, cleaner and more efficient products while our systems enable millions to make smarter, more sustainable choices. By harnessing the passion and expertise of our people and working closely with our partners and customers, we are designing a future where the smartest choice is also the most sustainable. At Sensata, inclusive cultures and diverse perspectives drive success. And transparency and accountability are reflected in everything that we do.

At Sensata, we envision the future as being connected and smarter. That's why we are committed to powering these possibilities together.

Our priorities include:



EMPOWERING OUR WORKFORCE

We nurture a culture that promotes inclusion and diversity and prioritizes employee health, safety and well-being, while supporting our communities and suppliers.



INNOVATING FOR SUSTAINABILITY

We develop products and technology solutions that help create a safer, cleaner, more electrified and connected world.



PROTECTING OUR ENVIRONMENT

We focus on building products that reduce environmental impact and improve technological efficiencies while optimizing and reducing our operational footprint through energy, water and waste reduction.



OPERATING RESPONSIBLY

We consider transparency and accountability as table stakes in everything that we do, guiding our approach to governance, risk management and ESG management.



MATERIAL SUSTAINABILITY TOPICS

Understanding the priorities and expectations of our stakeholders is essential for establishing how we set our strategies and goals to power possibilities. In 2020 and 2021, we conducted a materiality assessment, with the assistance of an external third party, to identify the environmental, social and governance (ESG) issues most important to our business and our stakeholders.

The assessment included interviews with Sensata stakeholders, including customers, shareholders and employees and the analysis of trends and ESG topics most relevant for Sensata and our stakeholders. An issue prioritization exercise followed the completion of the interviews and analysis and supported the following material issues:

- **Diversity, equity and inclusion**
- Community impact
- Future workforce
- Health, safety and well-being
- Safe mobility
- Innovation of sustainable products and services
- **Energy and emissions**
- Environmental compliance
- Circular economy
- Climate risk
- Waste management
- Water stewardship
- **Responsible sourcing**
- Labor practices
- Corporate governance
- Data privacy and security
- Ethics and compliance
- Product quality

We have prioritized reporting on our initial goals and our performance against these material topics in this report. Additionally, we have also incorporated information where possible across all the other sustainability topics that are important to Sensata and its stakeholders.



OUR COMMITMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UNSDGs)

We are also committed to aligning our strategic priorities with the mandate laid out by the UNSDGs. The following UNSDGs align with our priorities and are where we believe we can make the most impact:

Empowering our workforce



4 QUALITY EDUCATION
Introduce a Girl to Engineering Day
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5 GENDER EQUALITY
Our goal to increase female representation in management
PAGE 19



8 DECENT WORK AND ECONOMIC GROWTH
STEM community involvement and internships
PAGE 27



10 REDUCED INEQUALITIES
Commitment to assessing gender pay equality
PAGE 18
DEI Policy
PAGE 19

Protecting our environment



7 AFFORDABLE AND CLEAN ENERGY
Our long-term goal to be carbon neutral
PAGE 40



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Strategic investment in the design and production of green technologies
PAGE 31



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Continuous improvement in the reduction of waste, water use and GHG emissions associated with our operations
PAGE 34

Operating sustainably

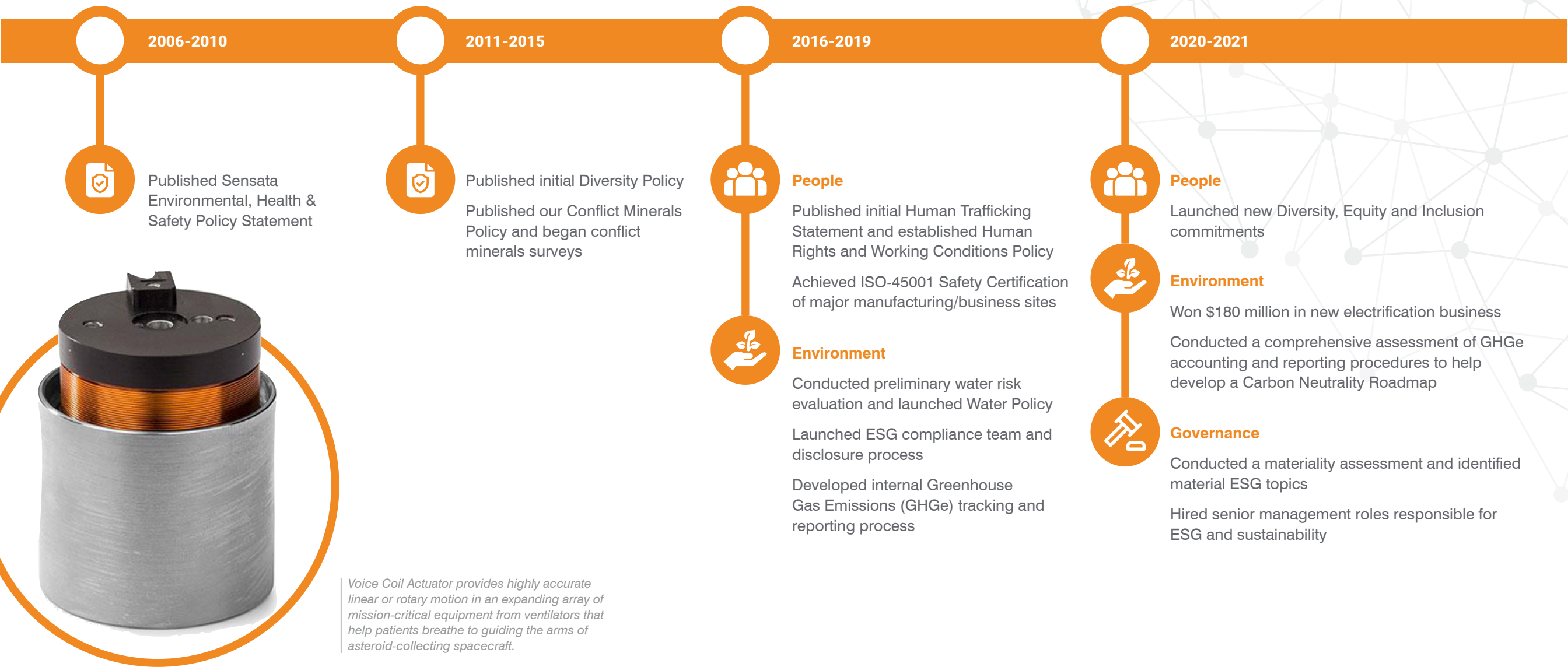


8 DECENT WORK AND ECONOMIC GROWTH
Human rights policies
PAGE 54

Responsible sourcing initiatives
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OUR SUSTAINABILITY JOURNEY



Voice Coil Actuator provides highly accurate linear or rotary motion in an expanding array of mission-critical equipment from ventilators that help patients breathe to guiding the arms of asteroid-collecting spacecraft.



ESG GOVERNANCE

Our sustainability efforts are led by our Chief Legal Officer, implemented by multiple functions within the organization and championed throughout our company by Team Sensata. Our CEO, Strategy Leadership Team (SLT) and Board of Directors are actively engaged in the governance of our ESG program across Sensata.



Learn more about our approach to Governance on Page 48 as well as our [Code of Business Conduct and Ethics](#) and our [Committee Charters](#).

Continuing Stakeholder Engagement

Consistent with Sensata’s commitment to continuous improvement and innovation, we have purposefully engaged with our stakeholders in our sustainability efforts to make sure we are understanding their new realities and goals, incorporating diverse perspectives, responding to shifting trends and practicing our commitment to transparency.

We listen to and engage with key stakeholder groups in multiple ways including:

| Stakeholder Group | How We Engage |
|-----------------------------------|--|
| Shareholders and Investors | Direct engagement Inclusion in materiality assessment |
| Customers | Direct engagement Inclusion in materiality assessment Participation in trade organizations, such as the Automotive Industry Action Group |
| Board of Directors | Quarterly reports from our Chief Legal Officer |
| Current and prospective employees | Internal communications and seminars Annual trainings |
| Suppliers | Onboarding process Direct engagement Annual Responsible Sourcing surveys Inclusion in materiality assessment |
| Nonprofit organizations | Facility outreach to communities (global) Community engagement initiatives facilitated by Sensata Foundation |



EMPOWERING OUR WORKFORCE

OUR APPROACH

DIVERSITY, EQUITY AND INCLUSION

OUR WORKFORCE BY THE NUMBERS

TALENT MANAGEMENT

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

COMMUNITY IMPACT



OUR APPROACH

At Sensata, we create products that improve safety, efficiency, emissions and comfort for millions of people every day. Our products are used in transportation systems, computers, appliances, aerospace and industrial applications. At Sensata, we are engineered to solve big problems. Our solutions, which serve as critical building blocks for making safer, cleaner and more efficient products, are made possible by the passion, diversity and expertise of our people. We understand that our continued success requires an inclusive culture that values transparency and accountability.

Sensata is committed to protecting our workers' human rights and ensuring their safety. From organizing workshops and trainings to hosting awareness campaigns, we engage with our employees and suppliers regularly on these issues, guided by our [Human Rights and Working Conditions Policy](#) and [Slavery and Human Trafficking Statement](#). We encourage employees to report any concerns of misconduct to our [Ethics Hotline](#).

As we power possibilities together with our customers, partners and communities, we are guided by our Vision: to be a world leader and early innovator in mission-critical sensor-rich solutions and insights. With more than 19,000 employees across 12 countries, we embody our Employee Value Proposition – SmarterTogether – every day to develop products that increase our world's connections.

This includes our commitment to four key areas:

» **Diversity, Equity and Inclusion**

We are dedicated to ensuring our employees feel a sense of belonging and respect every day and are committed to identifying and preventing discrimination in our business practices.

» **Talent Management**

We are committed to ensuring that all hiring practices and employee programs equip each Sensata employee with the tools and resources they need to enable a world of smart, connected solutions.

» **Employee Health, Safety and Well-Being**

We recognize the importance of supporting our employees' health, safety and well-being, and our goal is to provide comprehensive and competitive benefits that consider the whole family and whole person by supporting their physical, financial and emotional wellness.

» **Community Impact**

We take pride in the communities in which we operate through our involvement programs that nurture and support education, economic development, civic involvement and diversity.

Smarter Together

Smarter Together at Sensata: One team, one mission

Collaborating at Sensata means working with some of the world's most talented people in an enriching environment, constantly pushing toward the next best thing. Our employees work across varying functions, countries and cultures gaining new perspectives through mutual respect and open communication. When we work together, we are SmarterTogether.

We have developed several programs and partnerships to pursue our commitment to be a great place to work for our employees and a responsible steward to our communities. These programs and initiatives are overseen by Sensata's SLT and our Board of Directors.

Pay Equity

At Sensata, we understand that our people are our greatest asset, and we are committed to ensuring our people are compensated fairly regardless of gender, race, ethnicity, religion or other status. We have checks and balances in place accordingly and conduct annual assessments to review for any inconsistencies. We are committed to continually pursuing pay equity across our global workforce.



DIVERSITY, EQUITY AND INCLUSION

OUR APPROACH

We firmly believe that inclusive cultures and diverse perspectives drive success. To support our commitment to diversity, equity and inclusion, we endeavor to create a workplace where the interests of our entire workforce are given a voice and considered at all levels in the organization.

As we continue to evolve our culture, our efforts are focused on encouraging and supporting our employees so that they feel a sense of belonging and that they are heard. Our diversity goals are a clear and strong reflection of how we want to work: learning from each other, being open to diverse perspectives and always innovating. As DEI is a key material issue for us, we require that every employee treats others with dignity and respect. Across talent management, human resources, employee experience and diversity, equity and inclusion (DEI), we work as one team to promote an environment where the appreciation and cultivation of each individual's attributes help create a vibrant, productive and collaborative workplace.

Finally, we believe that diversity benefits our employees, customers and our shareholders and that a diverse workforce makes us a better company. In the last few years, we have added valuable and diverse voices and skill sets to our Board of Directors. We seek to improve the representation of women and minorities in our management and workforce, reach equitable access to development and advancement opportunities and ensure our culture supports an environment where every employee can reach their full potential.

As we continue to expand our global footprint, championing diversity in all ways will remain essential to our success. This is another way we are Powering Possibilities Together.



Learn more:

[Sensata's Diversity, Equity and Inclusion Policy](#)

[Code of Business Conduct and Ethics](#)

Our DEI efforts focus on making progress in five key areas:

» **Talent Acquisition & Onboarding**

Ensuring hiring and promotional practices take full advantage of current and potential talent.

» **Performance & Talent Management**

Inform employees of their access to personal and professional development opportunities.

» **Learning & Development**

Launch diversity training opportunities, including a Technical Coaching Program aimed at encouraging women and minorities to stay and excel in engineering.

» **Employee Empowerment & Engagement**

Provide resources to encourage employee-driven diversity initiatives, including employee resource groups.

» **Retirement & Transition**

Ensure processes that promote retention of talent.



Diversity, Equity & Inclusion

A SENSE OF BELONGING

Our 2026

GOALS



REACH

30%

female representation in manager and above roles (worldwide)



REACH

25%

racial/ethnic diverse representation in manager and above roles (U.S. only)

Aligned with these, we have set annual goals for our SLT focused on improving diversity, reducing turnover and encouraging internal promotions.



DIVERSITY, EQUITY AND INCLUSION

Adopt Inclusive Leadership Behaviors

At Sensata, we work with a diverse group of people, from different genders, races, ethnicities and countries of origin. Understanding the value of and embracing diversity and practicing inclusive leadership behaviors effectively is key to our success and our team members' ability to thrive. Accordingly, we work with our leaders to enhance understanding of what it means to be inclusive and the positive impact inclusivity can have. We also examine different biases and recognize the impact these biases can unintentionally have on teams.

