



POWERING
POSSIBILITIES

TOGETHER

SENSATA'S 2022 SUSTAINABILITY REPORT



Sensata
Technologies

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Sensata Hengelo, The Netherlands

About Sensata

- Who We Are
- A Message from Our CEO
- About This Report

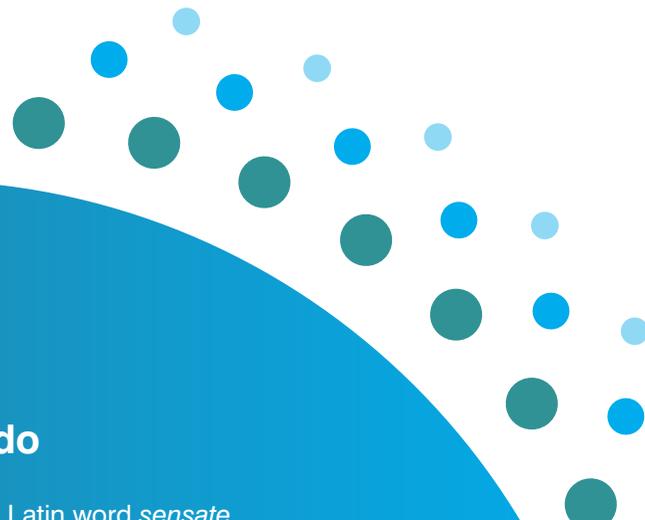
Who We Are

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.

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 safely deliver a cleaner, more efficient, electrified and connected world.



Sensing is what we do

Sensata's name comes from the Latin word *sensate* or "those gifted with sense." Collaborating at Sensata means working with some of the world's most talented people in an enriching environment that is constantly pushing towards the next best thing.

Sensata's values are the essence of our 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 on 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 and 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.

Sustainable Innovation

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



Safe & 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: Electrification and clean energy applications help decarbonize the planet by delivering power conversion and energy storage solutions for renewables, and components for electric vehicles, charging stations, infrastructure and more.



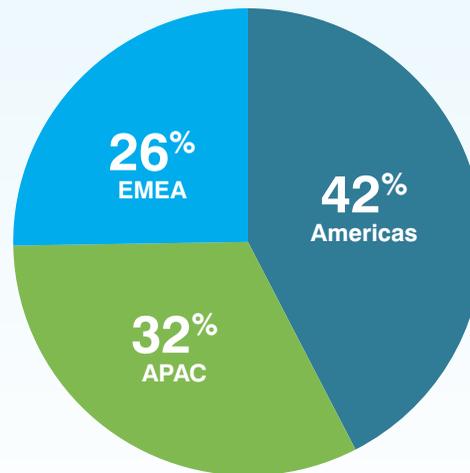
Sensata INSIGHTS: Sensata built a proprietary end-to-end platform to help channel customers create value, optimize opportunities and maximize revenue from their IoT data.

Key Metrics

2022 Revenue

\$4B

Revenue by Geographic Location



~21K
employees

30%
female executives on the Strategy Leadership Team

1.1B+
products shipped

250%+
increase in Electrification new business wins

16
countries with facilities/operations

10.7%
decrease in market-based emissions intensity

Delivering customer excellence globally

- Manufacturing
- Business Site

Americas

Brazil, Mexico, United States
 (Arizona, California, Idaho, Maryland, Massachusetts, Minnesota, Missouri, New York, Vermont, Washington)

Europe

Belgium, Bulgaria, Denmark, France, Germany, Lithuania, The Netherlands, UK

Asia

China, India, Japan, Korea, Malaysia



1.1 Billion
 devices shipped each year,
 each highly engineered

+ Sales & Engineering Support Offices Worldwide

A Message from our CEO

2022 was a year of tremendous transformation: Team Sensata delivered record revenue, closed more than \$1 billion in new business wins and substantially reduced our greenhouse gas emissions intensity, reaffirming our ESG commitment.

The year was not without its challenges. Global market uncertainty, prolonged supply chain disruptions and cost increases for labor and materials pressured our operating profit, but through it all, we remained focused on our purpose: to help customers and partners safely deliver a cleaner, more efficient, electrified and connected world.

In 2022, Sensata reported a record \$4.03 billion in revenue, a 5.5% increase from 2021, despite worsening foreign exchange headwinds. Reflecting higher material costs and adverse foreign exchange rates, in addition to increased investment in our megatrend opportunities, adjusted earnings per share fell to \$3.40 in 2022.

Three years ago, when it became increasingly clear that our world was quickly becoming more electrified and more connected, we embarked on an aggressive strategic pivot to build capabilities

to help our customers and partners solve their most difficult engineering challenges in support of these megatrends.

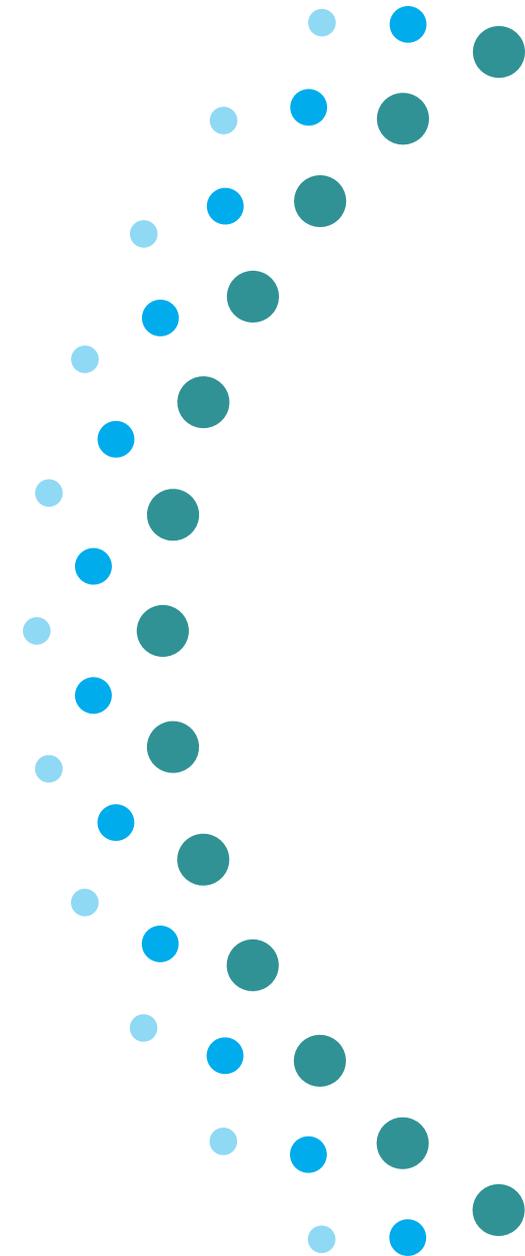
Today, we are reaping the benefits of that investment. Electrification applications across our business grew significantly in 2022, responding to customer and consumer demands for greater efficiency and a cleaner environment. In 2022, we generated \$460 million in Electrification revenue, up 77% from the prior year.

Our success in winning new business in Electrification – more than \$700 million in 2022 – validates this key pillar of our growth strategy. The continued growth of electric vehicles is a significant opportunity for us, and we expect Sensata's content per vehicle on EVs to be double that of current combustion engine vehicles by 2026. But we see the Electrification ecosystem as a much broader opportunity. With the acquisition

of Dynapower, a leading provider of clean energy solutions, we aim to not only be the provider of choice for Electrification components across our markets but a trusted partner for energy storage systems and industrial power conversion.

We believe that supporting our customers' transition to cleaner energy will be the most impactful way to do our part to support a better planet. And we are not resting there, as we are also looking at ways that we can make our own facilities better and our culture more diverse and inclusive.

In 2022, we undertook several projects focused on operational efficiency improvements. We completed LED lighting projects both in the U.S. and abroad, installing a high-efficiency oil-free compressor at a large site and replacing a dated, air-cooled chiller with a more efficient water-cooled chiller at another site. These efforts reduced our



Team Sensata
is who we are
and **Powering Possibilities**
Together is what
we do. Thank you
for following along
on our journey.

total energy consumption by over 2,700 megawatt hours. These projects, which built upon our 2021 efficiency improvements, enabled us to decrease our electricity consumption by over 10,000 MWh, which is approximately 3.8% of our total use. Our energy efficiency projects, in addition to powering our Attleboro headquarters with 100% renewable electricity, resulted in us achieving our emissions intensity reduction goal four years early. This year, we will continue to build on the successes of the past and are investing in even more facility efficiency projects globally.

In addition to all the improvements we made to our infrastructure, we invested heavily in our greatest asset – Team Sensata.

In 2022, we delivered over 85,000 hours of training spanning various required learning and professional development topics. Moreover, we expanded our learning offerings to include more content focused on creating an inclusive culture. For new hires, we launched “Introduction to Diversity, Equity, and Inclusion,” a self-paced learning opportunity that covers our DEI strategy, progress we have made and ways for employees to get involved with Employee Resource Groups as a member or an ally.

For our leaders, we launched a DEI Leadership Toolkit and formalized our Sensata Leadership Principles, which articulate my expectations for our leadership team. These principles include expectations around how our leaders need to be human and connect with purpose, how to listen to many points of view and ensure that diverse

voices and perspectives are allowed to weigh in, and how leadership is truly a privilege, not an entitlement.

In recognition of all our efforts, Sensata was included in Newsweek’s list of America’s Most Responsible Companies and listed as a member in the 2023 Bloomberg Gender-Equality Index (GEI) for the first time. Sensata joined 483 other member companies on the 2023 GEI, including companies representing 45 countries and a variety of sectors such as financials, technology and utilities.



While we are proud of the progress made in 2022, we recognize the significant amount of work that remains to be done in achieving our purpose-driven goals and creating the diverse and inclusive workforce we envision.

As the pace of change continues to accelerate, as our markets become more and more complicated, we will continue to hold fast to what has always been our key differentiator – our mission-critical solutions and our team.

Despite the near-term market uncertainty, our financial position is sound, our business is fundamentally rooted in sustainability, and we have the right team and talent in place to drive towards a cleaner, safer and more sustainable world for us all.



Jeffrey J. Cote
Chief Executive Officer
and President

About This Report

This is Sensata Technologies' third Sustainability Report. It has been developed in reference to the Global Reporting Initiative (GRI) Standards and is informed by other leading reporting frameworks such as the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD), as well as 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 2022 and 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.

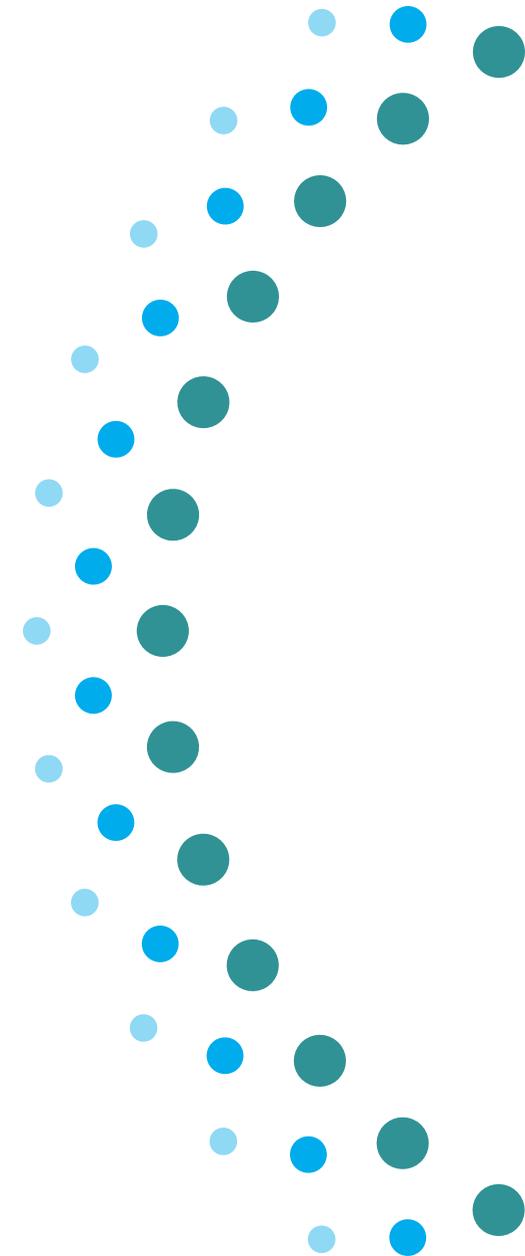
Our Commitment to Sustainable Practices

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 where we conduct business.