Programs and Partnerships

Sensata's Employee Resource Groups

Our global Employee Resource Groups (ERGs) are sponsored by our executive team members and include Gender Equality, Black/African American, Hispanic/Latinx, Generational and Multicultural initiatives. Executive sponsorship ensures employees have direct relationships with leadership and a forum to voice concerns and make suggestions. These groups provide meaningful community and global engagement along with opportunities for networking, mentoring and career development. While any employee can apply to start an ERG, we have a formal process, which includes a commitment to support our enterprise-wide DEI strategy.

Tech Compact for Social Justice

In 2020, we joined forces with more than 60 other companies to commit to the Tech Compact for Social Justice organized by the Massachusetts Technology Leadership Council (MASS TLC) to demonstrate our commitment to making the technology industry more welcoming and inclusive for Black, Latinx and Indigenous people. Our commitment includes:

- Introducing or expanding education programs and opportunities for diversity, inclusion; addressing racial inequality, unconscious bias; managing diverse teams and creating a judgement-free environment,
- Greater racial diversity in hiring, leadership development and board composition, and
- Providing increased resources to support employee learning and participating in activities related to social justice, anti-discrimination and volunteerism.

Anti-Racism Education

In the summer of 2020, our DEI team collaborated with our ERGs to create an Anti-Racism Program within Sensata Learning, our learning management system, that could be used à la carte to create a personal syllabus based on the employee's level of knowledge and interest. The Anti-Racism Program included articles, podcasts, videos, book and movie recommendations, information about Juneteenth, materials for kids, teens and parents and much more. The objective of the program was to encourage deeper awareness and education about racism and ancillary issues including unconscious bias and microaggressions.

Base 11 Partnership.....

In our efforts to improve representation of women and minorities, we partner with nonprofit [Base 11](#) that focuses on growing the STEM talent pipeline for women and minorities. With this partnership, we have the opportunity to increase Sensata's employer brand awareness with women and minorities and support Base 11's members' development through presentations and resources such as tips to create an effective LinkedIn profile. With access to their proprietary platform, Sensata is also able to source prospective interns, apprentices and hires from their targeted audience as well as list our internships, apprenticeships and job postings on their platforms.





DIVERSITY, EQUITY AND INCLUSION

2020 HIGHLIGHTS



Introduce A Girl to Engineering Day

In 2020, we conducted a two-hour event for middle school girls in our neighboring communities as part of our long-term commitment to nurturing interest in science, technology, engineering and math (STEM) subjects among girls. The half day of programming included an introduction by our CEO, a panel discussion with Sensata employees in STEM-related careers, followed by laboratory tours, round robin discussion tables and a hands-on STEM activity. The goal was to provide as much access as possible to our female team members for the girls to ask questions and expand their awareness and understanding of STEM as a pathway to better opportunities.

Sensata's External Sponsorships

Annual Society of Women Engineers Event (except for 2020 due to the pandemic)

Local and International Diversity Engineering Conferences

Internal events

Celebrating Diversity Day

Diversity Drives Innovation, a two-day virtual event sponsored by the Engineering Council's Diversity, Equity and Inclusion (DEI) Committee and open to all employees



CIPD | Northern Ireland HR Awards 2020

CIPD Northern Ireland **Best Diversity & Inclusion Initiative Award 2020**



Diversity In Tech Awards Dublin **Cultural Inclusion Award 2020**



2020-21 Mercer China Healthiest Workplace **Outstanding Women Care Award: Sensata China**



OUR WORKFORCE BY THE NUMBERS

2020 HIGHLIGHTS



19,252
employees

7%

increase in women in leadership roles



100%

of U.S. employees have self-identified their gender



72%

of U.S. employees have self-identified their race and ethnicity

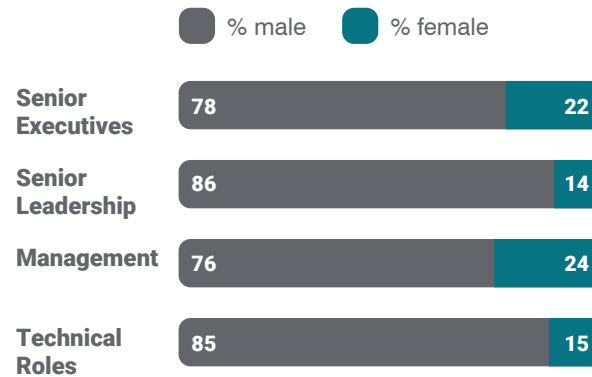
All metrics as of December 31, 2020

Board of directors

10 non-executive directors
3 female / 7 male

1 executive director
(the CEO)

Workforce by role

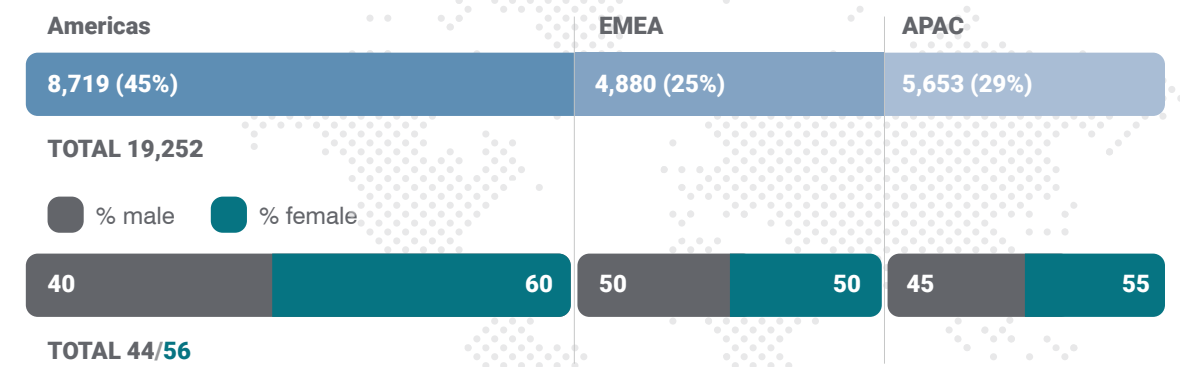


Footnote:
Senior Executives = CEO and his direct reports
Senior Leadership = Sr. Director+
Management = Supervisor+ (to directors)
Technical = Employees in technical roles eligible for the Tech Ladder

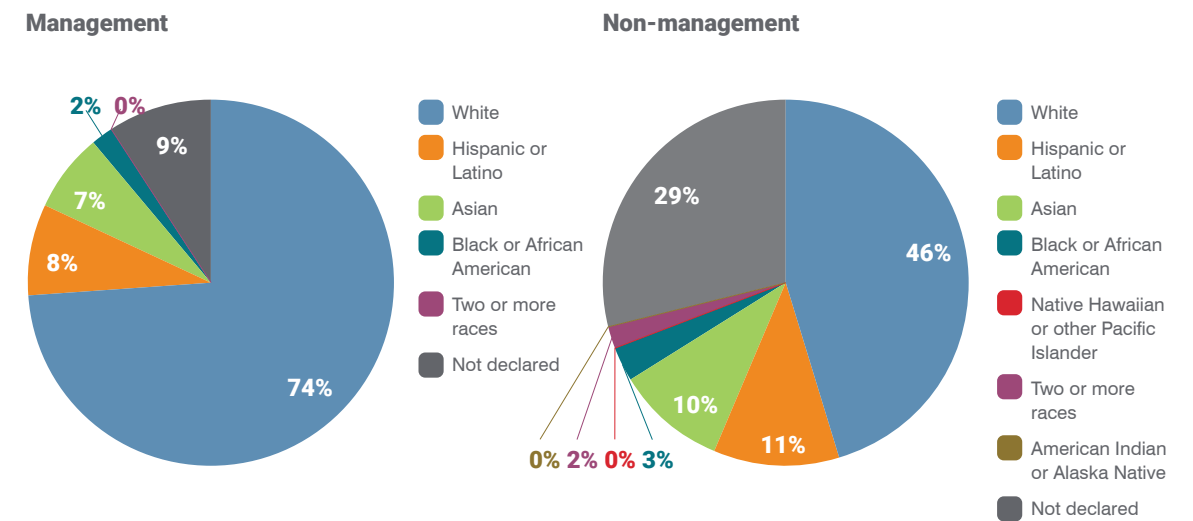
By job status



By region



US workforce by race





TALENT MANAGEMENT

OUR APPROACH

Our people are at the core of Sensata's success. Working across offices and sites in 12 countries, our people and technology help us build a world of smart, connected products. This success is dependent on hiring, retaining, training, rewarding and engaging employees for the long-term -- and creating an environment where ideas are shared freely and where every team member feels engaged and heard, helping boost innovation and personal confidence. **We focus our efforts in three core areas:**

» Learning and Development

We believe that to successfully execute our business strategy, we must provide a broad range of learning and development programs and opportunities for our employees. We have launched diversity training opportunities, including a Technical Coaching Program, aimed at encouraging women and minorities to stay and excel in engineering.

» Diverse Recruitment

We believe that a broad representation of experiences and perspectives leads to greater innovation, better talent and stronger business performance. Through leadership support and diversity efforts, including diverse recruitment, throughout the organization, Sensata seeks to achieve exceptional business results as a global partner, neighbor and employer of choice.

» Retention and Succession Planning

We believe our employees are our greatest asset and retaining our employees to support the Sensata of tomorrow is vital to our success. We have a robust talent and succession planning process and have established specialized programs to support the development of our talent pipeline for critical roles.



EMERGING ISSUE FUTURE WORKFORCE

We're committed to expanding the engineering workforce as we help build a world that is smarter, connected and more sustainable. This commitment requires us to do everything we can to build our future talent pipeline. As generations shift and the types of skills required to thrive in tomorrow's workplace such as communications, STEM and technology-related skills evolve, we are committed to collaborating with universities and other academic organizations to grow youth interest in engineering among diverse populations and a focus on diverse recruitment.

2020 PERFORMANCE



Pivoted to **virtual interview process**

Enabled **virtual onboarding** for most new hires

832 indirect labor requisitions filled globally

First virtual Leadership Summit held in September for Sensata's top 100 leaders

63,000

Number of hours of training spanning various required learning, professional development and many courses specifically on diversity, inclusion and ethics delivered

40,000

hours came from our **indirect labor workforce**

Counter Bias and **Be Inclusive** among top non-required learning courses

All metrics as of December 31, 2020



TALENT MANAGEMENT

2020 HIGHLIGHTS

On-Demand Trainings

We have leveraged our learning management system, Sensata Learning, to provide employees with on-demand learning and live webinars. Set up as a self-serve platform, employees can sign up for a wide variety of trainings across topics such as compliance, anti-harassment, DEI and much more. We also partner with SkillSoft to give employees an immersive learning experience through interactive videos and practical simulations that can be personalized and touch different subject matters.

In response to the COVID-19 pandemic, the Sensata Northern Ireland team hosted an educational webinar in November 2020 about Post-Traumatic Stress Disorder (PTSD) with psychologists and development coaches, to help employees better understand the impact of PTSD in the workplace.

Future workforce

We partner with numerous internal subject matter experts across Sensata to curate and develop dedicated training and talent programs and processes. For example:

- » **Women in Leadership Learning (WILL) Program** is a dedicated program for women, providing them with curated content across a variety of topics such as self-care and time management. Additionally, members meet once a month to discuss the content, share personal experiences and plan for future content dives and conversations.
- » **Internships:** We host robust internship programs to help current university students and recent graduates launch careers in STEM and related fields. Globally, we run college graduate programs that give emerging professionals the opportunity to learn and challenge themselves in an immersive environment, with support from more experienced colleagues in STEM-related fields. In the U.S., we offer a paid 12-week summer internship for students currently working toward a bachelor's or master's degree across disciplines. Our interns collaborate with talented peers and employees to network and learn the ways of working and solving problems.

» **Talent and succession planning:** We have established specialized programs to support the development of our talent pipeline for critical roles in management, engineering and operations. For instance, our Rising Leaders program aims to strengthen competencies and leadership development with tools such as assigned mentors, professional coaching and focused development sessions. The program fosters vital face time for participants with leadership, stretch assignments and promotions. Separately, we conduct a leadership review process with our CEO, our Chief Human Resources Officer and our business and functional leaders to identify openings and potential candidates on an annual basis.



EMPLOYEE HEALTH, SAFETY AND WELL-BEING

OUR APPROACH

The health, safety and well-being of our employees are a high priority for us and an integral part of our values. We consider safety a core value that is embedded in the decisions we make across the company to protect our employees, business partners and local communities. We consciously build a culture of safety by modeling the behaviors we want our employees to adopt. At Sensata, we also recognize the importance of supporting our employees' health and well-being. Our goal is to provide comprehensive and competitive benefits that consider whole-person well-being by supporting their physical, financial and emotional wellness. To do this, we incorporate a whole range of health and wellness issues that our employees may confront and provide targeted support accordingly toward the best possible outcomes.

Health and Safety

We comply with all applicable local and state laws and adhere to a standard of continuous improvement in our policies and practices related to health and safety. This approach is codified into our [Global Environmental, Health and Safety \(EHS\) Policy](#). The safety management systems at Sensata facilities are at a minimum, aligned with the ISO 45001 Safety Standard. In 2018 and 2019, Sensata committed to achieving third-party certification under ISO 45001 at its major manufacturing and certain business operations.

By the end of 2020, Sensata achieved certification status under the ISO 45001 Standard at 60% of these facilities, representing over 77% of annual revenues and covering about 73% of Sensata's global workforce.

In addition to external safety audits, Sensata's manufacturing facilities and business centers conduct routine internal location-based safety risk assessments that include an assessment of operational issues such as chemical management, fire and explosions and natural disaster risks such as earthquakes, weather events and flooding. Each facility maintains an emergency response plan that is developed in collaboration with facility managers, the respective business units and, where appropriate, local municipalities. Employees and our contractors that conduct business at Sensata facilities are required to participate in safety training as part of the initial onboarding process and periodically thereafter on relevant safety topics.

Performance tracking

We track salient safety metrics, including recordable incident rates and lost day case rates, which are reported monthly to senior management. Recordable incidents are investigated using a standard approach. When determined to be appropriate, incident report cards and Lessons Learned Posters are prepared and are used in annual training sessions and "Toolbox Talks" used by facilities for learning and development. We strive for continuous improvement year over year with the goal to have zero workplace incidents.

Addressing COVID-19

In 2020, we initiated new programs to keep our employees safe during the COVID-19 pandemic, including regular evaluation of potential exposure risks and developing location-specific operating playbooks to communicate COVID-19 risk mitigation measures at our facilities. Early in the pandemic, we convened a COVID-19 Task Force, which developed an internal microsite and conducted frequent webinars and other communications to provide timely and accurate information to our workforce as the pandemic evolved around the world.

As our operations now ramp back up guided by local regulations, we will continue to prioritize the health and safety of our workforce. Learn more about our response to COVID-19 [here](#).

Safety at Sensata 2020 SNAPSHOT

| Key Performance Indicator | 2020 Data | Year-over-year Comparison |
|---------------------------|-----------|---------------------------|
| Recordable Incident Rate | 0.160 | ↓ |
| Lost Day Case Rate | 0.093 | ↑ |
| Number of Lost Days | 283 | ↓ |

Most recent average Recordable Incident Rate as reported by the the Occupational Safety and Health Administration was 2.8



EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Employee Well-Being

We are committed to providing comprehensive and competitive benefit packages that attract, retain and enhance the well-being of our employees. Our benefits include an array of quality health and income protection benefits to protect employees and their family's health. Some benefits are provided automatically at no cost to employees while other benefits are shared between the employee and Sensata.

Across the U.S, we offer medical, prescription drug coverage, dental, vision, both healthcare and dependent care, flexible spending accounts and a health savings account. Our income protection benefits include life insurance, accidental death and dismemberment, disability, critical illness and group accident insurance. Other important benefit offerings include legal services, adoption assistance, education assistance, paid vacation and holidays, employee discounts, employee assistance program, health advocacy services, fitness benefit, weight loss benefit and subsidized back-up care for children and adults.

Sensata offers a comprehensive Contribution and 401(k) Savings Plan with automatic enrollment after 30 days that can help improve retirement readiness no matter what stage of life our employees are in. Contributions can be made on a pre-tax or on a post-tax basis with a Roth and we offer an employer match, immediate 100% vesting, investment options and advisory services.

Promoting employee well-being

Through our fun and rewarding wellness program, we provide tools and support employees' needs to be healthy and make meaningful behavioral changes. To help employees achieve their health goals, the program focuses first on awareness and prevention and second on education and behavior change.

We manage our benefit programs globally in a responsible manner, ensuring our programs comply with local government, state and federal regulations and are administered efficiently and effectively. We are also prepared to respond to legislation updates and guidance as they occur.

Globally, we offer healthcare benefits, flexible leave, income savings and protection benefits and programs to support financial, mental and physical well-being. Examples of our offerings include:

- » **Mexico:** Webinars to address stress management, grief and loss and nutrition among several other topics.
- » **U.K.:** Access to Employee Assistance Programs that also include counselling sessions and support for mental health.
- » **China:** Annual and biennial health checks to encourage employees in monitoring their health status.

Employee engagement

We focus our employee communications on continuous engagement, providing them with updates and offerings, including education and awareness about their overall benefit offerings at Sensata. To remain competitive, we regularly review our benefit offerings with external advisers with deep industry expertise in risk insurance, health insurance and other employee benefits for advice and market expertise.

Sensata China was recognized with the 2020-2021 Mercer China Healthiest Workplace Award: Outstanding Women Care Award in recognition of our exemplary efforts in providing best practices and programs focused on women in leadership, career growth and a competitive total rewards package.





COMMUNITY IMPACT

OUR APPROACH

We recognize the role we can play in supporting the communities where we live and work, and Sensata has a long and proud history of supporting the communities in which we operate. For nearly all of our 100+ year history, we have been involved with outreach programs that nurture and support education, economic development, civic involvement and diversity.

Empowering the Next Generation of Engineers

Our vision is a world where all students have the same access and encouragement to develop a passion for STEM careers and all that they can make possible in the 21st century and beyond.

As part of our commitment for a better and more equitable future, we established the U.S.-based Sensata Foundation in 2017 to more directly support qualifying charitable entities in our communities, empower a love of STEM learning and recognize our employees' philanthropic interests. Accordingly, our community efforts are focused on three key areas:

» Annual grants to support local nonprofits:

- In states/communities where Sensata employees live and work,
- That are aligned with new company acquisitions, and
- Through designated funds for emergency/disaster relief support.

» Employee Giving:

- A matching gift program that recognizes direct-to-charity donations made by our employees.

» Volunteerism activities:

- Annual Day of Service,
- Team-building activities that align with employee skill sets and interests,
- Encouraging U.S. employees to utilize their Volunteer Time Off (VTO) allotment, and
- Identifying opportunities with current grant agencies to strengthen our relationship and increase impact.

All U.S. Sensata employees receive one paid day a year to volunteer their time for causes they are passionate about.

SENSATA FOUNDATION GIVING

10.8%
employee giving

77%
recurring donations (of employee giving)

DIRECT-TO-CHARITY

10.3%
employee giving

Our community engagement efforts were directly impacted by the COVID-19 pandemic in 2020, including employee fundraising and in-person volunteer activities. Despite our best efforts to keep employees actively engaged with our communities, we saw a dip in participation and support. As COVID-19 restrictions begin to ease up, we are encouraged to see these numbers start to rise again and have set goals for 2021 that will put us back on track. We are currently working on various programs and activities that will help raise awareness and excitement about our community engagement efforts, including highlighting the Sensata Foundation in the new hire onboarding process, launching an internal communications campaign and identifying employee champions at all U.S. sites to increase our presence and impact. We are also aiming to offset our grant support deficit from 2020 by expanding our grant allocations in 2021 in addition to bringing our much-loved and well-attended Day of Service back in the fall of 2021.



Learn more about our [volunteer efforts around the world.](#)



COMMUNITY IMPACT

Equal Justice Initiative

Sensata’s Black Employee Resource Group made a recommendation for donations to the Equal Justice Initiative (EJI), which were matched by the Sensata Foundation 3:1 up to \$5,000.

In total, Sensata employees and the Foundation **contributed \$20,361.**

COVID-19 Emergency Response

During the COVID-19 pandemic, we quickly mobilized to support our charitable agency partners, including extending our 2020-2021 grant application period as well as moving up third-quarter grant distributions to June 2020. To aid frontline workers, we provided additional funding for supplies and frontline worker meals. This included **\$1,500 in meals** and **\$2,400 in mask supplies.**

EMPLOYEE HIGHLIGHT

HENK VELTEN *Europe*

Every year, a group of friends led by Henk Velten, Master Black Belt, from Sensata Hengelo, takes a week to transport food, clothing and supplies to the villages in Eastern Europe with Sensata sponsoring the fuel for the 4,500 km (2,796 mi) drive. “When I realize how fortunate we are to live in relative prosperity, I feel compassion for the people that live in these conditions, which motivates me to help. Eastern Europe EWR, a local Dutch foundation in Enter, close to Hengelo in the Netherlands, works to relieve some of the worries of these people,” says Henk.

Typically, the team brings donated clothes, shoes, blankets, medical supplies, medical equipment and sometimes food. Where possible, they also provide structural support such as building school interiors, computers, hospital equipment or hospital beds. Over the past 23 years, Henk’s team has developed strong relationships with people in the regions. For instance, in 2020, the team transported clothes to Carei, a village in Northwest Romania, located in an area with high unemployment and minimal financial funding from the government. In June 2019, the team helped deliver clothes and medical supplies to a community in Eastern Hungary and to a village in Western Romania. **On average, a transport brings about 3,000 kg of goods – life changing for many.**





COMMUNITY IMPACT

FOUNDATION GIVING

since launch (2017-2020)

\$1M+

donated to non-profits since the launch of the Sensata Foundation

\$808,879

grant agencies

\$20,000

emergency response

\$241,496

matching gifts

EMPLOYEE GIVING

since launch (2017-2020)

\$291,777

Sensata Foundation

\$383,863

grant agencies

EMPLOYEE HIGHLIGHT

DIGGING IN FOR WOMEN'S AID IN THE U.K.

Since pandemic restrictions were lifted, nine people from our Antrim team in the U.K. have been getting Back to Better and supporting their local community as part of the Graduate Development Programme.

This was the first chance that the 2020-2021 cohort has had to get together in person this year and it was a great opportunity to collaborate and give back to their local community. This year, they volunteered in Antrim Women's Aid's Safe Haven Garden, in Antrim, Northern Ireland. The Garden has been set up as a safe place for women

or families facing tough home situations. The garden has been particularly important this year providing many with a valuable, protected outdoor space.

Our employees were tasked with giving the garden a good spring clean: cutting back plants, weeding and painting fences and signs. Hard work that helped make the garden look welcoming and refreshing again. Paula O'Connell, Senior Learning & Development Specialist with Sensata, explains, "Although participants in our Graduate Programme are spread out across different teams and disciplines, they find great support in getting together and sharing experiences. We have adapted to virtual delivery due to COVID restrictions, but it was great to be able to offer an opportunity to bring this cohort together in a safe outdoor space."

"The team at Women's Aid were delighted with how much work they were able to get through in one day. I think they would definitely have them back!"



Left to right: Sarah-Jayne Webb, Warren Shannon, Stephen Hutchinson, Kassandra Thomson, Rucha Khandare, Kris Quinn, Chiara McBrien, Representative from Woman's Aid, Christopher Collins and Alana Terrington.



INNOVATING FOR SUSTAINABILITY

[OUR APPROACH](#)

[PRODUCT HIGHLIGHTS](#)

[PRODUCT QUALITY](#)



INNOVATING FOR SUSTAINABILITY

OUR APPROACH

At Sensata, our solutions serve as critical building blocks for making safer, cleaner and more efficient products while our systems enable millions more to make smarter, more sustainable choices. We believe that the products we create hold endless potential, built on a commitment to innovation and our vision to build a safer, cleaner and more efficient and sustainable world.

Our products create technological efficiencies, enhance user safety, promote a cleaner environment and help build a more sustainable world. They enable reduced greenhouse gas (GHG) emissions and support our customers in developing more sustainable consumer products. By far the most significant way we can address climate change is through our products. When companies use Sensata's solutions for clean energy and transportation solutions, they trust us to drive the environmental results they want. At Sensata, we take pride in the trust our customers place in us and want to be their partner of choice.

Sensata has always focused its product development on applications that foster a safer, cleaner and greener world. Our products include sensors, electrical protection and other mission-critical systems and applications and are developed and continuously improved through technical innovation and established engineering expertise. We supply our products to serve multiple industries, including automotive, industrial, heavy vehicle and aerospace and work closely with our customers to identify technology solutions that can result in a safer, cleaner and greener world.

Our products are used for critical solutions including:

The BEI Kimco linear voice coil actuators for ventilators are used to control the inhalation and exhalation valves which help control the amount of air delivered to the patient. These actuators must be designed to meet the ultra-small size and precise specifications required for life-critical medical applications. Sensata was an important part of the global supply chain that kept hospitals equipped with life-saving equipment during the COVID-19 pandemic.

Electronic Stability Control systems, also known as ESC technology, helps drivers maintain control of their vehicle during extreme steering and braking maneuvers by keeping the vehicle headed in the driver's intended direction, even

when the vehicle nears or exceeds the limits of road traction. ESC controls the performance of individual wheels to prevent the vehicles heading from changing too quickly (spinning out) or not quickly enough (plowing out). Our Micro Silicon Strain Gauge pressure sensing technology is critical in driving widespread adoption of these systems and preventing hundreds of thousands of accidents.

Our KLIXON® thermostats have been supporting the U.S. space program since its early days. Thermal engineers count on the reliability of Sensata's KLIXON® thermostats for the demanding environments required on satellites and manned space vehicles. For over 60 years, the tight set point temperatures, as well as exceptional vibration and shock resistance, enabled precise thermal control on satellites used for GPS and communications, the Hubble Space Telescope, SPACE-X Dragon and many others.

We have had relationships with our top 10 customers for an average of 31 years, accounting for approximately 7% of our net revenue for the year ended December 31, 2020.



EMPLOYEE HIGHLIGHT

AUTOMOTIVE PRESSURE TRANSDUCER TEAM, Sensata Changzhou, China

In April 2020, Sensata Changzhou's Automotive Pressure Transducer (APT) team, led by Jack Guo, successfully launched a Helium Recycling and Purification system to recycle and purify the Helium gas used in production.


Using Helium is a common practice in the industry due to Helium's particular properties. Before the system was implemented, a set of helium gas used for the APT production line could only last for 33-35 hours. Now it lasts for about 150-160 hours.

This innovative system, if implemented across all applicable production lines across Sensata, can result in savings of more than US \$400,000 per year.




INNOVATING FOR SUSTAINABILITY


Where are Sensata devices?

 **15,000** in commercial jets
circuit breakers, switches, position and pressure sensors

 **60** in RVs and large boats
circuit breakers, switches

 **50** in automobiles
sensors, controls

 **50** in agriculture/construction vehicles
sensors, switches, circuit breakers

 **30** in U.S. homes
sensors, switches, safety devices

 **dozens** in large HVAC systems
sensors, switches

We are committed to making a significant contribution in the path to electrification with products such as high-voltage contactors and fuses and thermal management systems for battery usage and storage, which require sophisticated monitors, controls and sensors. Our solution innovation is focused on three primary areas:

- Increasing adoption of electrification and energy optimization systems,
- A growing need for diagnostic insights and prognostics, and
- Smart and intelligent sensing solutions to support digitization.