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, 2022 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. All such forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update these statements other than as required by law.





Sensata Attleboro Headquarters

Our Approach to Sustainability

- Powering Possibilities Together
- Material Sustainability Topics
- Our Commitment to the United Nations Sustainable Development Goals (UN SDGs)
- ESG Governance

Our Priorities

POWERING POSSIBILITIES TOGETHER

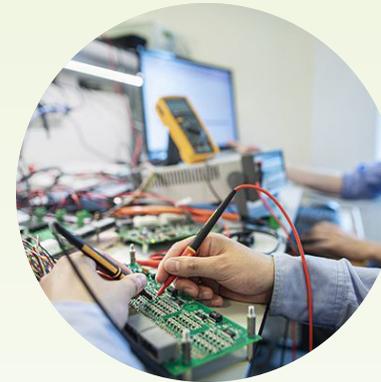
At Sensata, we power possibilities and are engineered to solve big problems.

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. We envision the future as being connected and smarter, which is why we are committed to powering these possibilities together.



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 efficient, 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 our first 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 finalization of our material topics list at right.

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 other sustainability topics that are important to Sensata and its stakeholders.

Social

- Community Impact
- Diversity, Equity and Inclusion
- Future Workforce
- Health, Safety and Well-Being
- Safe Mobility
- Labor Practices
- Responsible Sourcing

Environmental

- Circular Economy
- Climate Risk
- Energy and Emissions
- Environmental Compliance
- Innovation of Sustainable Products and Services
- Waste Management
- Water Stewardship

Governance

- Corporate Governance
- Data Privacy and Security
- Ethics and Compliance
- Product Quality

DIVERSITY, EQUITY AND INCLUSION 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)

ENERGY AND EMISSIONS GOALS



Achieve Carbon Neutrality
in our operations by 2050



10% reduction in our market-based emissions intensity by 2026 from a 2021 baseline



5% reduction in our market-based emissions intensity in 2023 from 2022

ACHIEVED

NEW

RESPONSIBLE SOURCING 2026 GOALS



Achieve 75%
response rate on our responsible sourcing campaigns



Achieve 100%
sourcing of Conflict Minerals from smelters that are conformant with the Responsible Minerals Assurance Process (RMAP) or equivalent standard

Our Commitment to the United Nations Sustainable Development Goals (UN SDGs)

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

Empowering Our Workforce

5 GENDER EQUALITY

5 Gender Equality
 Our goal to increase female representation in management
Page 17

8 DECENT WORK AND ECONOMIC GROWTH

8 Decent Work and Economic Growth
 STEM community involvement and internships
Page 23, Page 35

10 REDUCED INEQUALITIES

10 Reduced Inequalities
 Diversity, Equity and Inclusion Policy
Page 17

Protecting Our Environment

7 AFFORDABLE AND CLEAN ENERGY

7 Affordable and Clean Energy
 Our long-term goal to be carbon neutral
Page 51

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9 Industry, Innovation and Infrastructure
 Strategic investment in the design and production of green technologies
Page 38-42

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

12 Responsible Consumption and Production
 Continuous improvement in the reduction of waste, water use and GHG emissions associated with our operations
Page 51-54, 56-57

Operating Sustainably

8 DECENT WORK AND ECONOMIC GROWTH

8 Decent Work and Economic Growth
 Human Rights Policy
Page 69

Responsible Sourcing Initiatives
Page 67-69



ESG Governance

Our sustainability efforts are led by our General Counsel, 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 ESG Governance in the [Corporate Governance](#) section.

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.

Related Links

[Code of Business Conduct and Ethics](#)

[Board Committee Charters](#)

We listen to and engage with key stakeholder groups in several 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 General Counsel
Current and prospective employees	Internal communications and seminars Annual trainings
Suppliers	Onboarding process Direct engagement Inclusion in materiality assessment Annual Responsible Sourcing campaigns
Nonprofit organizations	Facility outreach to communities (global) Community engagement initiatives facilitated by the Sensata Foundation





Empowering Our Workforce

- Our Approach
- Diversity, Equity and Inclusion
- Our Workforce by the Numbers
- Talent Management and Future Workforce
- Employee Health, Safety and Well-Being
- Labor Practices
- Community Impact

Supporting Belfast Mela, Northern Ireland

Our Approach

We are a 100+ year old global industrial technology company with a proud history of designing and manufacturing mission-critical and innovative sensor-rich solutions that create insights for our customers. We are a leader in the automotive, appliance, aircraft, industrial, military, heavy vehicle, off-road, HVAC, data, telecom, RV and marine industries. At the heart of our longevity and success lies our talented global workforce, whom we refer to as **Team Sensata**.

Each and every day, Team Sensata designs, develops and delivers products that serve as critical building blocks to help our customers and partners safely deliver a cleaner, more efficient, electrified and connected world. None of this would be possible without the passion, diversity and expertise of our team. Our continued success requires an inclusive culture that values transparency and accountability.

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 roughly 21,000 employees across 16 countries, we live by our Employee Value Proposition – **SmarterTogether** – every day to develop solutions that improve our world's connections.

This includes our commitment to four key areas:

- 1 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.
- 2 Talent Management and Future Workforce**
 We are committed to ensuring that all hiring practices and employee programs equip each Sensata employee with the tools and resources they need to design, develop and deliver a world of smart, connected solutions.

- 3 Employee Health, Safety and Well-Being**
 We recognize the importance of supporting our employees' physical and mental health, safety and well-being, and strive to provide comprehensive and competitive benefits that consider the whole family and whole person by supporting their physical, financial and emotional wellness.

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

Smarter Together

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 functions, countries and cultures, gaining new perspectives through mutual respect and open communication. As OneSensata, we are working together to make things work together.



Diversity, Equity and Inclusion

Our Approach

Diversity, Equity and Inclusion (DEI) is critical to the success of our company, as an engaged workforce fosters creativity, fuels innovation, guides business strategies and drives long-term success. We are committed to identifying and preventing discrimination in our business practices and ensuring our employees feel a sense of belonging and respect every day, enabling them to bring their whole selves to work so they can engage, contribute and deliver results.

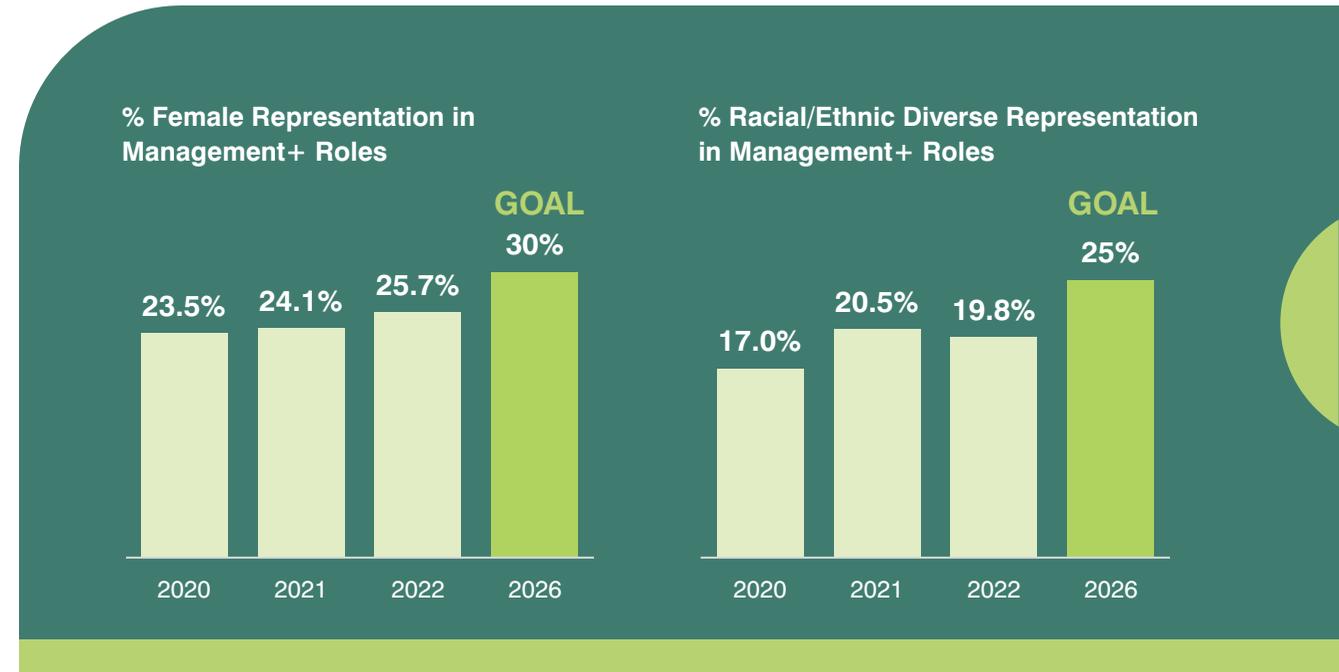
DEI at Sensata is overseen by our Chief Administrative Officer and guided by our **Diversity, Equity and Inclusion Policy**.

Increasing Representation

We continue to focus on increasing female representation in professional roles worldwide and improving racial/ethnic minority representation in the U.S., which includes aligning the companies we acquire with our DEI policies. Our DEI efforts contributed to slight increases in the number of women in management and above roles, technical roles, and a 5% increase in women in senior executive positions.

Compared to 2021, there was a slight decrease in diverse employees in management and above roles, but we are taking steps to ensure we reach our goal. In 2022, we formed three new partnerships with organizations that provide opportunities to mentor and develop talent in underrepresented communities:

- **American Corporate Partners (ACP):** A national nonprofit that helps U.S. veterans transition to post-service careers through a One-on-One Mentoring program.
- **National Society of Black Engineers (NSBE) Boston:** A nonprofit dedicated to the academic and professional success of Black/African American engineering students and professionals.
- **Hack.Diversity:** A nonprofit with a mission to break down barriers for Black and Latinx professionals in tech, and it partners with employers to recruit, retain and promote diverse talent.



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)

Self-Identification

In 2022, we implemented a global self-identification campaign, inviting employees to voluntarily disclose information such as gender, gender identity, LGBTQIA+ identity and racial identity in addition to disability and veteran status. This resulted in a 13% increase in U.S. employees self-identifying their race and ethnicity, and we plan to use data from the campaign to evaluate our hiring and talent processes and gauge the success of our DEI initiatives. Furthermore, we encourage employees to identify their pronouns and the pronunciation of their names in our talent

management system and updated our service milestone program to recognize employees by their preferred name.

Pride Flag-Raising Ceremony

As a demonstration of our commitment to an inclusive workplace, and in support of our newly formed Proud@Sensata Employee Resource Group (ERG), in 2022 we held a Pride flag-raising ceremony at our Attleboro headquarters. The flag hangs beside other flags representing countries where Sensata operates, signaling our support for the LGBTQIA+ community globally.

CEO **ACT!ON** FOR DIVERSITY & INCLUSION

Pledging CEO Action for Diversity & Inclusion™

In 2022, our Chief Executive Officer and President, Jeff Cote, signed the CEO Action Pledge as part of the CEO Action for Diversity & Inclusion™, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace. Sensata joined over 2,000 companies in this commitment, marking another step toward advancing our priority to create a more diverse and inclusive workplace.



Pay Equity

At Sensata, we understand that our people are our greatest strength, 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.

DEI Learning Opportunities

In 2022, we expanded our learning offerings to include more content focused on creating an inclusive culture. For new hires, we launched “Introduction to Diversity, Equity, and Inclusion,” a self-paced learning opportunity that covers our DEI strategy, progress we have made and ways for employees to get involved with ERGs as a member or an ally. For managers, the DEI team offered a global monthly microlearning tool called “Fact. Pact. Act.,” promoting our core value of One Sensata – fostering a culture of inclusion by giving everyone an opportunity to be seen and heard. Each issue covers topics such as inclusive behaviors, available training, DEI or ERG activities, global holidays and celebratory months. Managers are also encouraged to incorporate the content from each issue in regular team meetings to build a more inclusive workplace.

Leadership Training

At the leadership level, employees in senior director and above roles completed our DEI Leadership Toolkit and were encouraged to attend sessions to discuss the materials and their commitments as inclusive leaders. We also continued our partnership with a nationally recognized expert and dedicated time during our 2022 Leadership Summit to inclusive leadership development. The session focused on equity and transformation, leveraging the workshop completed by Sensata leaders in 2021 and the results of our 2021 DEI survey. Through this partnership, we continue to educate our leaders to move them from awareness to action so that they can serve as advocates for inclusion.

Belonging at Sensata Summit

Our DEI learning culminated with the “Belonging at Sensata Summit,” which offered two days of virtual workshops focusing on the theme of “Courage. Compassion. Collaboration.” Organized by Sensata’s DEI team working with our ERGs, allies and employees, the Summit featured external thought leaders and employee panels as well as the presentation of Sensata’s first DEI Awards – Ally of the Year, ERG Role Model of the Year and Mentor of the Year – to employees demonstrating inclusive behaviors.



ERGs as a Support System

Sensata's 14 global ERG chapters offer a support system for employees representing different cultural backgrounds and identities. In 2022, we added a chapter in China to our Sensata Emerging Professionals (SEP) ERG and chapters in Sofia, Bulgaria and Hengelo, the Netherlands to our Appreciating Cultural Exchange (ACE) ERG.

Our ERGs host educational and entertainment events throughout the year, some featuring external guest speakers, and create professional development and networking opportunities. Each ERG is supported by an executive sponsor who is a member of our Strategy Leadership Team. ERG-sponsored events in 2022 recognized Asian Pacific American Heritage Month, Hispanic Heritage Month, Juneteenth and Pride Month, among others.



Asian, Asian-American & Pacific Islander



Black Employee Network



Appreciating Cultural Exchange



Sensata Emerging Professionals



Sensata Hispanic Association



Proud@Sensata



Women in Sensata

2022 Recognition

Bloomberg Gender Equality Index

Sensata is proud to be listed as a member in the 2023 Bloomberg Gender-Equality Index (GEI) for the first time. The Bloomberg GEI measures the performance of public companies committed to reporting gender-related data across five pillars: Leadership and Talent Pipeline, Equal Pay and Gender Pay Parity, Inclusive Culture, Anti-Sexual Harassment Policies, and External Brand. Sensata joined 483 other member companies on the 2023 GEI, including organizations representing 45 countries and a variety of sectors such as financials, technology and utilities.



AIB Business Eye Awards 2022

Diversity & Inclusion Trophy

Sensata received the Diversity & Inclusion Award at the Allied British Bank (AIB) Business Eye Awards 2022 in Northern Ireland. Our goal is to achieve fair representation of women, people of color, LGBTQIA+ community, veterans and people with disabilities among all levels in our organization, and this recognition highlights the progress we are making toward our DEI commitments.



Looking Ahead

We are proud of the progress made in 2022 but recognize the significant amount of work that remains to be done in achieving our goals and creating the diverse and inclusive workforce we envision. In 2023, we will continue to invest in programs that build on our DEI efforts and contribute to an inclusive culture, stronger talent pipeline and empowered workforce. We look forward to sponsoring more programs to increase diverse representation in our workforce, in addition to redesigning and expanding our ERGs to support veterans and employees who are neurodivergent or have a disability.

[Related Link: Diversity, Equity and Inclusion Policy](#)

Our Workforce by the Numbers

2022 Highlights



20,908
employees



5%
increase in women
in senior executive
roles



100%
of U.S. employees have
self-identified their gender



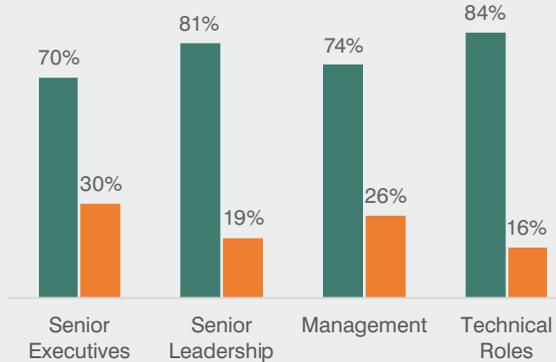
85%
of U.S. employees have
self-identified their race
and ethnicity

Board of Directors

9 Non-Executive Directors
6 Male/3 Female

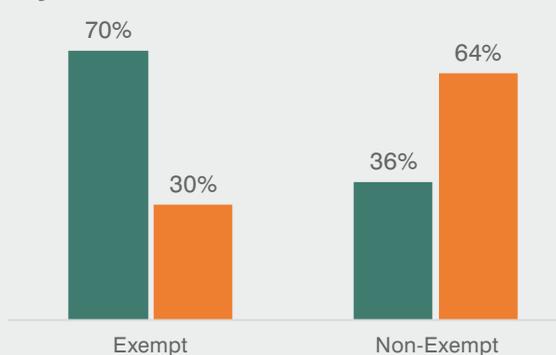
1 Executive Director
(the CEO)

Workforce by Role

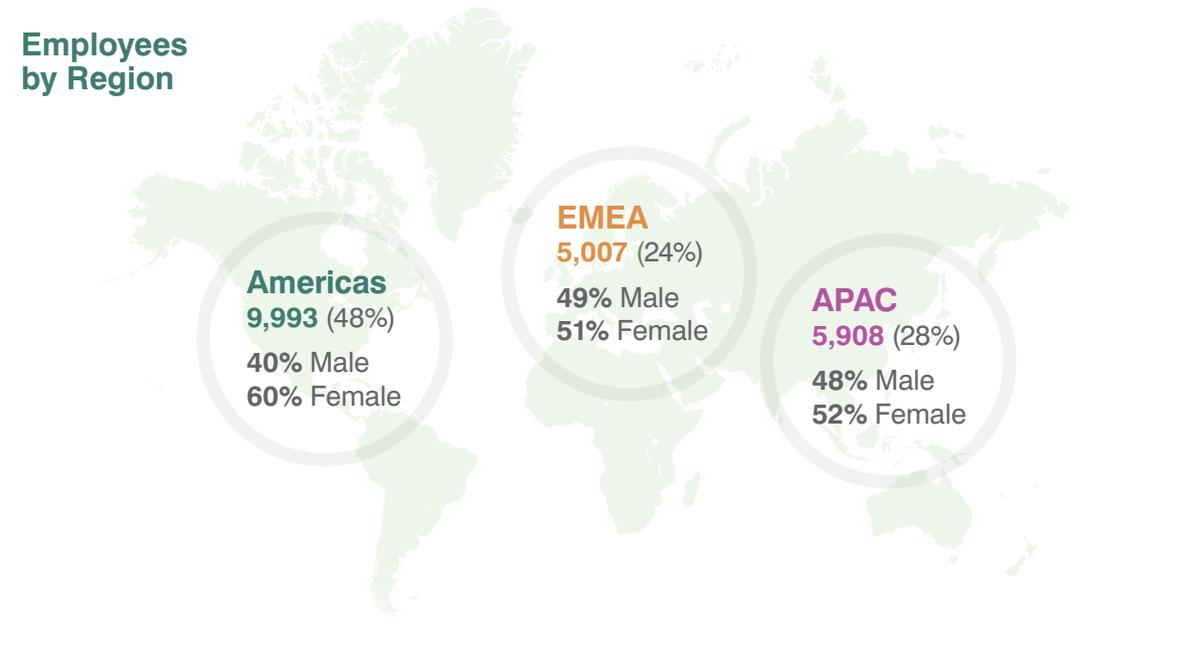


Senior Executives = CEO and his direct reports
 Senior Leadership = Sr. Director+
 Management = Supervisor to Director
 Technical = Employees in technical roles eligible for the Tech Ladder

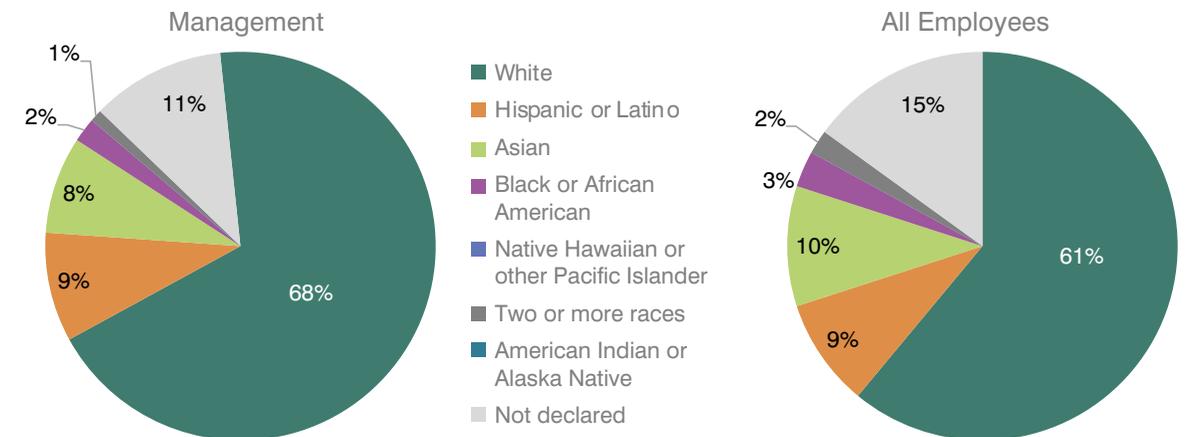
By Job Status



Employees by Region



U.S. Workforce by Race



*Totals may not add up to 100% due to rounding

Our Workforce by the Numbers

	2020	2021	2022
2026 Goals			
Female Representation in Management+ Roles (worldwide)	23.5%	24.1%	25.7%
Racial/Ethnic Diverse Representation in Management+ Roles (U.S.)	17.0%	20.5%	19.8%
Employees			
Employees – Total	19,252	21,136	20,908
Employees – Men	44%	44%	44%
Employees – Women	56%	56%	56%
Employees: Americas			
Total	8,719 (45%)	9,880 (47%)	9,993 (48%)
Men	40%	40%	40%
Women	60%	60%	60%
Employees: APAC			
Total	5,653 (29%)	5,896 (28%)	5,908 (28%)
Men	45%	47%	48%
Women	55%	53%	52%
Employees: EMEA			
Total	4,880 (25%)	5,360 (25%)	5,007 (24%)
Men	50%	49%	49%
Women	50%	51%	51%
Employees: By Age			
Employees – Age <30	5,828	6,600	6,035
Employees – Age 30-50	10,362	11,326	11,523
Employees – Age 50+	3,062	3,210	3,350
Employees: Full Time			
Employees – Full Time	18,767	21,047	20,799
Employees – Full Time – Men	8,343	9,327	9,216
Employees – Full Time – Women	10,424	11,720	11,582
Employees – Full Time – Americas	8,211	9,860	9,983
Employees – Full Time – APAC	5,746	5,896	5,907
Employees – Full Time – EMEA	4,810	5,291	4,909