Sensata components enable Electric Vehicle platforms with longer range and faster charging times, both critically important in expanding adoption of EVs while improving vehicle and battery safety.

Accordingly, we have expanded these efforts in recent years with investments in our Sensata Insights product line, as well as Electrification. These capabilities will continue to distinguish Sensata and play a critical role in driving our growth in the future.



Electrification

As electric vehicles rise in popularity and demand, they require sensors to monitor and optimize everything from battery systems to thermal management systems.



Sensata Insights

Sensata is developing connected solutions that enable actionable insights for transportation and logistic companies, enhancing safety and maximizing operational efficiency resulting in cost savings for our customers.



INNOVATING FOR SUSTAINABILITY

Electrification: Increasing the adoption of electrification

We made great strides in implementing our electrification strategy in 2020 through actively investing in solutions across our portfolio from electric vehicles and e-mobility applications for light and heavy-duty vehicles to charging infrastructure and industrial grid management. We also continue to expand our footprint by acquiring companies that enhance our portfolio and expertise. In 2018, we acquired GIGAVAC, which manufactures high-voltage protection solutions on EVs and charging infrastructure. More recently, we acquired Lithium Balance, which propels us into Battery Management Solutions and energy storage offerings.

Within our automotive business, we engage with nearly all of the world's leading Original Equipment Manufacturers (OEMs) launching battery EVs. Importantly, Sensata contributes 20% higher content to EVs than a comparable internal combustion engine vehicle, and in 2020, when EVs represented about 3% of total global auto production, EV revenues comprised about 5% of our total automotive revenues. About 50% of Sensata propulsion agnostic solutions from non-EVs, including tire pressure, brake pressure for electronic stability control and thermal management pressure sensors, apply to EV platforms. These differentiated solutions also provide other important benefits such as cleaner air and safer experiences.

\$180 million

new electrification business wins in 2020

Sensata contributes

20%

higher content to EVs than a comparable internal combustion engine vehicle

Advancing standardized vehicle charging systems

In 2020, we became a member of the Charging Interface Initiative e.V. Association (CharIN) and made a commitment to advance standardized vehicle charging systems. CharIN's vision is to develop and establish the combined charging system as the global standard for charging battery-powered EVs. CharIN represents an exciting opportunity for us to meaningfully collaborate with leading partners in the industry as adoption of electric vehicles expands.

With a growing need for faster charging and higher power levels, customers are increasingly turning to Sensata to improve safety and reliability of electrified vehicles such as medium and heavy-duty trucks, buses, cars and material handling equipment.

DC Fast Charging and Energy Storage System





INNOVATING FOR SUSTAINABILITY

Sensata Insights: Diagnostic insights and prognostics

Businesses of all types, especially fleet managers of vehicles, need real-time data to make decisions on how to operate efficiently and effectively. This is core to the broader Internet of Things megatrend – the provision of real-time data insights to help business managers make informed decisions. And this provides an exciting opportunity for us to use our engineering expertise and sensing solutions to enhance fleet safety and efficiency through smart sensors and diagnostic tools. In late 2020, we rolled out our first fleet customer on a new SaaS business model, representing the first implementation of Sensata’s full-stack solution for fleets.

In 2021, we followed up the successful rollout by acquiring Xirgo Technologies and extending ourselves into telematics. Xirgo’s expertise helps us become a full-service provider of connected fleet solutions and further strengthens our ability to provide data insights across transportation and logistics, especially into light-duty vehicles, cargo and containers.

Sensata’s sensors measure real-world phenomena like pressure, temperature, speed, position and location and provide electrical protection. Historically, the data produced by our sensors has been consumed locally by the system to which our sensor is attached to enable that system to operate effectively. Looking forward, however, data insights created by our sensors will increasingly be utilized off the system or vehicle by the owner or operator of the equipment – especially as the cost of data transmission continues to decline – by a service technician tasked with keeping the equipment running safely and efficiently, or by a fleet manager trying to make sure all of their assets are in the right place and operating as effectively as possible.

We expect the connected fleet industry to be worth \$15 billion by 2030 with the fleet portion alone expected to be valued at \$6 billion.

Integrating Sustainability

While our products contribute toward building a more sustainable world, we recognize the importance of minimizing the environmental footprint of how we make them. We continue to integrate sustainability principles across our product stewardship group as we evolve our portfolio. In early 2021, our Engineering Council began the work of formally evaluating the lifecycles of our primary product lines to better understand where and how to drive water and energy efficiencies as well as reduce our greenhouse gas emissions. We are also reviewing our waste management efforts as well as sharpening our focus on supply chain management. See more about our commitment to and progress on Responsible Sourcing on Page 54.

2020 PERFORMANCE

\$131 million

in R&D spend, \$30 million+ megatrend-related

1.1 billion

units shipped

47,000+

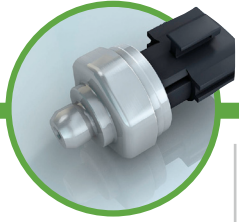
unique products

38%+

of new business wins relate to Electrification



PRODUCT HIGHLIGHTS



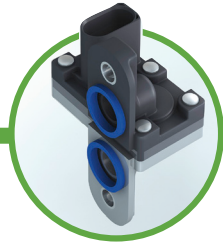
APT Pressure + Temperature sensor used for thermal management to improve fuel efficiency and emissions reduction.

1998

Began selling pressure sensors that enable the cooling and warming of electric vehicle batteries. Our Next Gen APT Pressure + Temperature sensor was specifically developed for the EV market to enable improved system control and performance, thereby improving range.

2001

Developed the HTS or High Temperature Sensor to measure the temperature of exhaust gas. This information goes back to the engine control unit where appropriate action is taken. For example, in diesel engines, exhaust gas temperature sensors are used to monitor the temperature of the diesel particulate filter (DPF) to establish the correct temperature for regeneration thus reducing harmful emissions. It is not uncommon to have three or more sensors fitted to the exhaust. All of these products are an important part of improving exhaust emissions and the release of harmful cancer-causing particulates.



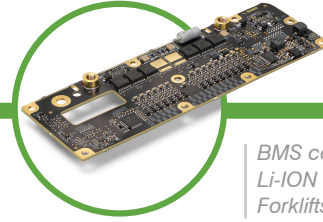
HCM MEMS Pressure Sensor accurately measures pressure in valves; natural gas pipelines; gas meters.

2006

Our differential pressure MEMS sensors, or DPS, began to be used on both gas and diesel particulate filters. When the filter becomes clogged, our sensor reads the drop in pressure and causes a filter regeneration cycle. This regeneration cycle burns off the majority of the particulate, preventing them from escaping into the atmosphere.

2010

Developed sensors that enable cleaner gas and diesel emissions. For years, our sensors have provided inputs into the emissions controls systems that regulate the amount of particulates that are emitted into the atmosphere. Our HCM MEMS pressure sensor is part of the Exhaust Gas Recirculation or EGR system. EGR takes a portion of the exhaust gas, cools it and then recycles it into the combustion process to lower emissions.



BMS controls high-capacity Li-ION batteries for Electric Forklifts and Motorcycles.

2018

Acquired Gigavac to expand into high-voltage contactors and fuses that are required in electrified products such as cars, delivery trucks, buses and material handling equipment.

2019

Began investing in Lithium Balance which has innovated in the area of battery-based electrification by developing the next-generation Battery Management System, also known as BMS.

2019

Acquired Cynergy 3, which makes Wireless Sensors and Gateway devices, among other things, enabling remote monitoring of many types of systems.



Tire Pressure Monitoring provides real-time information to enhance vehicle safety and improve fuel economy/vehicle range.

2019

Made a small investment in Hyliion, which has a mission of eliminating the carbon intensity and reducing the GHG emissions of long-haul commercial transportation Class 8 vehicles through an electrified powertrain. Hyliion is the only provider of all-electric drivetrains to achieve a net-negative carbon emission footprint using renewable natural gas.

2020

Began using our legacy work in Tire Pressure Monitoring Systems for commercial vehicles as part of our Sensata Insights business. For example, we use TPMS to equip trucks and trailers with a vehicle area network that can read the TPMS on all 18 wheels. This network can also enable a Truck to Trailer wireless link allowing data to flow from a Smart Trailer into the Tractor and eventually into the Cloud. Additionally, we can minimize downtime by preventing a driver from leaving a yard with a flat tire.

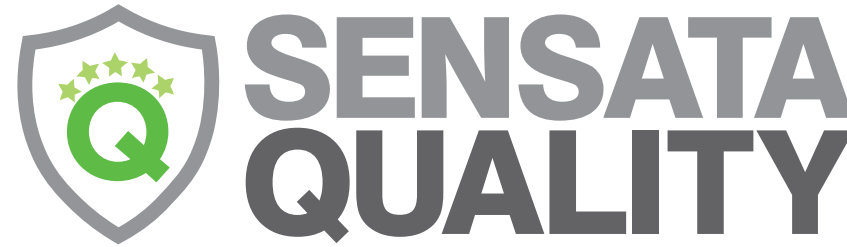


PRODUCT QUALITY

Delighting our Customers at Each Touchpoint

At Sensata, we prioritize product quality and are passionate about positive customer experiences. Quality supports our sustainability agenda by focusing on driving product quality right the first time, every time, and driving reduced waste and business risk resulting from quality defects. We are guided by our internal Quality Policy and Procedures as well as stringent requirements that determine how we design, test and develop products. For more than 100 years, we have produced billions of quality products and solutions helping enhance our customers' product portfolios and commitment to safety and sustainability. In a testament to this work, we made 1.1 billion product units in 2020. We also leverage our Centers of Excellence (COEs) to drive standardization and compliance across Sensata.

We made **1.1 billion** product units in 2020



DELIVERING CUSTOMER EXCELLENCE

We Will Deliver Customer Excellence By:



Listening and serving our customers to provide a positive customer experience.



Providing quality products and services that comply with customer and regulatory requirements.



Encouraging and expecting the active involvement of every Sensata employee.



Actively involving our suppliers and business partners.



Continuously improving our products, processes and services to achieve business excellence.

In 2020, we updated our Quality Policy in line with Sensata's company strategy. These five pillars will help us keep focused and guide our decisions, ensuring we are engaging our employees in our quality commitment as well as actively partnering with suppliers on continuous improvements.



PRODUCT QUALITY

Robust Regulatory Compliance and Quality Management Systems

Our operations are subject to local and global product regulations, including a complex array of material content regulations. To ensure and document compliance with these requirements, all of Sensata's development and manufacturing facilities operate under a quality management system that is aligned with and certified under the ISO 9001 and, where applicable, IATF 16949, AS9001 global standards and customer-specific requirements for the relevant industry sector in which Sensata operates.

In 2020, Sensata Baoying won the General Motors Supplier Quality Excellence award for the fifth year in a row, underlining our commitment to product quality, from design to delivery.

Magnum Energy 3000W inverter with hybrid technology for RVs



EMERGING ISSUE CIRCULAR ECONOMY

As we continue to evolve our product portfolio toward integrated technology services, we will continue to also review circular principles for incorporation where possible across our design and manufacturing processes.



PRODUCT QUALITY

Product Safety, Compliance and Sustainability

We are examining ways to lower our energy, water usage and environmental footprint of our manufacturing operations, while maintaining the quality and safety of the products that we produce. We are also committed to providing our customers with products that are fully compliant with applicable regulations and international protocols, such as International Material Data System (IMDS), Restriction of Hazardous Substance Directive (RoHS) and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). Our Material Content Reporting Team helps ensure our products meet customer needs and comply with applicable environmental laws, which are audited by our customers and third parties for compliance. And we look to continue to enhance our material content reporting at the product-level to advance our sustainability goals.

Software Quality Assurance and Security

The advancement of complex, programmable electronics and software applications in our solutions has increased focus on safety and security. We are working closely with Sensata's new Software as a Service (SaaS) platform team to incorporate the latest systems and software product quality standards into our process. These requirements include ISO standards for Functional Safety, Safety of the Intended Function (SOTIF) Product Cybersecurity, Over the Air Updates (OAU) and Internet of Things (IoT).

In early 2021, we completed our first major quality Software & Systems Process Improvements Capability Determination (SPICE) model assessment and set clear multi-year milestones for the different businesses working with software and systems to support our business strategy.

2020 QUALITY PERFORMANCE

0
(ZERO)

Product Safety Recalls (mandatory by NHTSA, EC)

Product Regulation Compliance (Government penalties)

Quality Management System (No certification withdrawal by third party)

Electric Drive Position sensor used on electric motors for hybrid and battery electric vehicles



EMERGING ISSUE

SAFE MOBILITY

As a company that prides ourselves on engineering cutting-edge solutions, we incorporate safety considerations into everything we design. We are focused on increasing the safety of motor vehicles and creating a net benefit to the safety of road users and the wider community through Sensata products and technology, such as advanced sensing and vehicle autonomy. Our products enable our customers to make secure mobility options, helping build a safer, cleaner, more electrified and connected world.



PROTECTING OUR ENVIRONMENT

OUR APPROACH

ENERGY AND EMISSIONS

ENVIRONMENTAL MANAGEMENT AT OUR FACILITIES



PROTECTING OUR ENVIRONMENT

OUR APPROACH

At Sensata, our solutions serve as critical building blocks for making safer, cleaner and more efficient products, while our technology systems enable millions of people to make smarter, more sustainable choices. However, we recognize that we must also reduce our own energy and water use and to the extent feasible, eliminate the use of toxic or non-recyclable materials in our products. Our Environmental Management Programs address energy and emissions, waste and water management and toxic substance management at the facility level. We are committed to responsible environmental management practices at all of our facilities worldwide and promoting a culture of working together for a more sustainable world.