	2020	2021	2022
Employees: Part Time			
Employees – Part Time	485	89	109
Employees – Part Time – Men	213	44	55
Employees – Part Time – Women	272	45	54
Employees – Part Time – Americas	218	11	10
Employees – Part Time – APAC	140	0	1
Employees – Part Time – EMEA	127	78	98
Self-Identifying			
U.S. Employees Self-Identification Gender	100%	100%	100%
U.S. Employees Self-Identification Race/Ethnicity	72%	72%	85%
Board of Directors			
Non-Executive Directors	10	10	9
Executive Directors	1	1	1
Men	8	8	7
Women	3	3	3
Senior Executives			
<i>CEO and his direct reports</i>			
Men	78%	75%	70%
Women	22%	25%	30%
Senior Leadership			
<i>Sr. Director+</i>			
Men	86%	82%	81%
Women	14%	19%	19%
Management			
<i>Supervisor to Director</i>			
Men	76%	75%	74%
Women	24%	25%	26%
Technical Roles			
<i>Employees in technical roles eligible for the Tech Ladder</i>			
Men	85%	85%	84%
Women	15%	15%	16%

	2020	2021	2022
Exempt & Non-Exempt Employees			
Exempt Employees – Men	71%	71%	70%
Exempt Employees – Women	29%	29%	30%
Non-Exempt Employees – Men	36%	36%	36%
Non-Exempt Employees – Women	64%	64%	64%
U.S. Employees			
White	51%	49%	61%
Hispanic or Latino	10%	10%	9%
Asian	10%	10%	10%
Black or African American	3%	2%	3%
Native Hawaiian or other Pacific Islander	0%	0%	0%
Two or more races	1%	1%	2%
American Indian or Alaskan Native	0%	0%	0%
Not Declared	28%	28%	15%
U.S. Management			
White	74%	70%	68%
Hispanic or Latino	8%	8%	9%
Asian	7%	9%	8%
Black or African American	2%	2%	2%
Native Hawaiian or other Pacific Islander	0%	0%	0%
Two or more races	0%	1%	1%
American Indian or Alaskan Native	0%	0%	0%
Not Declared	9%	9%	11%
U.S. Non-Management			
White	46%	45%	59%
Hispanic or Latino	11%	10%	9%
Asian	10%	10%	10%
Black or African American	3%	2%	3%
Native Hawaiian or other Pacific Islander	0%	0%	0%
Two or more races	2%	2%	2%
American Indian or Alaskan Native	0%	0%	0%
Not Declared	29%	31%	16%



Talent Management and Future Workforce

Our Approach

Our people are at the core of Sensata's success. Working across offices and sites in 16 countries, our people and technology help us build a world of smart, connected solutions. Our workforce is comprised of indirect (professional office-based roles) and direct (manufacturing or deskless workers across global operations) labor, and we are committed to creating a best-in-class work environment that promotes inclusion, skill development, job satisfaction and innovation for all.

Maintaining focus on our people is a key priority as we develop internal talent, foster a sense of belonging and increase retention

rates. We have reiterated this commitment by tying talent management metrics to executive compensation, including goals for leadership retention. Our strategy for talent management and developing the future workforce is overseen by our Chief Administrative Officer.

We regularly evaluate sources to recruit talent that adds to our diversity as well as meets the requirements for future workforce skills. Our multipronged approach includes sourcing talent where diversity flourishes and recruiting candidates who increase diversity in gender, race and in other categories such as age, ability and perspective. An inclusive culture is vital to Sensata's ability to innovate and collaborate; therefore, we provide training and resources

that expand understanding of best practices. Our approach utilizes external research as well as internal stakeholder input.

Talent Acquisition

In 2022, we formalized our talent acquisition, talent management and DEI strategies. Each strategy outlines the core bodies of work that supports the organization, strategic imperatives within the functional areas and our 2026 goals. The removal of degree requirements for most professional positions enables us to reach more diverse candidates, and new partnerships are helping us nurture upcoming tech talent in the United States.

Internship Program

In the U.S., we continued our 12-week paid summer internship program for college students and recent graduates, providing immersive learning experiences that cultivate talent in STEM, manufacturing operations, finance and similar careers. In 2022, 26% of our interns were women and 41% were racially diverse. We also offered a robust graduate program in the United Kingdom and Northern Ireland and expanded our program in Mexico, working with universities in Aguascalientes and five new universities in the Bajío and frontier regions.

Returnship Program

Our Returnship Program, piloted in the U.S. in 2021 to attract skilled mid-career professionals, has seen continued success and increased access to a historically underutilized talent pool. In 2022, we had six Returnship participants, five of whom were converted to full-time Sensata employees at the end of the program. This cohort was 80% diverse in gender and ethnicity, with four returners identifying as female and two of those four also identifying as minorities. In a program first, one Returner was placed in a STEM role and has since become a full-time Systems Engineer. The Returnship Program has proven a valuable tool to recruit new, diverse candidates, and we will continue to expand this program in the future.



Partnerships Supporting Diverse Talent

We continue to partner with organizations that provide opportunities to mentor and develop talent in underrepresented communities. In 2022, we added three partnerships in the U.S. and plan to continue sponsoring programs that support diverse talent in our communities.

American Corporate Partners (ACP) is a national nonprofit that helps U.S. veterans transition to post-service careers through a One-on-One Mentoring program. In our first year partnering with ACP, 42 Sensata employees globally, and from all levels of our organization, served as mentors in the program. Each participant volunteers as an ACP Mentor to guide a veteran Protégé in transitioning to a new, meaningful civilian career. Many of our ACP Mentors have agreed to continue with the program in 2023.

National Society of Black Engineers (NSBE) Boston is a nonprofit dedicated to the academic and professional success of Black/African American engineering students and professionals. As a first-time sponsor in 2023, Sensata will provide Gold-level support, which entails collaborating on 2023 STEM initiatives, professional and career development and community engagement programs, as well as a named scholarship.

Hack.Diversity is a nonprofit with a mission to break down barriers for Black and Latinx professionals in tech, and it partners with employers to recruit, retain and promote diverse talent. As a 2023 Hack.Diversity Host Company, our 2023 internship cohort will include two Mechanical Engineering interns who are Hack.Diversity's Fellows. Additionally, two members of Sensata's technical community have volunteered to serve as Hack.Diversity mentors.

Learning and Development

In order to successfully execute our business strategy, we recognize the importance of offering a broad range of learning and development programs and opportunities for our employees. SensataLearning, our online global learning management system, enables employees to access instructor-led classrooms, live virtual classes or self-paced on-demand content. In 2022, we delivered over 85,000 hours of training spanning various required learning and professional development topics. This included indirect labor employees completing more than 59,000 hours of training, with an average of eight hours of training per employee.

We also added two live webinars – *First Time Manager Essentials* and *The Power of Feedback* – as part of our Global Leadership Curriculum catalog to equip new managers with the foundational skills to effectively lead their teams. Additionally, we piloted a new three-part live learning program called *Connector Manager* that helps managers develop skills to personalize employee development, empower their team for peer development and enable them to partner for best-fit connections. Based on positive feedback from the pilot group, we will make the program available to all managers in 2023.

Onboarding and Feedback

We continued to refine and build our new hire onboarding experience with the addition of a Program Management track for new hires in that function. Additionally, we added functionality to our talent management platform to enable employees to request feedback from their colleagues to assess their skill level and provide endorsements. These additions help employees highlight their skillsets and drive greater visibility of expertise within our organization.

Leadership Development Program in China

For the third consecutive year, our talent management team in China led a year-long leadership development program. Thirty-four employees completed six themes, 11 modules, 51 courses and 11 cases focusing on leadership, strategy, human resources management, financial management, marketing and innovation.



Employee Performance Management

In a dynamic and fast-paced work environment, it is critical to set aside time to provide performance feedback to our teams. Our robust approach to performance management includes providing managers with tools to check in with direct reports about performance on a quarterly basis, with formal mid-year and year-end reviews recorded in our talent management system. In 2022, 100% of our eligible indirect employees received formal performance reviews.

We added a new “Get Feedback” action to our talent management platform to prompt all indirect employees to get feedback from colleagues early in the year and drive a culture of continuous feedback. The new prompt provides employees with the opportunity to request additional feedback outside of our annual “Get Feedback” campaign conducted each fall. Although there was a slight decrease in the number of feedback requests submitted in 2022, we saw a significant increase in the amount of feedback provided by employees through this initiative.

Retention and Succession Planning

As retaining employees is key to our success, our talent and succession planning process develops the talent pipeline and ensures we have diverse, qualified candidates. Our *Rising Leaders* program, which aims to strengthen competencies and accelerate leadership skills by providing access to mentors, professional coaching and focused development, had 24% female representation in 2022.

Performance

	2020	2021	2022
Learning & Development			
Total Training Hours	63,000	87,115	85,654
Training Hours – Indirect Employees	40,000	55,665	59,804
Average Training Hours per Employee – Indirect	-	7 hours	8.2 hours
Percent of indirect employees receiving regular performance reviews	100%	100%	100%
Employees requesting feedback through Feedforward	-	3,545	3,019
Feedback responses provided through Feedforward	-	7,044	8,908
Talent Management			
Employee Turnover (Exempt Employees only)	-	16.6%	13.7%
New Hires – Total	-	Total: 9,352 • Indirect Labor: 1,944 • Direct Labor: 7,408	Total: 7,676 • Indirect Labor: 1,207 • Direct Labor: 6,469
New Hires – Men*	-	Total: 4,173 • Indirect Labor: 1,382 • Direct Labor: 2,791	Total: 3,256 • Indirect Labor: 880 • Direct Labor: 2,376
New Hires – Women*	-	Total: 5,132 • Indirect Labor: 554 • Direct Labor: 4,578	Total: 4,420 • Indirect Labor: 327 • Direct Labor: 4,093

*Employees are not required to self-identify their gender, therefore New Hires – Men and New Hires – Women do not add up to New Hires – Total

Employee Health, Safety and Well-Being

Our Approach

Creating a work environment that fosters employee health, safety and well-being across our global locations is a high priority at Sensata. We are intentional about building a culture of safety and model behaviors we would like employees to adopt. We also provide regular training, resources and tools to managers, employees and contractors to promote this culture. We offer comprehensive and competitive benefits that facilitate holistic well-being including mental, physical and financial health. Our approach centers around relevant and easy-to-access programs that build resilience and accommodate the different needs of our employees across the world.

Employee Health and Safety

We comply with applicable governmental laws and regulations and adhere to a standard of continuous improvement in our policies and practices that keep employees healthy and safe at all our sites. We expect all employees, contractors and site visitors to demonstrate safe and responsible behavior, for their safety and that of their colleagues.

In addition to external safety audits, Sensata's manufacturing facilities and business centers conduct routine internal, location-based safety risk assessments to determine risks including natural disaster- and emergency-related operational risks. Each facility maintains an emergency response plan developed in collaboration with facility managers, the respective business units and, where appropriate, local municipalities.

Our approach to Health and Safety is codified in our **Global Environmental, Health and Safety (EHS) Policy** and overseen by the Senior Director of Sustainability and Facilities, Environment, Health and Safety.

Measuring Health and Safety

Each of our facilities is responsible for tracking health and safety metrics, and in 2022 we launched a Global EHS performance dashboard that summarizes key metrics including Total Recordable Incident Rate (TRIR) and Lost Day Case Rate. This dashboard is accessible to all employees at any time, enabling increased transparency of our performance across our organization.

In 2021, we made a commitment to reduce our TRIR by 25% by the end of 2025 and to improve our Lost Day Case Rate. In 2022, we saw decreases in both metrics, with our TRIR declining by 44% and our Lost Day Case Rate declining by 50%, both of which are already well below industry average.

Each year we also provide a global online health and safety refresher training for employees. We believe that proactive training on health and safety issues leads to fewer incidents and have committed to providing one hour of training per month (12 hours per year) for direct labor and three hours of training per year for indirect labor employees.



Standardizing Global Health and Safety

After conducting a gap analysis to assess the differences in approaches to health and safety among our global sites, we streamlined our efforts and developed a global health and safety management strategy that established a set of minimum EHS standards for our sites to follow. As our sites operate in different countries, each with a different set of occupational health and safety regulations, this strategy recognizes that a one-size-fits-all approach does not support our global operations. In addition to the EHS minimum standards, we tailor our health and safety processes to adhere to local requirements and applicable in-country laws and regulations.