Our 2050 **GOAL**



ACHIEVE
CARBON NEUTRALITY

Our 2026 **GOAL**



REDUCE OUR GHG EMISSIONS INTENSITY BY
10%
from a 2021 baseline



ENERGY AND EMISSIONS

As a global company, we recognize the role we play to combat climate change by managing energy consumption and emissions as a result of our operations. Since 2017, Sensata has established annual goals for the reduction of GHGe (Scope 1 and 2) and has disclosed information regarding our performance against these goals through CDP and other sustainability reporting platforms.

Our data collection efforts through 2019 were focused primarily on the largest manufacturing operations that account for most of our revenues and were not consistently supported with documentation in accordance with a recognized standard for GHGe accounting. In 2020, we took steps to increase the scope of our GHGe accounting efforts and improve documentation.

In 2021, Sensata made a public commitment to work toward achieving carbon neutrality in our operations by 2050. To support the establishment of a roadmap to carbon neutrality and address our stakeholder expectations regarding energy

and emissions, the following steps have been taken in 2020-2021:

- Initiated a comprehensive retrospective assessment of our GHGe accounting practices and the steps that need to be taken to demonstrate to our stakeholders that we are progressing toward our goal of carbon neutrality by 2050.
- Retained a qualified third party to review our 2020 GHGe inventory, review and update our baseline reporting year and improve our overall GHGe accounting process.

We are continuing to evaluate opportunities to decrease energy use and increase the use of renewable energy sources at our manufacturing facilities and business centers. Our current approach is to first reduce or eliminate our carbon emissions as well as increase the use of renewable energy resources wherever possible, and second, mitigate the remaining emissions through new technologies, offsets and other investments.

Our California Center

At our Thousand Oaks, California facility and office center, we have rolled out several projects to reduce energy use, including a restroom upgrade that will use thermal solar power to preheat water for sinks and showers.

Our LEEDV4 Hengelo Engineering Center

Our Hengelo Engineering Center in the Netherlands is a LEEDV4 green building and is carbon neutral. This three-story office was built on a greenfield site and, until recently, served as Sensata’s European headquarters. While we lease the building, our landlord worked hard to satisfy our requirements for sustainability, helping it win the BREEAM rating of excellence.

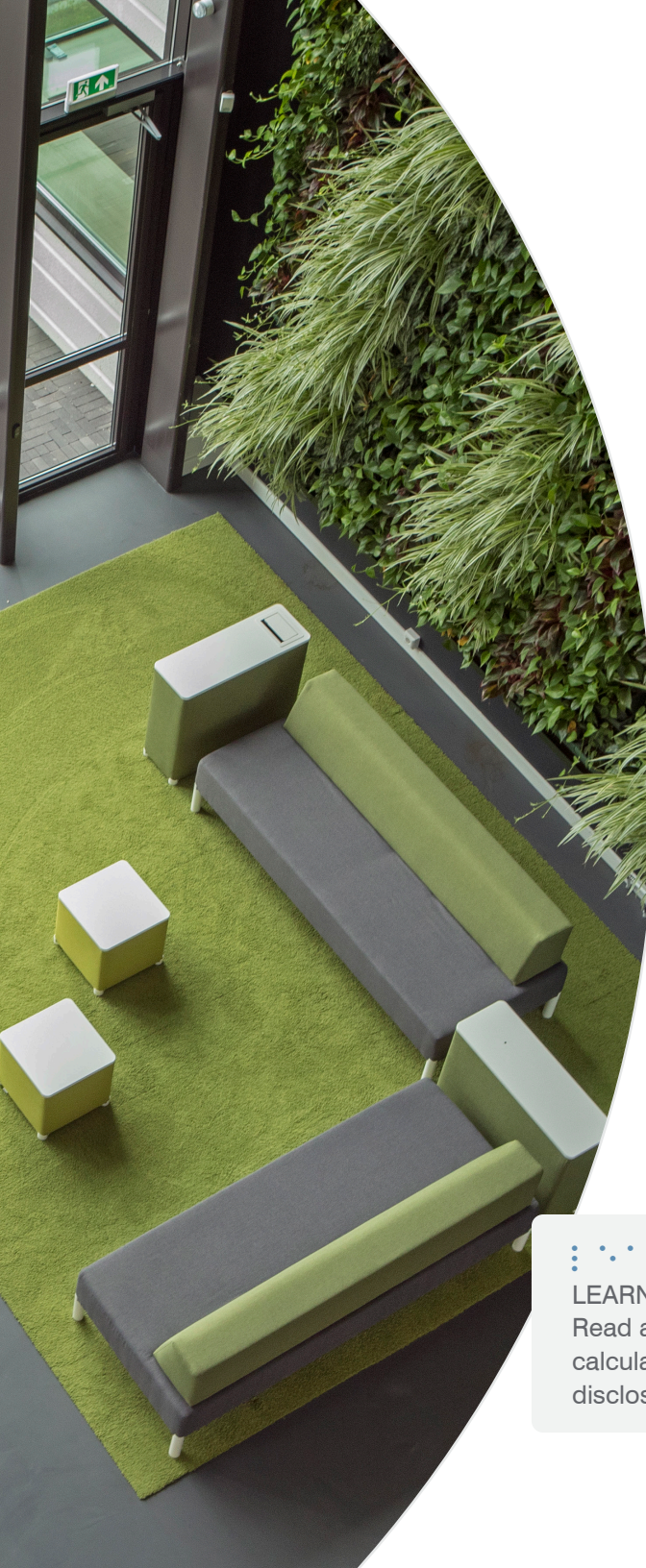
Key sustainability features include:

- The use of only ISO 14001 certified construction materials,
- Water-efficient equipment,
- Ability to collect rainfall for use in the bathrooms throughout the building,
- Construction of a “wadi” at the rear of the facility to collect rainwater from the driveway and parking lot, which is then treated and returned to the nearby river, and
- Equipping the building garage with bike racks and electric vehicle charging stations.

EMERGING ISSUE CLIMATE RISK



We recognize that a changing climate may impact significant aspects of our business and the operation of our facilities. Sensata is committed to evaluating the risks to our business that are associated with climate change in accordance with the TCFD guidance in the near future. As a first step, in 2021 we expanded the scope of our Enterprise Risk Management (ERM) process to consider the financial and operational risks associated with climate change and ESG-related disclosures.



ENERGY AND EMISSIONS

GHGe Reporting for 2020

Our GHGe calculations for 2020, which were disclosed through CDP and other platforms prior to the publication of this report, were based on an internal assessment of records of Scope 1 and Scope 2 at key facilities with over 100 full-time employees, which are estimated to account for approximately 94% of the Sensata’s annual revenues in fiscal 2020. Due to the limitations in the scope of our GHGe accounting, and because our practices did not yet align with a recognized GHGe accounting standard, we assigned an uncertainty factor of 15% to our 2020 GHGe disclosure to CDP. However, prior to the publication of this report, we initiated a comprehensive assessment of our GHGe accounting practices, which included a third-party review of our 2020 GHGe inventory. This review resulted in changes in the GHGe estimate that was disclosed to CDP in 2020.



LEARN MORE

Read a summary of the differences between the GHGe calculations disclosed in this report and those disclosed to CDP [here](#).

Acquisitions: Managing our carbon footprint

Sensata plans to acquire new businesses to drive execution of our strategy. As part of the integration process, we will conduct environmental analyses of acquired facilities and take steps to ensure that newly-acquired operations maintain compliance with our GHGe accounting procedures, and contribute to our interim and long-term goals for the reduction of energy consumption and achieving carbon neutrality.

Our partners

Sensata has developed meaningful partnerships with organizations to help us pursue sustainability, including National Grid, with whom we have worked on over 20 projects since 2008. Together, these projects have helped us save over 9 million kilowatts of energy in the U.S. We also partner with energy management companies, such as Power Management, on renewable energy projects, helping us use valuable carbon RECs and invest in offsets where needed.

Environmental Stewardship: Looking ahead

- Establish revised Baseline Reporting Year for GHGe by the 2021 Sustainability Report following third-party verification of GHGe data for 2021,
- Establish interim annual KPIs for GHGe reduction,
- Align and certify our GHGe Accounting Systems (for Scope 1 and 2) with the GHG Protocol,
- Evaluate our commitment to setting Science-Based Targets, and
- Begin assessing Scope 3 Emissions.



ENVIRONMENTAL MANAGEMENT AT OUR FACILITIES

As part of our Environmental Health and Safety (EHS) program, Sensata aims to drive continual improvement of our operations, progressively reducing the potential environmental impact of our activities, by focusing on:

- The efficient use of natural resources,
- Prevention of pollution and protection of the environment, and
- Where possible, eliminating environmental hazards or reducing risks to an acceptable level.

Sensata endeavors to comply with all applicable EHS laws and regulations and protect the environment. Sensata’s Environmental Management Program covers the operations of more than 84 locations with a total building footprint of about 4,879,152 square feet, used by approximately 19,000 employees and temporary workers.

We collaborate with our workforce to develop and execute against our performance goals and build a culture of accountability. Accordingly, through a consolidated dashboard system, we routinely develop and measure our performance against our environmental management goals, train employees, contractors and visitors to our facilities on their responsibilities and environmental management requirements and collaborate with members of the communities in which we conduct business on the design and implementation of environmental and emergency response strategies at our facilities.

Sensata’s facilities are managed in alignment with the ISO 14001 Management Standard, and currently, over 99% of our manufacturing facilities are certified by a third party under this standard. Under the ISO 14001 Standard, all certified facilities are also audited on an annual basis by a qualified third party.

Sensata’s Environmental Health and Safety Policy



COMPLY

We endeavor to comply with all EHS laws and regulations.



PREVENT

We seek opportunities to prevent any kind of injury, ill health or pollution.



IMPROVE

We constantly strive to improve our performance in EHS.

While our priority is compliance with local, national and global regulations and adherence to requirements for third-party certification of our environmental management systems, we continue to set internal goals for reducing pollution at the source through site management

practices and ongoing improvement projects. These include periodic review and assessment of opportunities for the elimination or mitigation of activities that utilize water or generate waste, as well as the use of potentially harmful materials.



ENVIRONMENTAL MANAGEMENT AT OUR FACILITIES

Water Stewardship

The growing global scarcity of water poses a challenge to our operations, our customers and the communities in which we conduct business. Although water use at our facilities is not a significant component of our environmental impacts, water stewardship is an important part of our approach to environmental sustainability. We note that a majority of our water footprint occurs in facilities through potable consumption and sanitation for employees and contractors, and as a result of the cooling process of some of our plants.

Since 2016, Sensata has tracked water use at its major manufacturing facilities and has maintained a year-over-year goal of reducing water consumption. Our water use data is disclosed annually through [CDP](#).

Consistent with our EHS Policy, we endeavor to comply with all applicable water regulations and are working toward lowering our water consumption even further with solutions such as appropriate storm water management systems and recycling of process and cooling water within a facility, when and where feasible.

Waste Management

We track waste generation (solid waste and hazardous waste) on a monthly and annual basis at all our manufacturing facilities against an annual internal waste reduction target. We also maintain recycling programs at our facilities in Attleboro, Mass. and Thousand Oaks, Calif. and are working on expanding them to our facilities in North and South America, Europe and the Asia-Pacific region. As we work toward achieving a 100% recycling rate, we are actively recycling cardboards, plastics and several metals including silver, platinum, cast iron, gold, aluminum, brass, nickel and copper.

In 2020, Sensata allocated approximately \$442,000 in capital expenditure to upgrade wastewater treatment systems to ensure continued compliance with local and national discharge standards.



Learn more in our [Water Policy](#).

EMPLOYEE HIGHLIGHT **BOISE, IDAHO, US**

For the team at our Boise, Idaho facility, environmental efforts come in small doses and large savings. Having completed a year with the Sensata family, the team successfully achieved the ISO 14001 certification in December 2020 as part of its environmental efforts. The certification

process helped reveal additional areas for improvement, including increasing recycling and decreasing the power consumption at the Preco manufacturing site.

First, the team replaced a small 90-gallon recycling container with a larger 3-yard recycling container which greatly reduced the amount of cardboard we were sending to the local landfill. The result: the facility went from recycling 40kg to 600kg per month. Second, the team had a third party analyze the potential savings from switching the plant from using fluorescent T-8 tube light to LED tubes. They estimated annual savings as 30,988 kWh and cost savings of \$1,766.32 per year. In addition, the local power company added an incentive of \$1,472.00 toward the project cost. The replacement is underway.





ENVIRONMENTAL MANAGEMENT AT OUR FACILITIES

2020 PERFORMANCE

Energy and emissions

| 2020 DATA | Year-over-year comparison |
|---|---------------------------|
| 4,968 metric tons of CO ₂ Scope 1 | N/A* |
| 144,840 metric tons of CO ₂ Scope 2 | N/A* |
| 149,808 metric tons of CO ₂ Combined 1 & 2 | N/A* |
| 2020 DATA | Year-over-year comparison |
| 49.19 GHGe Intensity (Scope 1 & 2 per \$1M revenue) | N/A* |

Water

| 2020 DATA | Year-over-year comparison |
|---|---------------------------|
| 1,078 megaliters per year total withdrawals | ↓ |
| 971 megaliters per year total discharges** | ↓ |
| 107 megaliters per year total consumption | ↓ |

**Estimated based on a 90% discharge rate for water withdrawn into Sensata facilities.

Waste

| 2020 DATA | Year-over-year comparison |
|---|---------------------------|
| 7,728 metric tons total non-hazardous waste generated | ↓ |
| 6,425 metric tons total non-hazardous waste recycled | ↓ |
| 1,303 metric tons total waste disposed | ↓ |
| 490 metric tons hazardous waste generated | ↓ |

*Data reflected for 2020 follows the comprehensive assessment of our GHGe inventory by a third-party, which resulted in more expansive GHGe inventory collection than in previous year. Therefore, a year-over-year comparison is not appropriate. See page 42 for additional details.