All Sensata facilities have safety management systems that are, at a minimum, aligned with the ISO 45001 Safety Standard, and we continue to support our locations in complying with audits. In 2022, 50% of our manufacturing, engineering, business center and lab locations were ISO 45001 certified, covering 75% of Sensata’s global workforce.

Performance

	2020	2021	2022
Facilities with ISO 45001 Certification	60%*	46%**	50%
Total Recordable Incident Rate (TRIR)***	0.16	0.16	0.09
Lost Day Case Rate****	0.09	0.10	0.05
Number of Lost Days	283	416	192
Lost-time Injury Frequency Rate – Employees ^	0.47	0.51	0.23

*Data reported in 2020 included only Sensata manufacturing facilities.

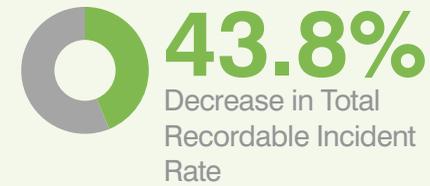
**We previously reported that 48% of facilities were ISO 45001 certified in 2021. This number has been revised to reflect a change in calculation methodology.

***Total number of recordable cases x 200,000 / total number of hours worked

****Total number of days lost due to work injuries or illness x 200,000 / total number of hours worked

^ Total number of lost time work injuries or illness x 1,000,000 / total number of hours worked

Improvement from 2021 to 2022



Looking Ahead

In 2022, we developed a comprehensive plan to roll out a corporate due diligence audit of 11 occupational health and safety areas at all our facilities. Beginning in 2023, this audit will take approximately five years to complete, and we intend to assess most of our manufacturing sites in the first three years. The audits will incorporate key components from the Responsible Business Alliance’s audit program that our customers require as well as some aspects required by ISO 45001 certification. In addition to meeting compliance requirements, audits will provide insights into the performance of our sites, guiding global assessment of key risks and corrective action across our entire portfolio.

Related Link: [Global Environmental, Health and Safety \(EHS\) Policy](#)

Employee Well-Being

We are committed to providing comprehensive and competitive benefit packages that attract and retain employees, as well as enhance their well-being. We approach wellness as a philosophy, offering programs that foster holistic engagement and behaviors that help employees improve their health and feel better. We continue to focus on promoting employee well-being by reaching out to employees and providing versatile and easy-to-access programs and tools, particularly around mental health.

Employee well-being at Sensata is overseen by our Chief Administrative Officer with support from the human resources team. We develop programs based on current, relevant trends occurring in our markets, as well as feedback from diverse sources, including employees and external sources such as benchmarked companies and health brokers.

Our benefits include an array of quality health and income protection benefits that address different needs and protect employees and their families' health. Some benefits are provided automatically at no cost to employees, while costs for other benefits are shared between the employee and Sensata. 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.

In 2022, we formally transitioned to a hybrid work model that allows employees to maintain flexibility in their work location and work-life balance. We also added a benefit to support nursing parents across our global workforce by reimbursing employees for shipping breast milk home during domestic or international business travel.

Every year, we assess our benefits to ensure we provide a competitive benefits program to our employees. Globally, we offer health care benefits, flexible leave, income savings and protection benefits, in addition to programs that support financial, mental and physical well-being.

Americas

United States

Across the U.S, we offer medical, prescription drug coverage, dental, vision, both health care and dependent care flexible spending accounts, a health savings account, and income protection benefits, including life insurance, accidental death and dismemberment (AD&D), disability, critical illness and group accident insurance. Other important benefit offerings include paid parental leave and adoption assistance; paid vacation, sick leave and holidays; education assistance; employee discounts; an employee assistance program; and subsidized back-up care for children and adults.

In 2022, we announced the addition of three benefits for new parents that will be available to U.S. employees in 2023:



Increased paid parental leave

to six weeks for employees to bond with their new child



Updated Adoption Assistance Policy

to increase reimbursement of qualified adoption-related expenses to a maximum of \$10,000 per year



Introduced Surrogacy Assistance Policy

to reimburse eligible employees up to \$10,000 for qualified surrogacy-related expenses if they become the parent of a child through surrogacy agreement

Other new benefit offerings include two medical plans and a formal Bereavement Leave Policy to support employees with paid time off following the loss of a family member.

Focusing on financial wellness, Sensata offers a comprehensive contribution and 401(k) savings plan that can help improve retirement readiness. Contributions may be made on a pre-tax or on a post-tax basis, and we offer an employer match with immediate 100% vesting. In 2022, we reduced participant account, maintenance and withdrawal fees, enabling our employees to save more for their retirement.

Mexico

Wellness Weeks were held in October and November at our facilities in Mexico. These initiatives focused on various aspects of wellness including physical and mental health, nutrition and financial well-being. The wellness weeks featured a Health Risk Assessment for employees in addition to webinars, challenges, on-site vendor sessions and vendor stands offering discounted services to employees. Each location encouraged employee participation with events combining health and fun, such as an on-site dental cleaning truck and mini bowling tournament. The Wellness Weeks events enjoyed a high level of engagement from 3,432 employees across the sites.

With women making up more than 60% of the workforce at our Aguascalientes facility, we constructed a second on-site nursing room, supplementing the first one built in 2021.

APAC

China

New to 2022, non-exempt and direct labor in Changzhou and Baoying will benefit from expanded eligibility for group insurance coverage, which covers term life, AD&D and critical illness. As an important supplement to the statutory social insurance, group insurance can provide one-time financial aid for employees dealing with major illnesses or accidents, improving the ability of non-exempt employees to manage unexpected risks. Additionally, we implemented an employee assistance program that offers an array of counseling services available at no cost to employees and their immediate families. We also hosted six well-being focused webinars covering topics including emotional intelligence, managing psychological risks in the workplace, work-life balance and stress management.

India

Employees in India now have access to parent coverage as part of the group insurance plan, with Sensata picking up a portion of the premium. This benefit offers competitive coverage and reassures employees that health-related concerns for family members will be handled with care. Additionally, a new bereavement policy was implemented, providing employees with paid time off after the loss of a family member.

EMEA

United Kingdom

Sensata employees in the U.K. can utilize an employee assistance program that offers professional support on topics such as well-being, relationships, child care, housing and finance. This service is available to immediate family members

of employees at no extra cost. Additionally, an occupational health provider conducts employee health assessments, including skin and respiratory tests, for employees handling chemicals, and hosts an annual on-site flu vaccination clinic. Sensata also offers income protection for employees who may be on long-term absence from work due to illness.

The Netherlands

In the Netherlands, we hosted a Health and Wellness Day, dedicating a full day of activities to promote wellness among our employees in Hengelo. Employees enjoyed a healthy breakfast, presentations about mental fitness and ergonomic practices, and the option to participate in physical activities and free massages.

Greener, Healthier, Happier Hiking Campaign

On Earth Day 2022, Sensata Changzhou launched “Greener, Healthier, Happier,” a two-week hiking campaign for employees, with the goal of raising awareness about environmental sustainability and encouraging employees to adopt a healthy lifestyle that promotes well-being. The event drew participation from 250 employees who collectively walked 6,914 hours as part of the hiking challenge.



Labor Practices

Our Approach

Employees are our most valuable resource, and we take pride in offering a safe, respectful and enriching work environment for Team Sensata at all our global locations. This means ensuring compliance with labor and governmental laws, as well as rules and regulations that apply to each location where Sensata operates. We have established policies for our operations and maintain high standards with our Code of Business Conduct and Ethics.

We also expect our suppliers to ensure fair labor practices and follow labor laws in their applicable jurisdictions. We believe that all individuals should be treated with dignity and respect, and we prohibit forced labor, child labor and human trafficking in our operations as well as those of our contractors, subcontractors, suppliers and their sub-suppliers around the world.

We comply with applicable government audits for payrolls, employee work permits and underage labor. Our human resources (HR) team regularly monitors wage rates

to ensure employees are paid at or above the wages prescribed by the jurisdictions where they work. When conducting annual assessments for pay gaps and performance reviews, we look for gender and regional bias and make corrections to ensure an equitable process. Sensata values our good standing in the locations where we operate, addressing any concerns promptly and maintaining a record of zero violations of labor standards and practices.

Freedom of Association

We respect our employees' rights to associate and to form trade unions if they choose and do not stand in the way of collective bargaining activities. As of year-end 2022, approximately 200 of our employees, representing 0.96% of our total workforce, were covered by collective bargaining agreements. In addition, in various countries, local law requires our participation in works councils.

Employees have the right to express work-related opinions and grievances without

fear of retaliation, harassment or retribution. Where we have unions, we work with them in good faith, and where we do not, we partner directly with employees to address concerns. In the process of implementing major operational changes such as workforce reductions that could affect employees, we follow country-specific requirements and laws to provide advance notice about the changes to our employees.

Oversight

Sensata's labor practices are overseen by our HR leadership team and Legal department who are responsible for compliance with and communication of our policies. We ensure that our employees, including hiring managers and those in HR, who are responsible for upholding labor standards at Sensata and within our supply chain, receive regular training in these areas.

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

- [Human Rights and Working Conditions Policy](#)
- [Diversity, Equity & Inclusion Policy](#)
- [Supplier Code of Conduct](#)

Each of these policies is posted on our corporate website and accessible to all employees, including facility leads and HR managers. A review of these policies is included in new hire orientation or other training as appropriate.



Responsible Business Alliance (RBA) Audit

In March 2022, a team of cross-functional subject matter experts from Legal, Environment, Health and Safety, Human Resources, Operations, Quality, and Communications assessed our management systems from a global, regional and local perspective as part of an audit by the Responsible Business Alliance at our Mexicali, Mexico facility. Sensata received the highest possible rating, Gold, and RBA auditors commended Sensata's progress from plan to successful third-party audit in only nine months.

Labor Management

Our global Labor Ethics Management System enables us to continually assess and evaluate potential risks and liabilities related to human rights and working conditions in our global operations. At the local level, each site's HR team meets weekly to discuss and proactively address potential employee relations and ethics concerns, which are reported to the HR leadership team during quarterly check-ins. These meetings enable our leadership team to stay abreast of global employee concerns.

Sensata remains committed to a safe and inclusive work environment and extends this commitment to the companies we acquire. In 2022, all employees of the companies we acquired completed training on our Code of Business Conduct and Ethics within 90 days. We encourage any employee who witnesses or experiences discrimination in the workplace to immediately report it to our Ethics Hotline.

Looking Ahead

We are committed to continuous progress by establishing best practices across our organization. The findings and process from our successful RBA audit in Mexicali will serve as a blueprint for future audits at other facilities. Additionally, maintaining dialogue with our employees is important to us. In 2023, we plan to conduct a pulse survey with our global indirect labor force about ethics and compliance that will also touch on labor practices. The results of the survey will help us identify areas of improvement for our management systems.

Related Links: [Human Rights and Working Conditions Policy](#)
[Code of Business Conduct and Ethics](#)
[Diversity, Equity & Inclusion Policy](#)
[Supplier Code of Conduct](#)

Community Impact

Our Approach

Since our founding over 100 years ago, Sensata has maintained a history of supporting the communities where we operate. We are proud of our role as a responsible community steward where our employees live and work, offering programs that support science, technology, engineering and mathematics (STEM) education, community development and equitable access to opportunities.

To maximize our impact, we seek input from employees and community partners to identify areas of greatest need and use this information to launch new initiatives and streamline processes. Team Sensata's increased engagement made 2022 a successful year for the Sensata Foundation and our social responsibility programs.

OUR APPROACH TO COMMUNITY IMPACT COMBINES:



The Sensata Foundation's (the Foundation) philanthropic programs that build community partnerships, raise funds and distribute grants to provide support to nonprofits across the U.S. The Sensata Foundation is governed by a Board of Directors and supported by Foundation Officers.



Company-sponsored community impact programs that encourage employee-led activities including volunteering and giving.

In early 2023, we launched a new giving platform to make it easier for employees to find causes they care about, give back and track donations and volunteer hours. The platform also offers a monthly processing cycle so that employee donations and the Foundation's matching gifts reach charities faster.