OPERATING RESPONSIBLY

[OUR APPROACH](#)

[GOVERNANCE](#)

[BUSINESS ETHICS](#)

[RISK MANAGEMENT](#)

[CYBERSECURITY](#)

[DATA PRIVACY](#)

[GOVERNMENT AND COMMUNITY RELATIONS](#)

[RESPONSIBLE SOURCING](#)



OPERATING RESPONSIBLY

OUR APPROACH

At Sensata, we have a sense of pride and integrity in everything we do: from how we govern ourselves to our responsible sourcing practices. Our reputation for doing business with integrity and operating with high standards of business ethics helps us grow our business and solve the need for a safer, cleaner and more efficient, electrified and connected world. We expect suppliers and business partners to share our commitment of operating responsibly with respect for people and our planet and to take a stand against corruption, labor violations and human trafficking.

Our Vision

Be a world leader and early innovator in mission-critical sensor-rich solutions and insights.

Our Purpose

To help our customers and partners safely deliver a safer, cleaner, more electrified and connected world.

Every day our employees live our value proposition SmarterTogether by working across functions, countries and cultures gaining new perspectives through mutual respect and open communications.





GOVERNANCE

Robust and transparent governance is the foundation of our work – and that begins with our [Code of Business Conduct and Ethics](#). It is incumbent on every Sensata employee to abide by it. Our reputation for doing business with integrity and operating with high standards of ethics helps us grow and solve the need for a safer, cleaner, more electrified and connected world. This requires that we do the right thing and conduct business the right way at every opportunity.

In 2020, we formed a Sensata Compliance Committee (SCC) consisting of 20+ internal functional “experts” to anticipate and mitigate emerging and other regulatory risks, as well as reinvented our formal Enterprise Risk Management (ERM) program to help us in identifying business risks, developing responses and guiding remediation. See more about ERM and our approach to risk management on Page 50.

Our ERM supports our ability to address and mitigate environmental, social and governance (ESG) risks, including issues related to climate change and stakeholder sustainability expectations.

Our Board of Directors

We are committed to strong governance to promote the interests of our stakeholders and strengthen Board and management accountability. Our corporate governance policies reflect best practices and include:

- Independent Chairman of the Board separate from the CEO,
- Annual election of directors,
- **9 of 11** directors are independent following 2021 Annual General Meeting of Shareholders,
- **5 of 6** standing committees include only independent directors, including Nominating and Corporate Governance, Audit and Compensation,
- Regular executive sessions of the Board and its committees, and
- Shareholder ability to call a special meeting.

Our Board is diverse and experienced and our directors bring unique perspectives to the issues and challenges we face. Our [Corporate Governance Guidelines](#) set forth the process for evaluating candidates for Directors and require the [Nominating and Corporate Governance Committee](#) to consider the diversity

of professional backgrounds, age, gender and ethnicity of candidates. The Board values diversity and inclusion as factors in selecting nominees to serve on the Board. We are committed to using succession planning and the refreshment process to maintain and advance the diversity that exists in our Board.

Sensata’s Board of Directors is 36%

gender or ethnically diverse

with an age differential spanning 27 years as of December 31, 2020.



Learn more about our Board, our Committees as well as their Charters and responsibilities in our [2021 Proxy Statement](#) or our [Governance website](#).

Oversight for Sustainability

Our sustainability efforts are led by our Chief Legal Officer who, with the ESG team, works with functional leaders across the company to determine sustainability strategies, initiatives and goals. These are shared with our Strategy

Leadership Team (SLT), composed of executive leadership, which is actively engaged in assessing various initiatives across the company in support of these efforts.

Our Board of Directors oversees our corporate sustainability program and reviews our strategy, goals and initiatives. The Board views oversight and effective management of environmental and social issues and their related risks as crucial to the Company’s ability to execute strategy and achieve long-term sustainable growth. The Board receives regular updates on environmental, social and governance topics from the Chief Legal Officer and other members of the SLT.

In addition to oversight by the full Board, the Board has also delegated primary responsibility for more frequent and in-depth oversight of portions of the Company’s sustainability program to various Board-level committees. For example, the Nominating & Corporate Governance Committee receives periodic updates on the sustainability initiatives established by management, including those initiatives related to climate change and governance. The Audit Committee oversees the Company’s enterprise risk management program, which has incorporated climate change as a top risk. And the Compensation Committee reviews initiatives and monitors progress against goals as they relate to human capital management, including diversity, equity and inclusion.



BUSINESS ETHICS

In 2020, we updated our Code of Conduct and Business Ethics to provide a framework for making business decisions; to establish the importance of exercising sound, ethical judgment and to recognize the shared priorities we have with our customers, shareholders, employees, suppliers and other third parties with whom we do business. The principles outlined in the Code reflect the fundamental values of fairness and integrity that are part of our culture globally.

We also hosted our inaugural Integrity Week in 2020 (2,000+ participants) to enhance transparency about our commitment to business ethics. The week featured communications from our CEO and senior leadership, with videos encouraging employees to speak up and act with integrity, along with reminders about our Ethics Hotline, referenced in our Code of Conduct and Business Ethics, and policy prohibiting retaliation against employees for making a good faith report. We also revamped our Sensata Ethics Integrity intranet page, including a new CEO message, links to various compliance resources (such as several ethics and integrity self-quizzes, videos and articles) and a link to the Ethics Hotline.

Mandatory trainings

In collaboration with the SLT, human resources, communications and legal teams, we issued several “Tone from the Top” communications emphasizing the importance of ethics, integrity, culture, honesty and speaking up. Along with mandatory training for all employees on the Code of Conduct and other traditional compliance topics, we launched new trainings in line with emerging regulatory risks (e.g., privacy, antitrust, etc.) in collaboration with human resources and will be more proactively monitoring completion, including in the performance review process. Notably, in 2020, Sensata assigned employees, as well as new hires, training specifically focused on human trafficking awareness.

Conducted live training for 100% of VP+ population

resulting in better understanding of our Insider Trading Policy and preclearance procedures

99% completion rate

of required trainings for exempt employees

89% completion rate

of required trainings for non-exempt employees

Anti-corruption

Bribery harms communities, causes damage to reputation and disrupts markets. We are committed to winning customers and selecting business partners based on merit and never because of bribery or other illegal activity. All forms of bribery are prohibited across all Sensata operations, in all of our locations and in all of our interactions. We do not allow giving or accepting cash, cash equivalents or anything else of value in order to secure an unfair business advantage. We do not allow for payments or the provision of any benefit to government officials to obtain business or other favorable treatment. We also do not allow facilitation payments to government officials to speed up their performance.



Learn more in our [Anti-Bribery and Anti-Corruption Policy](#).



RISK MANAGEMENT

Our risk management function is managed by our accounting team and reports into Sensata's Audit Committee of the Board of Directors. In 2020, we launched a new ERM program to align Team Sensata on how to address our risks and chart one holistic framework on how we do so. The ERM program will be structured within a framework that will detail steps to identify, analyze, respond, monitor and report risks, as well as an ERM Committee, which will be guided by a charter that details our mission, composition and responsibilities. The ERM program will be conducted in accordance with the ERM framework by the Enterprise Risk Management team, with input and guidance from the ERM Committee.

In 2020, we created the Sensata Compliance Committee (SCC), beginning the process of formulating our methodology for risk identification and assessment, prioritization and development of risk response strategies

and monitoring compliance risk. The SCC is composed of approximately 20+ employees with representation from every core Sensata compliance function, including inter alia, trade compliance, legal, ESG, supply chain, information security, human resources and finance. Team members are encouraged to discuss risks they foresee in their functions for an open and comprehensive discussion for mitigation. The SCC met monthly throughout 2020, with the ERM team joining in late 2020, with individual members discussing risks and action plans within their respective functional priorities.

The ERM team made an initial presentation to the Audit Committee in January 2021 discussing the plans for the program. The presentation introduced our concept of "Risk Pillars," which are designed to facilitate aggregation of our risks across key areas.

ERM: Our Risk Pillars



Technology and data,

including risks related to data management and protection, including security from cyber-attacks.



Financial,

including risks related to non-compliance with finance-related regulations, other activities impacting the business' finances and business continuity.



Business growth/disruption/transformation,

including both upside and downside risks to our development as a business.



Operational,

including risks related to our operations, including compliance with various regulations that could cause significant impact to our business.



CYBERSECURITY

At Sensata, we value the ability to openly communicate and share information and recognize that information and IT assets are critical business assets. Our approach to cybersecurity, accordingly, is defined by our commitment to maintaining the trust our employees and customers place in us. We are guided by our Cybersecurity Charter, which includes our philosophy of Information Security and identifies the motivation for security, describes information security principles and terms and defines the scope of information security policies and responsibilities of various functions.

Crisis Management Lifecycle



We have robust cybersecurity training programs with frequent touch points with all employees to keep cybersecurity on top of their mind year-round through newsletters, articles on the Sensata intranet and phishing campaigns. This is our first line of defense and we empower our employees to act responsibly.

Our Information Security team develops, implements and updates our training and awareness strategy to ensure that employees understand information security risks, responsibilities and procedures. Our comprehensive training program covers a wide variety of topics from protecting work machines and personal information, to social innovation and how to use this guidance to protect their digital lives at home.

As our people become more sophisticated in cybersecurity, we are evolving our training suite to become more experiential and ubiquitous. For example, some of our training sessions will become video montages so that people can watch them almost like a movie, thereby absorbing the content more meaningfully.

Cybersecurity trainings

3 mandatory trainings

7 optional trainings

90% average 2020 completion rate

eMail Phishing campaign:
click-rate **~50% below** industry average

For incidents that do occur, our response and mitigation efforts are guided by the Sensata Cyber Crisis Management & Incident Response Playbook, which provides guidance on how to respond to, and manage the fallout from, a significant cyber incident requiring an organized response. The Playbook is designed for use in a significant cyber incident with the potential for severe, negative impact.

The Sensata Cyber Crisis Management & Incident Response Playbook provides a flexible, yet standardized core mechanism for coordinated and collaborative incident management, whether for incidents where additional resources are required or are provided from different organizations within a single facility, or for complex incidents with broader implications.



DATA PRIVACY

We care about the privacy of our customers and employees.

At Sensata, we are committed to collecting, handling and protecting personal information responsibly and in compliance with applicable privacy and data protection laws. We:

1. Collect and use personal information only if we have the right to do so and only for legitimate business purposes,
2. Take special care to limit access to personal information on a “need to know” basis,
3. Disclose, use and transfer personal information consistent with applicable law and our policies, and
4. Protect personal information from loss, misuse or disclosure.

As part of our commitment to privacy, we:

- Have implemented policies and procedures to ensure compliance in this area,
- Maintain an organization-wide privacy program designed to oversee implementation, governance and compliance with all applicable laws and regulations regarding the collection, use, maintenance, sharing and disposal of personal information,
- Provide clear and detailed notices to customers and employees regarding how Sensata processes their personal data,
- Collect, use and share personal information only to the extent necessary to provide and improve our products and services or for other legitimate business purposes,
- Respect and provide accessible means for customers and employees, to exercise rights regarding personal data,
- Implement measures and practices designed to protect personal data from loss, misuse or unauthorized disclosure,
- Train our employees as appropriate on applicable privacy and data protection laws such as the GDPR and the CCPA and on our privacy and data protection policies, and
- Monitor privacy laws and regulator guidance so that we can incorporate significant developments in privacy and data protection law into our policies and practices on an ongoing basis.

Written Information Security Program

Sensata also has an Acceptable Use Policy that educates employees on how to handle Sensata equipment and data safely. Ultimately, each one of Sensata’s employees is responsible for adhering to Sensata’s security procedures and for protecting the company’s and customer property. All Sensata employees worldwide as well as contractors and consultants are expected to conduct their business with, or on behalf of, Sensata in a manner consistent with our Written Information Security Program (WISP).

WISP sets the ground rules under which Sensata operates and safeguards its data and systems to both reduce risk and minimize the effect of potential incidents. This program, including related standards, procedures and guidelines, supports the management of information and cybersecurity risks in our daily operations. The development of standards, procedures and guidelines provides due care to ensure Sensata’s employees and information system users understand their day-to-day security responsibilities and the threats that could impact the company.



GOVERNMENT AND COMMUNITY RELATIONS

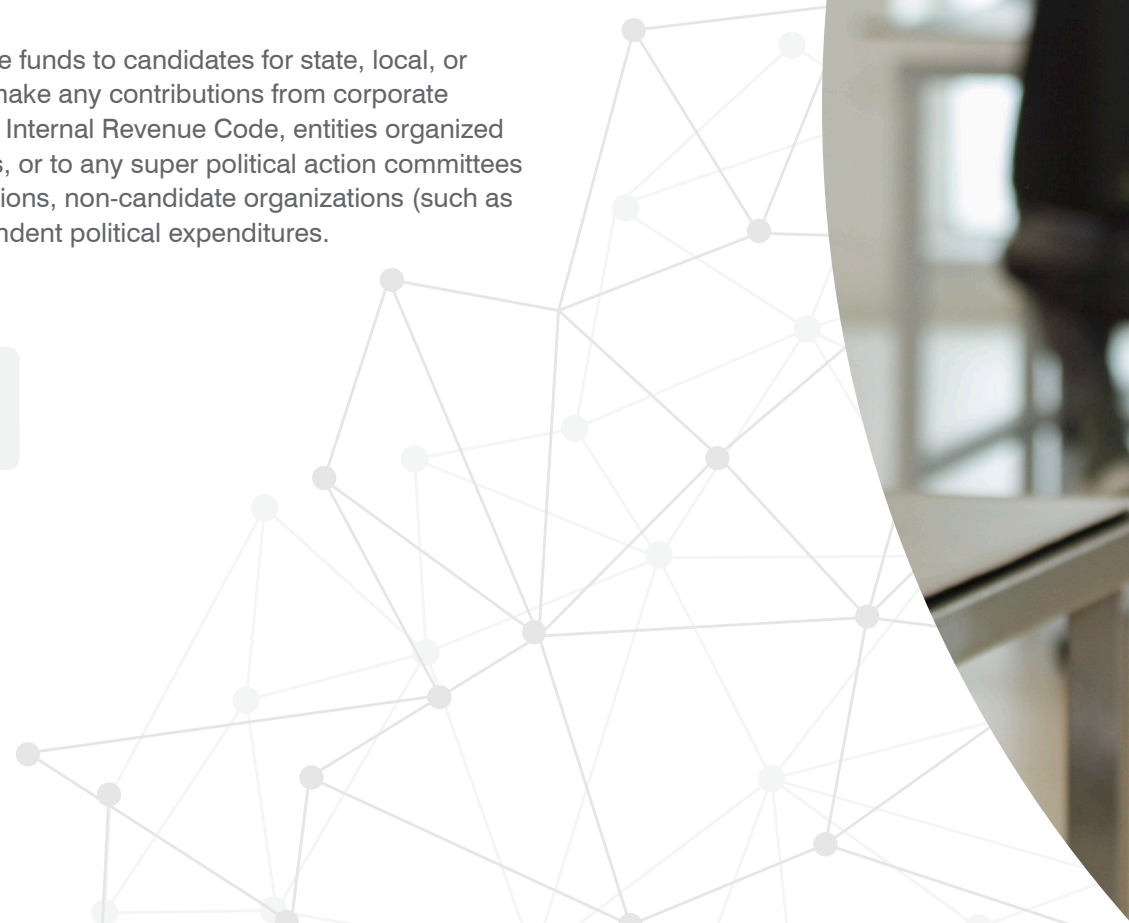
Sensata actively engages with the communities in which we do business around the world and supports a variety of corporate citizenship initiatives. Sensata also encourages our employees to be active in civic and community activities, including participation in the political and democratic process. All political, lobbying and civic activity by Sensata and our employees must comply with applicable laws, Sensata’s Code of Business Conduct and Ethics and our Political Activity Policy. This policy sets forth basic principles concerning political contributions, trade associations and lobbying activities, and applies to Sensata and its subsidiaries, affiliates and employees.

Political Contributions

Sensata does not make contributions from corporate funds to candidates for state, local, or federal office or to political parties. We also do not make any contributions from corporate funds to entities organized under Section 527 of the Internal Revenue Code, entities organized under Section 501(c)(4) to support political activities, or to any super political action committees (PACs), ballot initiatives, electioneering communications, non-candidate organizations (such as political convention host committees), or for independent political expenditures.



Learn more in our [Political Activity Policy](#).





RESPONSIBLE SOURCING

OUR APPROACH

As a global technology company and a leading provider of sensor-rich solutions, we depend heavily on our employees, suppliers and business partners. Our suppliers, partners and employees are critical to our success. We are committed to operating with the highest standards of integrity and ethical behavior and expect that our suppliers and business partners conduct business with similarly high standards. Responsible sourcing is a material sustainability topic for Sensata and its stakeholders. Our goal is always to cost-effectively source quality materials and services in a manner that is consistent with our Code of Business Conduct and Ethics, compliant with the laws of the locations in which we conduct business and protective of the environment.

We expect and encourage all of our suppliers to operate with integrity and to ensure that participants in our supply chain are respected and treated with dignity. Sensata is committed to transparency in the reporting of its sources of certain minerals and on its understanding of the risks of human trafficking in its supply chain and endeavors to comply with related legal disclosure requirements. We are also committed to procuring products and services from suppliers that conduct business in a manner that is protective of the environment and do not directly or indirectly finance or contribute to armed conflict or human rights abuses in Conflict Affected and High-Risk Areas (CAHRAs) or are sanctioned by the United States Government.

Our efforts are guided by our Code of Business Conduct and Ethics and the following policies and procedures:

- [Human Rights and Working Conditions Policy](#)
- [Supplier Code of Conduct \(Supplier COC\)](#)
- [Slavery and Human Trafficking Statement](#)
- [Responsible Mineral Sourcing Policy](#)
- [Global Supplier Quality Manual \(GSQM\)](#)

Sensata’s global supply chain includes approximately 8,000 suppliers in over 50 countries. Our total supplier spend exceeds \$2 billion and encompasses a wide variety of commodities and services that are required to support our manufacturing and business operations. Based on our annual assessment of supply chain risks, Sensata is aware of suppliers that maintain operations in countries that have been identified by the U.S. State Department as being at risk of human trafficking and has expanded its due diligence activities to address this risk.

To drive responsible practices across our supply chain, we engage with multiple groups including nonprofit organizations, regulators, suppliers, partners and sourcing advocates. We also continue to evolve our business continuity planning efforts to address climate, supply chain and marketplace risks.



RESPONSIBLE SOURCING

Sensata's Supply Chain Management practices are aligned with industry-leading standards:

- Automotive Industry Action Group (AIAG) Guiding Principles to Enhance Sustainability Performance in the Supply Chain.
- Responsible Business Alliance (RBA) Code of Conduct.

Trainings and Engagement

We conduct responsible sourcing training for key procurement personnel on an ongoing basis in partnership with a third-party provider, which also provides training for our supply base.

Responding to Customer Requirements

Our customers are important partners in this work and we endeavor to satisfy evolving customer requirements for sustainability-related disclosure. In 2020, we initiated the modifications of key policies and procedures that guide our responsible sourcing practices, all of which were completed in 2021.

It is our goal to continually improve our internal processes to cost-effectively identify in-scope suppliers and to optimize our processes for conducting supplier due diligence, audits and corrective action programs that are required to address supplier non-conformance.





RESPONSIBLE SOURCING

Responsible Sourcing Goals 2021-2026

Recent and Ongoing Activities Taken to Improve Supplier Engagement and Response Rates:

- Publication of Responsible Sourcing Policy,
- Internal assessment of basis for selection of In-scope suppliers,
- Scheduling of Responsible Sourcing Surveys to better align with industry reporting requirements,
- Advance Posting of Responsible Sourcing Campaigns on our Supplier Portal,
- Notification of Responsible Sourcing Training Material available through AIAG and Assent Compliance on our Supplier Portal,
- Updates to our Supplier Code of Conduct to more clearly align with Customer requirements for the sourcing of Conflict Minerals and Cobalt,
- Development of Corrective Action Process for Conflict Minerals and Cobalt for reported non-conformances, and
- Direct engagement with Suppliers who report or are determined to be non-conformant with our Supplier COC.

Sensata has been conducting responsible sourcing campaigns - with relevant portions of its supply chain for information regarding the sourcing of Conflict Minerals since 2015 and for indicators of Slavery and Human Trafficking - since 2018. However, the response rate from our suppliers has not met our expectations.

Sensata has taken steps to improve the response rate for its responsible sourcing campaigns. Recent actions include internal verification of the suppliers that are in-scope for these surveys, direct supplier outreach and advance notification of the survey campaigns. We have also updated our corrective action processes to more meaningfully engage with suppliers who fail to respond to our responsible sourcing surveys, or do not conform to our responsible sourcing requirements.

Suppliers: Slavery and Human Trafficking Campaign Results

| Year | # of Suppliers | Response Rate |
|------|-----------------|-----------------|
| 2020 | Not Performed ↓ | Not performed ↓ |

Note: 35% response rate for 2019 survey

Suppliers: Conflict Minerals Disclosure

| Year | # of Suppliers | Response Rate |
|------|----------------|---------------|
| 2020 | 2,283 ↑ | 56.57% ↑ |

Our 2026

GOALS

ACHIEVE

75%

response rate on our responsible sourcing campaigns

ACHIEVE

100%

sourcing of Conflict Minerals and Cobalt from smelters that are conformant with the Responsible Minerals Assurance Process (RMAP) or an equivalent standard.

2020 HIGHLIGHTS

Cobalt sourcing

As stated in our Human Rights and Working Conditions Policy as well as our Code of Business Conduct and Ethics, Sensata is committed to responsible practices across our own operations and extended supply chain. The ongoing conflict and violence in the Democratic Republic of the Congo (DRC) and adjoining countries are fueled in part from trade in Conflict Minerals, which include tantalum, tin, tungsten and gold (3TG) or any of their derivatives. Similar concerns have arisen surrounding the social and environmental impacts of cobalt extraction, including child labor and unsafe working conditions in artisanal cobalt mining in the DRC.

Consistent with our commitment to human rights and the goals of our customers, in 2021, we began implementing due diligence regarding the use of cobalt in our supply chain and have committed to disclose our findings using the RMI's Cobalt Reporting Template (CRT).



Learn more in our [Responsible Minerals Sourcing Policy](#).



APPENDIX



Global Reporting Initiative (GRI): 2020 Index General Disclosures

| GRI Standard | Disclosure Number | Description | Reference or Response |
|-------------------------------------|--|--|--|
| GRI 102: General Disclosures | Organizational Profile | | |
| | 102-1 | Name of the organization | Sensata Technologies |
| | 102-2 | Activities, brands, products and services | 2020 Form 10-K, p. 4-11; Our Brands (https://www.sensata.com/our-brands) |
| | 102-3 | Location of headquarters | Attleboro, MA |
| | 102-4 | Location of operations | https://www.sensata.com/locations/business-centers |
| | 102-5 | Ownership and legal form | Publicly traded company (NYSE: ST) |
| | 102-6 | Markets served | About Sensata, p. 5; 2020 Form 10-K, p. 4-11 |
| | 102-7 | Scale of the organization | About Sensata, p. 5 |
| | 102-8 | Information on employees and other workers | Empowering Our Workforce, p. 22 |
| | 102-9 | Supply chain | Responsible Sourcing, p. 54-56 |
| | 102-10 | Significant changes to the organization and its supply chain | No significant changes during the reporting period. |
| | 102-11 | Precautionary Principle or approach | Although Sensata does not formally follow the precautionary principle, we assess risks across our operations; Risk Management, p. 50 |
| | 102-12 | External initiatives | Sensata aligns with the following initiatives: ILO Declaration on Fundamental Principles and Rights at Work; the Responsible Business Alliance Code of Conduct (RBA COC); International Bill of Human Rights; United Nations Guiding Principles on Business and Human Rights (2011); Sustainable Development Goals (UNSDGs); and Automotive Industry Guiding Principles to Enhance Sustainability Performance in the Supply Chain. Please see our Code of Business Conduct and Ethics, Human Rights and Working Conditions and Supplier Code of Conduct for more information. |
| | 102-13 | Membership of associations | We have not historically tracked industry and trade association memberships and are therefore unable to report on our participation at this time. We intend to disclose this information in future reporting. |
| Strategy | | | |
| 102-14 | Statement from senior decision maker | A Message from our CEO, p. 6 | |
| Ethics and Integrity | | | |
| 102-16 | Values, principles, standards and norms of behavior | About Sensata - Who We Are, p. 4 | |
| Governance | | | |
| 102-18 | Governance structure | Our Approach to Sustainability, p. 16; Governance, p. 48 | |
| 102-32 | Highest governance body's role in sustainability reporting | Oversight for Sustainability, p. 48 | |



Global Reporting Initiative (GRI): 2020 Index General Disclosures (cont.)

| GRI Standard | Disclosure Number | Description | Reference or Response |
|------------------------------|-------------------------------|--|---|
| GRI 102: General Disclosures | Governance (cont.) | | |
| | 102-35 | Remuneration policies | 2021 Proxy Statement, p. 27-44 |
| | 102-36 | Process for determining remuneration | 2021 Proxy Statement, p. 27-44 |
| | 102-37 | Stakeholders' involvement in remuneration | 2021 Proxy Statement, p. 29 |
| | 102-38 | Annual total compensation ratio | 2021 Proxy Statement, p. 57 |
| | 102-39 | Percentage increase in annual total compensation ratio | 2021 Proxy Statement, p. A-9 |
| | Stakeholder Engagement | | |
| | 102-40 | List of stakeholder groups | Our Approach to Sustainability, p. 16 |
| | 102-41 | Collective bargaining agreements | 2020 Form 10-K, p. 12 |
| | 102-42 | Identifying and selecting stakeholders | Our Approach to Sustainability, p. 16 |
| | 102-43 | Approach to stakeholder engagement | Our Approach to Sustainability, p. 16 |
| | 102-44 | Key topics and concerns raised | Material Sustainability Topics, p. 13 |
| | Reporting Practice | | |
| | 102-45 | Entities included in the consolidated financial statements | 2020 Form 10-K, Exhibit 21.1 |
| | 102-46 | Defining report content and topic Boundaries | About this Report, p. 10; Our Approach to Sustainability, p. 13 |
| | 102-47 | List of material topics | Our Approach to Sustainability, p. 13 |
| | 102-48 | Restatements of information | Not applicable - this is our inaugural Sustainability Report |
| | 102-49 | Changes in reporting | Not applicable - this is our inaugural Sustainability Report |
| | 102-50 | Reporting period | January 1, 2020 - December 31, 2020 |
| | 102-51 | Date of most recent report | This report is our inaugural Sustainability Report |
| | 102-52 | Reporting cycle | Annual |
| | 102-53 | Contact point for questions regarding the report | Kramer Ortman Assistant General Counsel, Corporate and ESG & Assistant Corporate Secretary ESGcompliance@sensata.com |
| | 102-54 | Claims of reporting in accordance with the GRI Standards | This report has been prepared primarily in reference to the Global Reporting Initiative (GRI) Standards 2016. Some disclosures reference updated Standards: Water and Effluents 2018, Occupational Health and Safety 2018 and Waste 2020. |
| | 102-55 | GRI content index | This document represents the company's GRI content index. |