Sensata volunteers at The Works Museum, MN

Sensata Foundation

The Foundation celebrated its fifth anniversary in 2022 and focused on funding growth, building new community partnerships and engaging current partners. The Foundation receives two-thirds of its funding from Sensata Technologies, and the remaining amount is sourced from employee donations, including support from 100% of our Strategy Leadership Team (SLT). The Foundation also reintroduced its **Annual Report**, detailing its efforts and impact in 2021, which it will continue to publish on an annual basis.

In 2022, the Foundation set a fundraising record, surpassing its employee fundraising goal by more than \$20,000. The Foundation also increased total grant funding by \$50,000 to \$350,000, enabling us to provide larger grants to 37 partner organizations. The 2022 grantees support a breadth of causes, including STEM education and community services, and, for the first time, they include representation from Missouri, Arizona and New York, where we have a business presence.

Employee Giving

Sensata supports employee giving to the Foundation and directly to charities. In 2022, employees gave nearly \$173,000 directly to the Foundation through events such as the Annual Giving Campaign and eAuction. Employees also gave directly to their preferred charities, participating in the Foundation’s 1:1 Matching Gift Program, which matches donations, dollar-for-dollar,

up to \$1,500 a year per employee. On Giving Tuesday, the Foundation also hosted a special 2:1 matching gift opportunity to promote further charitable contributions. In total, the Foundation matched more than \$100,000 in employee donations, reaching 248 nonprofits across the country.

As part of our integration process, the Foundation makes an honorary donation of \$5,000 to nonprofits selected by each of our newly acquired companies. In 2022, the Foundation donated \$2,500 each to Food for Others and Children’s National Hospital Foundation on behalf of ElasticM2M, as well as \$2,500 each to the Vermont Foodbank and Camp Ta-Kum-Ta on behalf of Dynapower.

Global Relief Efforts

Additionally, the Foundation contributed to disaster relief and emergency response efforts across the world. Employees utilized the Foundation’s special 2:1 match for disaster relief/emergency to donate \$14,688 to relief efforts in Ukraine, resulting in a total donation of over \$44,000 to agencies providing vital humanitarian aid. The Foundation also donated \$10,000 each to the American Red Cross and World Central Kitchen to support relief efforts for communities in the Southeastern U.S. affected by Hurricane Ian.



Community. STEM.



Increased total grant funding to

\$350,000



39%

of U.S. employees volunteered



37

community organizations received grants

5,300+

hours with



\$29,376

donated by the Sensata Foundation to relief efforts in Ukraine

78

agencies to help communities in need.

Global Community Impact

In addition to supporting the Foundation, Sensata offers opportunities for employees to participate in purpose-driven activities that give back to local communities. Examples of our global community impact initiatives include:

United States



Sensata Serves, the Company’s volunteer program, creates opportunities for U.S.-based employees to apply their talents and interests to deliver community impact. Employees receive eight hours of paid time off every year to participate in our annual Day of Service or volunteer with other community service projects during working

hours. In 2022, 39% of U.S. employees volunteered more than 5,300 hours with 78 agencies to help communities in need.

Sensata’s annual Day of Service, a designated day for volunteering in the U.S., brought together more than 580 employees, including all SLT members, for on-site, outdoor and virtual volunteer activities. Teams collaborated with community partners to create 31 service projects supporting 25 charitable organizations across the U.S. Sensata’s culture of service is also woven into our summer internship program through the annual Intern Day of Service. This component of the program is designed to spark a sense of purpose in interns as they begin their careers. Thirty-two interns in Attleboro, Massachusetts and Carpinteria, California collected more than 300 pounds of trash as part of clean-up events.

Mexico and China

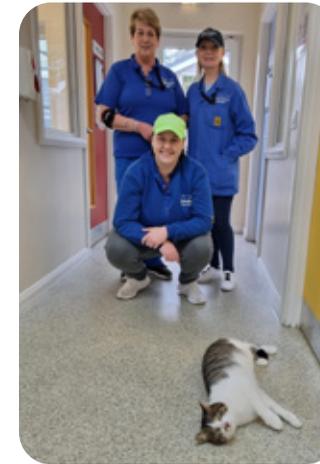
Sensata Mexicali honored Women’s Day in March by organizing a campaign to support A Way Out Una Salida A.C. shelter for teenagers who are orphans or are at risk. The team collected more than 4,200 personal hygiene items for teenage girls at the shelter.

In China, employees and their families volunteered in the “A Bag of Milk” walkathon, an annual charity drive calling for donations to support nutrition for children in disadvantaged communities. The Sensata team joined more than 300 teams representing local organizations for this event, during which they were challenged to walk along one of three routes ranging from about 8 to 17 miles. Sensata’s team of 131 volunteers walked the stretch from the south to the north of the city, taking about 6 hours to complete their route, and donated 13,100 RMB (nearly \$2,000 USD) toward the cause.



Northern Ireland and the Netherlands

Each year, employees at our Antrim, Northern Ireland facility nominate two local charities to support. In 2022, employees raised more than £8,000 and donated nearly £4,800 of it to Mid Antrim Animal Sanctuary to support animal re-homing, education and caring for the animals at their facility.



In the Netherlands, Team Sensata held an Annual Day of Service in which 47 employees participated to support various causes. Service projects included cleaning Bornse Beek and spending part of the day with elderly residents at a nursing home in Almelo, in addition to springtime gardening at an activity center for people with disabilities and a support center for people with cancer.

Volunteer of the Year Award from the Boys & Girls Clubs of Metro South

Sensata received the 2022 Volunteer of the Year award from the Boys & Girls Clubs of Metro South. The award recognized employees who volunteered with the nonprofit during multiple service events, including our Annual Day of Service. Sensata’s relationship with the Boys & Girls Clubs of Metro South goes back to 2017, including funding and support enabling them to expand STEM programs for traditionally underrepresented groups including girls and young people of color.



Engaging Young Minds in STEM

Sensata hosted several events throughout the year focusing on developing early interest in STEM, and employees volunteered for activities including hands-on experiments, facility tours and educational events.

STEM Week in Massachusetts: Sensata Attleboro invited local communities for STEM Open Labs, hosting K-12 students in conjunction with Mass STEM Week, a statewide effort to boost interest in STEM education and careers. Sensata has participated in Mass STEM week since the event’s inception in 2018.

Making Engineering Real for Students in Northern Ireland:

A team of engineers from Sensata’s Antrim office hosted a STEM event for Limavady High School and St. Mary’s Limavady, two local schools that have partnered with Sensata on a new engineering qualification. Sensata supported teachers in an eight-week practical mentoring program that structured lessons around real-life examples of how engineers work and develop products. Students had the opportunity to learn about engineering projects from Sensata’s Insights and HVOR teams and speak with engineers.

Creating Free STEM Courses in China:

Employees at Sensata’s Baoying and Changzhou sites in China celebrated Volunteer Week in April by partnering with Vibrant Future, a non-governmental organization that supports migrant children and their families by providing early education. Employees created eight online STEM courses covering topics including “Water Density,” “How to Protect Eyes from Blue Light” and “Attraction and Repulsion of Magnet.” They developed the course content and recorded and edited videos that Vibrant Future then made available on their online platform for free.



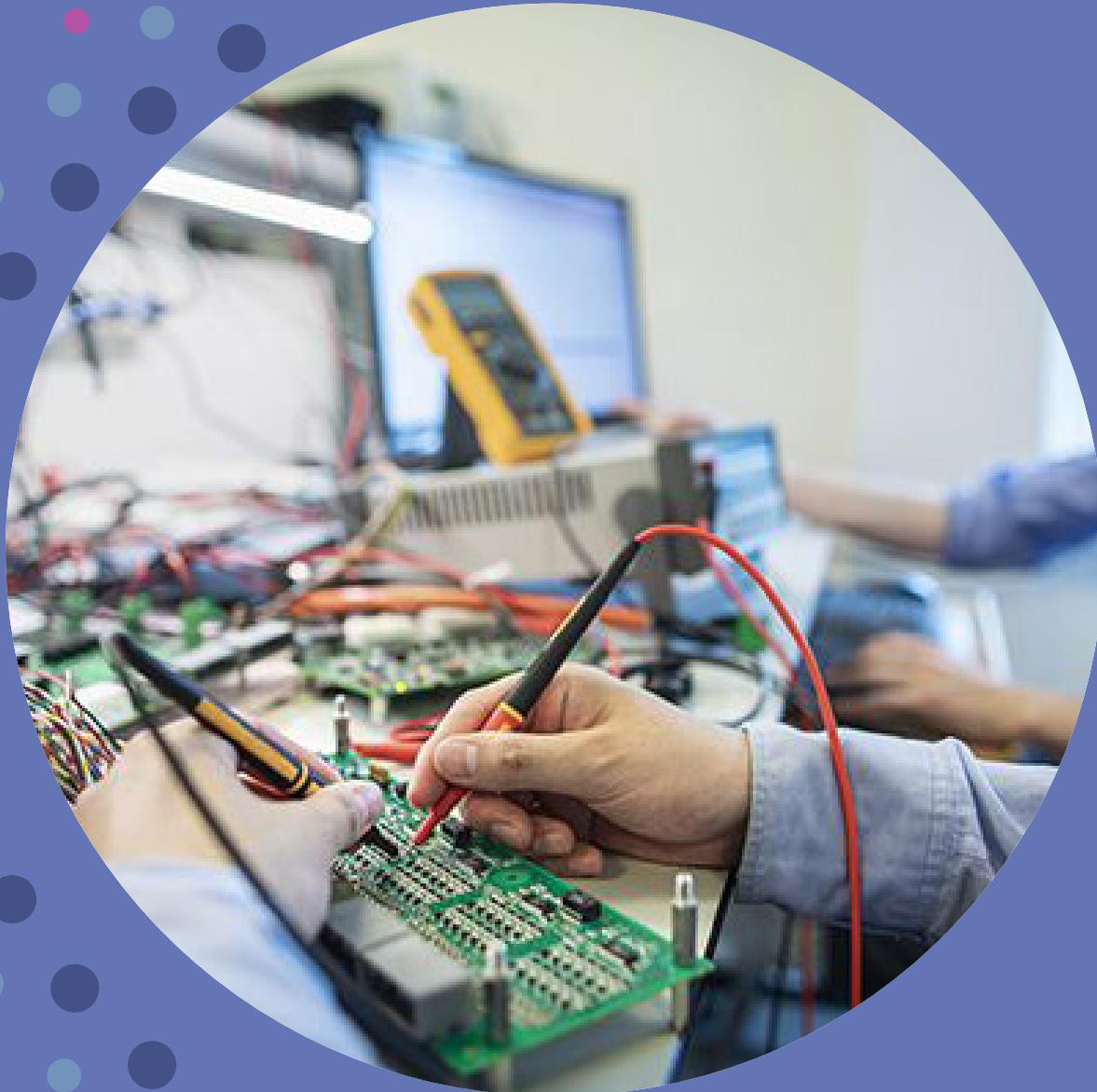
Celebrating STEM Week in Massachusetts

Performance

	2020	2021	2022
Sensata Foundation U.S. Giving			
Foundation Giving – Total	\$286,840	\$426,604	\$515,446
Foundation Giving – Grants	\$200,000	\$300,000	\$350,000
Foundation Giving – Matching Gifts	\$77,940	\$89,864	\$104,870
Foundation Giving – All Other (e.g., disaster relief, communities of acquisitions)	\$8,900	\$36,740	\$60,576
Number of Agencies Receiving Grant Funding	32	38	37
Employee Giving			
Annual giving to Foundation	\$83,928	\$144,843	\$172,587
Direct-to-charity	\$121,047	\$122,110	\$129,703
Employee Volunteerism (U.S. only)			
Participation – % of Employees	3.4%	32%	39%
Volunteer Hours	827	3,829	5,304

Looking Ahead

Following a successful year in fundraising, the Sensata Foundation plans to further increase grant funding for community agencies in the U.S. and ensure grant distribution adequately reflects Sensata’s presence across the country. Employee volunteerism will take center stage in 2023 when we plan to introduce two new initiatives: The inaugural Steve Reynolds Impact Award, presented to an employee nominated by peers for outstanding contributions in community service, and a new Employee Volunteer Recognition Program for employees who demonstrate consistent commitment to volunteering.



Innovating for Sustainability

- Our Approach
- Innovation of Sustainable Products
- Safe Mobility
- Product Quality
- Circular Economy

Our Approach

At Sensata, our solutions serve as critical building blocks for making cleaner and more efficient products while our systems enable millions to make smarter, more sustainable choices. Our solutions create technological efficiencies, enhance user safety, and promote a cleaner environment, facilitating reduced greenhouse gas (GHG) emissions and supporting our customers in developing more sustainable consumer products.

As we continue to innovate for sustainability across our businesses, we are focused on the following topics:

Innovation of Sustainable Products

We are committed to developing new and improved products that offer environmental and social benefits and support our customers in offering more sustainable consumer products.

Safe Mobility

We are focused on increasing the safety of transportation vehicles and creating a net benefit for the safety of road users and the wider community through our solutions and technologies.

Product Quality

We are passionate about positive customer experiences and recognize that our ability to deliver high-quality solutions is integral to maintaining our reputation and viability as a company.

Circular Economy

We believe our role in a circular economy is to design products to optimize and increase the lifespan of our customers' end product through reduced emissions and waste.

Megatrends



Electrification

Electrify and decarbonize the planet by delivering power conversion and energy storage solutions for renewables and components for electric vehicles, charging stations, infrastructure and more.



Sensata INSIGHTS

Sensata built a proprietary end-to-end platform to help channel customers create value, optimize opportunities and maximize revenue from their IoT data.



Innovation of Sustainable Products

Our Approach

At Sensata, 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. Our products create technological efficiencies, enhance user safety and promote a cleaner environment, facilitating reduced greenhouse gas (GHG) emissions and supporting our customers in developing more sustainable end products. As an example, our tire pressure management systems alert drivers when tire pressure is low, enabling them to quickly correct this issue and optimize fuel efficiency, reducing GHG emissions produced while the vehicle is in use.

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

Innovation of sustainable products is led by our Chief Technology Officer and supported by business unit leaders.

We provide a wide range of customized, sensor-rich solutions that address complex engineering requirements and customer challenges.



Auto Systems
(ICE and BEVs)

50+
Devices per automobile

Commercial On-road & Off-road Vehicles

50+
Devices per heavy vehicle

Mission-critical Aircraft Systems

Up to 1,500
Devices per aircraft

Commercial and Residential Buildings

50+
Devices in buildings

Industrial Applications

40+
Sensor and control devices per system

RV and Large Boats

60
Power inverters, sensors and protection devices

Diversity Drives Innovation Conference

Sponsored by the Engineering Council's Diversity, Equity and Inclusion (DEI) Committee, our 2022 Diversity Drives Innovation (DDI) Conference connected the dots between our technology and the strength of our diversity – our people and their talents, perspectives and skills as well as our social impacts, products and technologies.

Members of the SLT, Engineering and HR teams, as well as employees across the organization, participated in events discussing the impact of DEI on innovation. Sessions included presentations from Sensata leaders in Electrification and Insights, sharing how our new world is impacting our end markets, products, people and processes. Keynote speaker Andrea Ippolito, CEO of SimpliFed and faculty member at Cornell University, discussed the future landscape for product innovation and how diversity contributes to this new ecosystem. The event showcased Sensata's efforts to increase team collaboration and inclusion in a virtual world and closed with a panel discussion on Sensata's initiatives to amplify inclusion.



Electrification

We aim to be a provider of choice for components for electrification in transportation, broad industrial and other markets, in addition to offering systems or full energy storage solutions. Our progress in 2022 was accelerated by the acquisition of Dynapower, a leading provider of energy storage and power conversion solutions.

In 2022, electrification applications across our business were supported by global demand for greater efficiency and a cleaner environment. We are investing ahead of the curve in initiatives in electric vehicles (EVs), electrified heavy vehicles and clean energy solutions for a wide range of customers. In 2022, Electrification revenue increased to \$460 million across Sensata and new business wins in Electrification rose more than 250% to \$728 million.

Automotive

Within our automotive business, we engage with nearly all of the world's leading Original Equipment Manufacturers (OEMs) launching battery EVs. In 2022, when EVs represented about 13% of total global auto production, EV revenues comprised about 14% of our total automotive revenues. In addition to building our portfolio with new technology and solutions aligned to EVs, we are also aligning our current propulsion agnostic solutions, including tire pressure, brake pressure for electronic stability control and thermal management pressure sensors, to drive content growth on EV platforms. These differentiated solutions provide environmental and social benefits, including cleaner air and safer driving experiences.

As EVs increase as a proportion of total production, our ability to improve the safety and efficiency of those vehicles increases. In our view, Sensata could contribute approximately double the content per vehicle of EVs compared to combustion engine vehicles by 2026.

Balancing our customers' needs to both optimize their internal combustion vehicles and launch new electrified vehicles is critical for Sensata. While we are focused on the transition to electric vehicles, we are doing our part to ensure all cars on the road are safer and more efficient. We continue to collaborate with our customers to ensure our products enable improved efficiency of internal combustion engines and hybrid vehicles.

\$460M
Electrification Revenue 2022

+250%
New Business Wins in
Electrification to
\$728M

Supporting Electric Vehicle Charging

One exciting use of our contactor and fuse components is in direct current (DC) fast charging stations to support electric vehicle charging. Typical requirements call for 50 kilowatt to 1 megawatt fast charging of up to 1000-volt direct current, with 500 amp continuous current in order to shorten charge times. To meet this need, we provide paired contactor and fuse solutions that enable less than 3 millisecond disconnect and seamless overcurrent and short circuit protection to keep the charging system from overloading and maintain driver and vehicle safety. This enables DC fast charging to be safer and adopted more widely, contributing to the growing adoption of EVs.



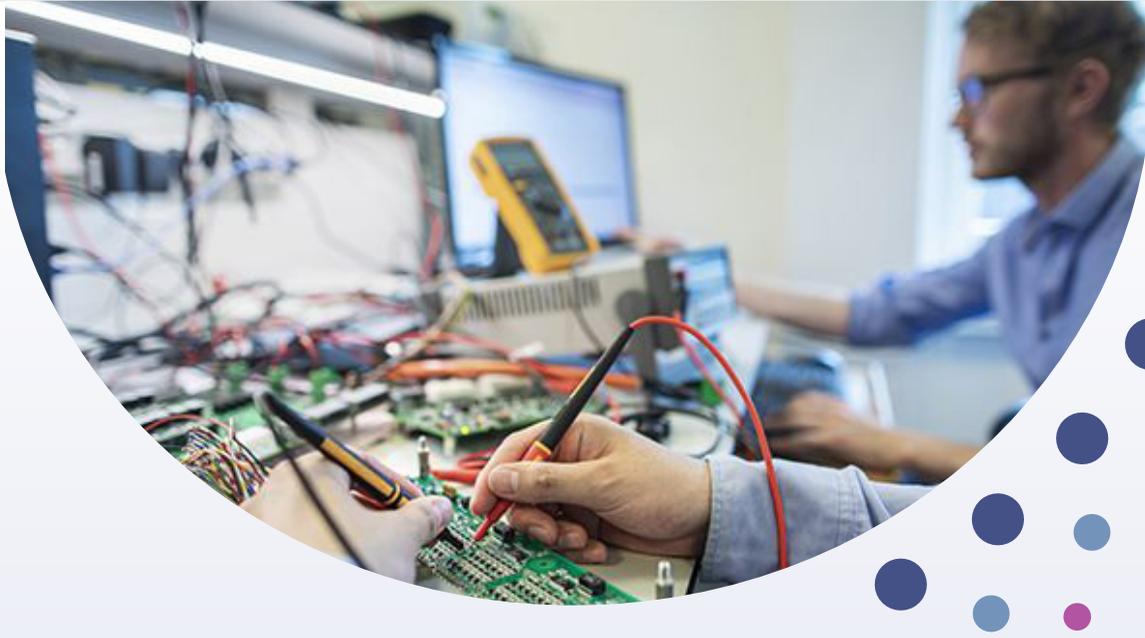
Heavy Vehicle and Industrial Applications

Although adoption rates of Battery Electric Vehicles (BEVs) for medium and heavy-duty transportation are not yet at the same levels as in passenger cars, almost all traditional vehicle manufacturers and many newcomers have offerings in the market and are currently developing their next generation BEVs.

One of the major hurdles for increased adoption rates is the time needed to charge the large battery packs necessary to operate these trucks, and to remove this hurdle, charging power will increase above 1 megawatt. Our Heavy Vehicle & Off Road (HVOR) business unit supports the vehicle manufacturers achieving this, not only with a dedicated range of contactors and fuses capable of dealing with these power levels, but also with fully integrated assemblies (DC Charge Units), which include the charge inlet and a controller board with purpose-specific software to allow safe charging, even at those power levels.

Aerospace

In aerospace, we are working with OEMs to develop electrified vertical take-off and landing vehicles to address urban mobility challenges. Our contactors and fuses have been customized to meet the small size and low weight requirements of these designs while also protecting the vehicles and their occupants from the very high power levels required. Our aerospace applications respond to the need for full energy storage solutions where safe and efficient energy storage is of paramount importance for critical onboard tasks.



Clean Energy Solutions

Our products represent the most significant way we can address climate change. When companies use our clean energy and transportation solutions, they trust us to help drive positive environmental impacts.

Battery Solutions

Lithium-ion batteries offer many advantages over lead acid batteries, such as operational efficiency, lower charging costs, no warm-up or cool-down periods between uses, longer cycle life, no maintenance needs and less carbon emissions during production. Spear Power Systems develops next generation scalable lithium-ion battery storage systems for demanding land, sea and air applications.

Battery Management Systems

With the rise in lithium-ion battery packs, Sensata recognizes that a management system is necessary to monitor and maintain the health of the battery pack. Lithium Balance has been determined to push battery-based electrification technology forward by developing, manufacturing and selling Battery Management Systems (BMS) for lithium-ion battery technologies. A BMS is an intelligent component of a battery pack responsible for advanced monitoring and management. It is the brain behind the battery and plays a critical role in its levels of safety, performance, charge rates and longevity.

Our BMS is designed to be a long-term solution for our customers with the highest level of safety in mind. Advanced algorithms and electronics ensure high-precision measurements promoting:

- Functional safety
- Fast and efficient balancing
- Shortened charging time
- Improved range per charge
- Maximum battery life

Energy Storage and Power Conversion

Commercial and industrial stationary energy storage are further areas of focus. Installing energy storage systems behind the meter enables customers to reduce energy costs and peak demand on the grid, which is often provided by fossil fuel-powered plants. When industrial businesses begin utilizing renewable energy sources to power their facilities, they also need to time-shift between generation and use. Behind-the-meter storage offers customers the potential for energy resiliency and significant GHG emissions reduction, particularly when paired with on-site solar power generation. Dynapower products, including inverters, converters, rectifiers and custom transformers

for renewable energy generation, green hydrogen production, electric vehicle charging stations and microgrid applications, energize and strengthen vital industries such as hydrogen production, e-mobility, energy storage, mining, metal finishing and defense. These products help shape a shared vision of a clean energy future. In addition to energy storage solutions, our equipment prognostics software and performance data analytics enable customers to track energy usage and the flow of energy in and out of their storage solutions.

Electric Train Traction Batteries

We have successfully helped in the development of electric train product lines by providing BMS technology capable of managing train traction batteries. The Lithium Titanium Oxide (LTO) cells used for these batteries are highly effective for mobile energy storage, capable of delivering and storing extremely high current peaks, and charge faster and have a longer lifecycle than other lithium chemicals.