Global Reporting Initiative (GRI): 2020 Index Environmental Topics

| GRI Standard | Disclosure Number | Description | Reference or Response |
|-------------------------------------|---|--|--|
| GRI 103: Management Approach | Circular Economy | | |
| | 103-1 | Explanation of the material topic and its Boundary | Innovating for Sustainability, p. 37 |
| | 103-2 | The management approach and its components | Innovating for Sustainability, p. 31 |
| | 103-3 | Evaluation of the management approach | Information unavailable - Circular Economy has been identified as an emerging material topic. We intend to report on this topic in more detail in the future. |
| | Other KPI | Under development | Information unavailable - We are currently developing KPIs for this material topic and intend to disclose those in future reporting. |
| | Climate Risk | | |
| | 103-1 | Explanation of the material topic and its Boundary | Protecting Our Environment, p. 41 |
| | 103-2 | The management approach and its components | Protecting Our Environment, p. 42 |
| | 103-3 | Evaluation of the management approach | Information unavailable - Climate Risk has been identified as an emerging material topic. We intend to report on this topic in more detail in the future. |
| | Other KPI | Under development | Information unavailable - We are currently developing KPIs for this material topic and intend to disclose those in future reporting, particularly as we align our reporting with the Task Force on Climate-Related Financial Disclosures (TCFD). |
| | Innovation of Sustainable Products | | |
| | 103-1 | Explanation of the material topic and its Boundary | Innovating for Sustainability, p. 31 |
| | 103-2 | The management approach and its components | Innovating for Sustainability, p. 31-33 |
| | 103-3 | Evaluation of the management approach | Innovating for Sustainability, p. 34 |
| | Other KPI | Under development | Information unavailable - We are currently developing KPIs for this material topic and intend to disclose those in future reporting. |
| | Energy and Emissions | | |
| | 103-1 | Explanation of the material topic and its Boundary | Energy and Emissions, p. 41-42 |
| | 103-2 | The management approach and its components | Energy and Emissions, p. 41-42 |
| | 103-3 | Evaluation of the management approach | Energy and Emissions, p. 41-42, 45 |
| | GRI 305: Emissions | 305-1 | Direct (Scope 1) GHG emissions |
| 305-2 | | Energy indirect (Scope 2) GHG emissions | Energy and Emissions, p. 41-42, 45 |
| 305-4 | | GHG emissions intensity | Energy and Emissions, p. 45 |



Global Reporting Initiative (GRI): 2020 Index Environmental Topics (cont.)

| GRI Standard | Disclosure Number | Description | Reference or Response |
|--|-------------------------------------|--|---|
| GRI 103: Management Approach | Environmental Compliance | | |
| | 103-1 | Explanation of the material topic and its Boundary | Environmental Management at Our Facilities, p. 43 |
| | 103-2 | The management approach and its components | Environmental Management at Our Facilities, p. 43 |
| | 103-3 | Evaluation of the management approach | Environmental Management at Our Facilities, p. 44 |
| GRI 307: Environmental Compliance | 307-1 | Non-compliance with environmental laws and regulations | 2020 Form 10-K, p. 106 |
| GRI 103: Management Approach | Waste Management | | |
| | 103-1 | Explanation of the material topic and its Boundary | Environmental Management at Our Facilities, p. 43 |
| | 103-2 | The management approach and its components | Environmental Management at Our Facilities, p. 43 |
| | 103-3 | Evaluation of the management approach | Environmental Management at Our Facilities, p. 44 |
| GRI 306: Waste | 306-1 | Waste generation and significant waste-related impacts | Information unavailable - We are working to collect relevant information to report on this indicator in the future. |
| | 306-2 | Management of significant waste-related impacts | Information unavailable - We are working to collect relevant information to report on this indicator in the future. |
| | 306-3 | Waste generated | Environmental Management at Our Facilities, p. 45 |
| | 306-4 | Waste diverted from disposal | Environmental Management at Our Facilities, p. 45 |
| | 306-5 | Waste directed to disposal | Environmental Management at Our Facilities, p. 45 |
| | GRI 103: Management Approach | Water Stewardship | |
| 103-1 | | Explanation of the material topic and its Boundary | Environmental Management at Our Facilities, p. 43 |
| 103-2 | | The management approach and its components | Environmental Management at Our Facilities, p. 43 |
| 103-3 | | Evaluation of the management approach | Environmental Management at Our Facilities, p. 44 |
| GRI 303: Water and Effluents | 303-1 | Interactions with water as a shared resource | Information unavailable - We are working to collect relevant information to report on this indicator in the future. |
| | 303-2 | Management of water discharge-related impacts | Environmental Management at Our Facilities, p. 44-45 |
| | 303-3 | Water withdrawal | Environmental Management at Our Facilities, p. 45 |
| | 303-4 | Water discharge | Environmental Management at Our Facilities, p. 45 |
| | 303-5 | Water consumption | Environmental Management at Our Facilities, p. 45 |



Global Reporting Initiative (GRI): 2020 Index Social Topics

| GRI Standard | Disclosure Number | Description | Reference or Response |
|---|--|---|--|
| GRI 103: Management Approach | Community Impact | | |
| | 103-1 | Explanation of the material topic and its Boundary | Community Impact, p. 27 |
| | 103-2 | The management approach and its components | Community Impact, p. 27-29 |
| | 103-3 | Evaluation of the management approach | Community Impact, p. 27-29 |
| | 413-1 | Operations with local community engagement, impact assessments and development programs | Community Impact, p. 27-29 |
| GRI 103: Management Approach | Diversity, Equity and Inclusion | | |
| | 103-1 | Explanation of the material topic and its Boundary | Diversity, Equity and Inclusion, p. 19 |
| | 103-2 | The management approach and its components | Diversity, Equity and Inclusion, p. 19-21 |
| | 103-3 | Evaluation of the management approach | Diversity, Equity and Inclusion, p. 19-21 |
| GRI 405: Diversity and Equal Opportunity | 405-1 | Diversity of governance bodies and employees | Our Workforce by the Numbers, p. 22 |
| GRI 103: Management Approach | Future Workforce | | |
| | 103-1 | Explanation of the material topic and its Boundary | Talent Management, p. 23 |
| | 103-2 | The management approach and its components | Talent Management, p. 23-24 |
| | 103-3 | Evaluation of the management approach | Talent Management, p. 23-24 |
| GRI 401: Employment | 401-1 | New employee hires and employee turnover | Information unavailable - We are working to collect relevant data to report on this indicator in the future. |
| GRI 404: Training and Education | 404-1 | Average hours of training per year per employee | Information unavailable - We are working to collect relevant data to report on this indicator in the future. |
| | 404-2 | Programs for upgrading employee skills and transition assistance programs | Talent Management, p. 23-24 |
| GRI 103: Management Approach | Health, Safety and Well-Being | | |
| | 103-1 | Explanation of the material topic and its Boundary | Employee Health, Safety and Well-Being, p. 25 |
| | 103-2 | The management approach and its components | Employee Health, Safety and Well-Being, p. 25-26 |
| | 103-3 | Evaluation of the management approach | Employee Health, Safety and Well-Being, p. 25-26 |
| GRI 403: Occupational Health and Safety | 403-1 | Occupational health and safety management system | Employee Health, Safety and Well-Being, p. 25 |
| | 403-2 | Hazard identification, risk assessment and incident investigation | Employee Health, Safety and Well-Being, p. 25 |
| | 403-3 | Occupational health services | Employee Health, Safety and Well-Being, p. 26 |



Global Reporting Initiative (GRI): 2020 Index Social Topics (cont.)

| GRI Standard | Disclosure Number | Description | Reference or Response |
|--|--|---|--|
| GRI 403: Occupational Health and Safety | Health, Safety and Well-Being (cont.) | | |
| | 403-4 | Worker participation, consultation and communication on occupational health and safety | Information unavailable - We are working to collect relevant information to report on this indicator in the future. |
| | 403-5 | Worker training on occupational health and safety | Employee Health, Safety and Well-Being, p. 25 |
| | 403-6 | Promotion of worker health | Our Response to Covid-19, p. 8; Employee Health, Safety and Well-Being, p. 25-26 |
| | 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Supplier Code of Conduct |
| | 403-8 | Workers covered by an occupational health and safety management system | Employee Health, Safety and Well-Being, p. 25 |
| | 403-9 | Work-related injuries | Employee Health, Safety and Well-Being, p. 25 |
| GRI 103: Management Approach | Labor Practices | | |
| | 103-1 | Explanation of the material topic and its Boundary | Operating Responsibly, p. 47 |
| | 103-2 | The management approach and its components | Code of Conduct and Business Ethics pg. 49; Human Rights and Working Conditions Policy pg. 54; Slavery and Human Trafficking Statement pg. 56 |
| | 103-3 | Evaluation of the management approach | Code of Conduct and Business Ethics pg. 49; Human Rights and Working Conditions Policy pg. 54; Slavery and Human Trafficking Statement pg. 56 |
| | Other KPI | Under development | Information unavailable - We are currently developing KPIs for this material topic and intend to disclose those in future reporting. |
| | Responsible Sourcing | | |
| | 103-1 | Explanation of the material topic and its Boundary | Responsible Sourcing, p. 54 |
| | 103-2 | The management approach and its components | Responsible Sourcing, p. 55-56 |
| | 103-3 | Evaluation of the management approach | Responsible Sourcing, p. 55-56 |
| | GRI 412: Human Rights Assessment | 412-2 | Employee training on human rights policies or procedures |
| GRI 103: Management Approach | Safe Mobility | | |
| | 103-1 | Explanation of the material topic and its Boundary | Product Quality, p. 38 |
| | 103-2 | The management approach and its components | Information unavailable - Safe Mobility has been identified as an emerging material topic. We intend to report on this topic in more detail in the future. |
| | 103-3 | Evaluation of the management approach | Information unavailable - Safe Mobility has been identified as an emerging material topic. We intend to report on this topic in more detail in the future. |
| | Other KPI | Under development | Information unavailable - We are currently developing KPIs for this material topic and intend to disclose those in future reporting. |



Global Reporting Initiative (GRI): 2020 Index Governance Topics

| GRI Standard | Disclosure Number | Description | Reference or Response |
|-------------------------------------|----------------------------------|--|--|
| GRI 103: Management Approach | Corporate Governance | | |
| | 103-1 | Explanation of the material topic and its Boundary | Governance, p. 48 |
| | 103-2 | The management approach and its components | Governance, p. 48 |
| | 103-3 | Evaluation of the management approach | Governance, p. 48 |
| | Other KPI | Board diversity | Governance, p. 48 |
| | Data Privacy and Security | | |
| | 103-1 | Explanation of the material topic and its Boundary | Cybersecurity, p. 51; Data Privacy, p. 52 |
| | 103-2 | The management approach and its components | Cybersecurity, p. 51; Data Privacy, p. 52 |
| | 103-3 | Evaluation of the management approach | Cybersecurity, p. 51; Data Privacy, p. 52 |
| | GRI 418: Customer Privacy | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data |
| GRI 103: Management Approach | Ethics and Compliance | | |
| | 103-1 | Explanation of the material topic and its Boundary | Business Ethics, p. 49 |
| | 103-2 | The management approach and its components | Governance, p. 48; Business Ethics, p. 49 |
| | 103-3 | Evaluation of the management approach | Governance, p. 48; Business Ethics, p. 49 |
| GRI 205: Anti-Corruption | 205-2 | Communication and training about anti-corruption policies and procedures | Business Ethics, p. 49 |
| GRI 103: Management Approach | Product Quality | | |
| | 103-1 | Explanation of the material topic and its Boundary | Product Quality, p. 36 |
| | 103-2 | The management approach and its components | Product Quality, p. 36-38 |
| | 103-3 | Evaluation of the management approach | Product Quality, p. 36-38 |
| | Other KPI | Product units with zero recalls | Product Quality, p. 36 |



Sustainability Accounting Standards Board (SASB): Electrical and Electronic Equipment 2020 Index

| Topic | Code | Accounting Metric | Location or Direct Response |
|-------------------------------------|--------------|--|---|
| Energy Management | RT-EE-130a.1 | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Protecting Our Environment, p. 41-42, 45. 45; CDP Response: Climate Change 2021 |
| Hazardous Waste Management | RT-EE-150a.1 | Amount of hazardous waste generated, percentage recycled | Protecting Our Environment, p. 45 |
| | RT-EE-150a.2 | Number and aggregate quantity of reportable spills, quantity recovered | We experienced no reportable spills in 2020. |
| Product Safety | RT-EE-250a.1 | Number of recalls issued, total units recalled | Product Quality, p. 36 |
| | RT-EE-250a.2 | Total amount of monetary losses as a result of legal proceedings associated with product safety | We are unable to provide data for this metric at this time. |
| Product Lifecycle Management | RT-EE-410a.1 | Percentage of products by revenue that contain IEC 62474 declarable substances | We are unable to provide data for this metric at this time. |
| | RT-EE-410a.2 | Percentage of eligible products, by revenue, that meet ENERGY STAR® criteria | We are unable to provide data for this metric at this time. |
| | RT-EE-410a.3 | Revenue from renewable energy-related and energy efficiency-related products | We are unable to provide data for this metric at this time. |
| Materials Sourcing | RT-EE-440a.1 | Description of the management of risks associated with the use of critical materials | Responsible Sourcing, p. 54-56 |
| Business Ethics | RT-EE-510a.1 | Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior | Business Ethics, p. 49 |
| | RT-EE-510a.2 | Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption | We experienced no monetary losses as a result of legal proceedings associated with bribery or corruption in 2020. |
| | RT-EE-510a.3 | Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations | We experienced no monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations in 2020. |

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