Powering a New Electric Bus Depot in Maryland, USA

In partnership with AlphaStruxure and Montgomery County, Maryland, we are providing energy storage solutions that will help provide uninterrupted power to the county’s fleet of electric buses using on-site generation, including renewable resources. The Brookville Smart Energy Bus Depot uses an integrated system of solar, microgrid storage and electric charging stations that will eventually power 70 electric buses (50% of the Brookville bus fleet) with 4.14 megawatts of charging capacity. Transitioning these buses from diesel to electric, powered by the on-site clean energy microgrid, will reduce lifetime emissions from the buses by 62% over the next 25 years. Our CPS-I Integrated Energy Storage System provides the microgrid battery energy storage for the depot, storing power to charge the electric buses and enabling 100% operational capacity in the event of a grid outage.

Industrial Solutions

In addition to our focus on electrification and clean energy solutions, we are developing products that provide other environmental benefits. Currently, many heating, ventilation and air conditioning (HVAC) systems use hydrofluorocarbons (HFCs), a greenhouse gas with among the highest global warming potential (GWP), as refrigerants. In alignment with global climate efforts, HVAC manufacturers are looking to reduce greenhouse gas emissions associated with their systems by shifting to hydrofluoroolefins as refrigerants, which are categorized as A2L refrigerants and have a significantly lower GWP but are mildly flammable. To support this shift, we are developing an A2L sensor, which will enable the environmental benefits associated with the transition while serving as a safety component. If an HVAC system experiences a refrigerant leak, the sensor can detect the concentration and trigger the system’s exhaust fan or other mitigation process to eliminate the gas buildup. By venting the gas, it helps prevent potentially dangerous system failures.

Additionally, we are working with utilities to incorporate digital pressure sensors into water infrastructure. These sensors help prevent water loss in distribution networks, thereby conserving water and enabling utilities to reliably supply clean water to the communities they serve.

Enabling Global Heat Pump Transformation

Across many areas of the world, electric heat pump systems are replacing gas and oil-fired boilers to combat global warming and reduce greenhouse gas emissions. Advanced heat pump systems, driven by Sensata’s pressure, temperature, flow and relay lines, allow equipment to achieve ever-higher coefficients of performance that deliver useful heat with one-third to one-fifth the electricity used by standard electric heating systems, cutting fossil fuel while reducing costs for the end user.



Performance

	2020	2021	2022
New Electrification Business Wins	\$180M	\$270M	\$728M
% R&D Spend Allocated to Megatrends	20%	30%	36%
% Revenue from Electrification Business	–	6.8%	11.4%

Energy Storage Systems that Maximize PV Production

Adding energy storage to new or existing utility scale photovoltaic (PV) installation allows operators to make solar energy generation a dispatchable asset. Our AC coupled storage systems are ideal for adding storage to new or existing PV plants to enable the capture, storage and load management of PV energy, as well as dynamic grid support. Our DC coupled power system offers heightened efficiency, reduced cost of installation and increased energy collection. Adding energy storage through a DC-to-DC converter allows increased solar energy capture, including clipped energy that exceeds the PV inverter ratings and energy generated in the morning and evening, when voltage on the array is below the PV inverter’s “wake-up” threshold.

Safe Mobility

Our Approach

As a company that takes pride in engineering innovative solutions, we incorporate safety considerations into our product design. We are focused on increasing the safety of transportation vehicles and creating a net benefit for the safety of road users and the wider community through our products and technologies, including advanced sensing and vehicle autonomy. Our highly engineered devices satisfy the world's growing need for safety, energy efficiency and a clean environment. Our devices improve safety, efficiency and comfort for millions of people every day and are used in automotive, aircraft, industrial, military, heavy vehicle, recreational vehicle and marine applications. Our speed sensors, power controls, circuit breakers, and pressure sensors and switches enable our partners to enhance their future safety offerings and save lives.

Sensata Solutions

Our tire pressure monitoring systems (TPMS) are designed to meet safety regulations across the world and reduce roadside tire events, automate tire checks and improve tire life. Properly inflated tires improve vehicle handling by providing more contact with the road surface and increasing traction, which is essential for safe driving. Increased contact also leads to improved braking and turning performance.

Our TPMS solutions provide real-time, actual tire pressure and temperature, enhancing vehicle safety and offering remote tire management for the future of autonomous driving, car sharing and connected vehicle initiatives.

The brake force sensors we produce also contribute to safe mobility solutions. Our Micro Strain Gauge brake pedal force sensor captures driver braking intent, generates improved functional performance and supports reduced braking distance by improving response time by more than 10 milliseconds. These next-generation brake force sensors have the potential to enable electromechanical braking for future autonomous vehicle applications. Learn more about [next generation brake pedal sensing here](#).





SmartWitness AP1 Camera Named Innovation Awards Honoree at 2022 Consumer Electronics Show (CES)

The SmartWitness AP1 camera earned CES 2022 Innovation Award Honoree status for an industry-first 2-in-1 design that eliminates the cost, time and space involved in installing separate camera and telematics devices with a one-piece, plug-and-play unit. This road-facing, 1080p HD camera also offers key safety features, including real-time ADAS (Advanced Driver Assistance System) audio alerts to prevent imminent accidents.



Sensata INSIGHTS

Sensata INSIGHTS offers proprietary technology to convert IoT data from information to insights to empower decisions and inspire the right actions to reduce costs, avoid problems and enhance safety. Examples of this technology include:

- Our cargo and trailer management solutions track and manage assets and goods moving across the supply chain with accuracy and precision, resulting in increased system efficiency, productivity and velocity, reduced risk and improved safety.
- Our telematics offerings for situational awareness include real-time triggers designed to enable continuous improvement in safety, efficiency and decision making.
- Our sensing solutions, including TPMS and blind spot monitoring, leverage our own sensors and generate a full spectrum of component-, subsystem- and asset-level data for better decisions resulting in increased safety.

Aerospace Applications

Over 1 million Sensata parts are installed in aircraft worldwide and used for applications in flight control actuation, engine valve control, landing gear actuation, cockpit controls and environment control systems. A commercial jet alone is equipped with more than 1,500 Sensata components including mission-critical sensors and controls that play a role in enhancing the system’s overall safety, efficiency and performance for millions of people every day. We are also supporting the aerospace industry’s transformation as we work with innovative companies to develop solutions for new electric aircraft. In 2022, we announced the creation of a new fly-by-wire joystick control system for electric vertical take-off and landing aircraft and provided prototypes to several innovative air mobility firms.



1,500+
Sensata components in a commercial jet

Performance

	2020	2021	2022
Tire Pressure Monitoring Systems Shipped	71,216,410	82,900,989	89,016,592

Related Links

Vehicle safety case studies

Product Quality

Our Approach

We prioritize product quality and are passionate about positive customer experiences. We recognize that our ability to deliver high-quality products is integral to maintaining our reputation and viability as a company. Our focus on incorporating quality into all aspects of our business reduces risk related to product defects and enables us to maintain the trust of our valued customers and end users.

Sensata has produced billions of quality products and solutions for more than 100 years. We are guided by our internal Quality Policy and procedures as well as stringent industry and customer requirements that determine how we design, develop and test products.

Led by the Global Head of Quality, our product quality efforts have helped enhance our customers' product portfolios while furthering our commitment to safety and sustainability. Our five quality pillars ensure we are engaging our employees in our quality commitment as well as actively partnering with suppliers on continuous improvement. We also leverage our Centers of Excellence (CoEs), supported by our India Technology Center, to drive quality best practices and compliance across Sensata.



DELIVERING CUSTOMER EXCELLENCE

We will deliver customer excellence by:



Listening to 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.

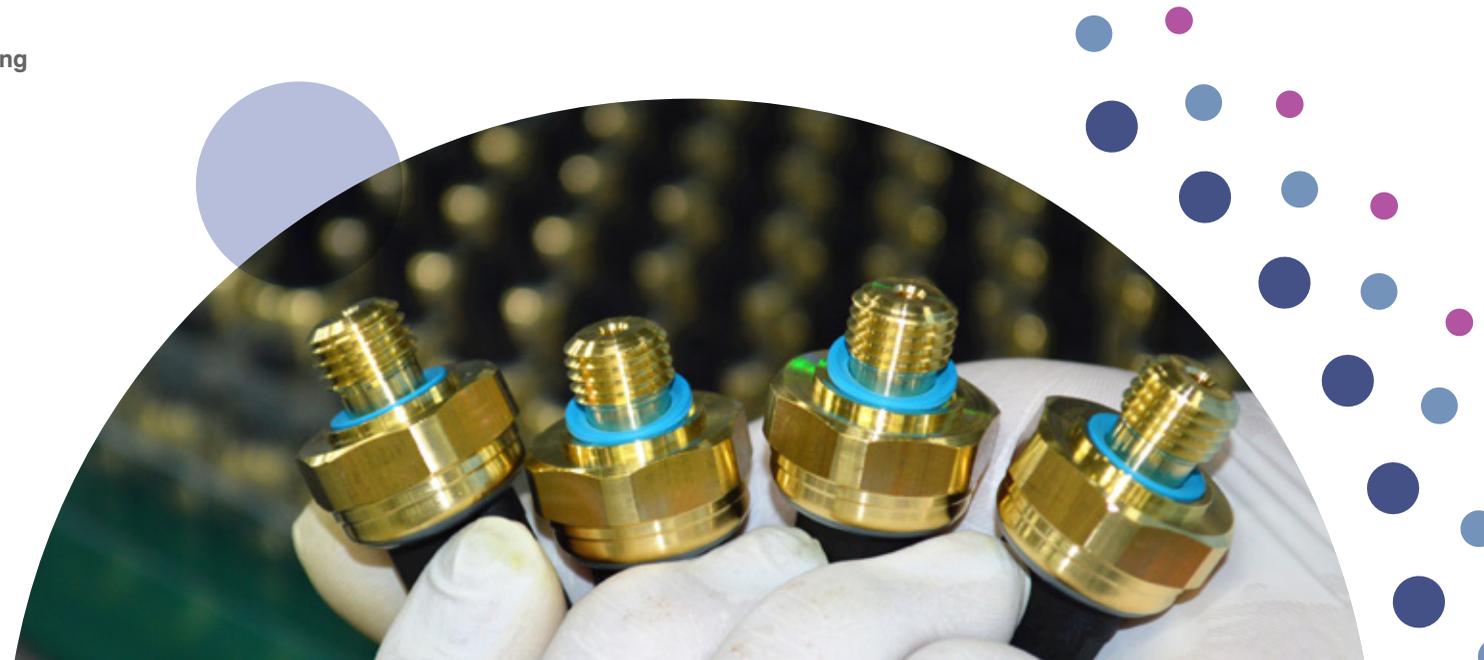
Regulatory Compliance and Sustainability

Our operations are subject to local and global product regulations and protocols, including the International Material Data System (IMDS); Restriction of Hazardous Substance Directive (RoHS); and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). We are committed to providing customers with compliant products.

To ensure and document compliance with these requirements, Sensata's development and manufacturing facilities are certified under ISO 9001 and, where applicable, IATF 16949 and AS9001 global standards, as well as customer-specific or industry requirements for the relevant

sector in which we operate. Additionally, our Material Content CoE is responsible for ensuring our products meet customer needs and comply with applicable environmental laws.

In 2022, we manufactured and shipped over 1.1 billion highly engineered product units and are continuously examining ways to decrease the environmental footprint of our manufacturing operations while maintaining the quality and safety of our products. By focusing on driving product quality right the first time, every time, we are able to reduce waste and business risk resulting from quality defects.



Software Quality Assurance and Security

The advancement of complex, programmable electronics and software applications in our solutions has increased our focus on safety and security. We are working closely with Sensata’s Software and Systems teams to incorporate the latest systems and software product quality standards in our process. These requirements include ISO standards for Functional Safety, Safety of the Intended Function (SOTIF), Product Cybersecurity and Over the Air (OTA) updates.

In early 2021, we completed our first major quality Software and 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. In 2022, we assessed project management and problem resolution management processes in several locations and are tracking a multi-year software quality maturity improvement journey that is consistent with software industry standards. We will begin implementing learnings from these processes across our business units in 2023.

TISAX Certification

As part of our commitment to software quality and information security, we continue to work with TISAX (Trusted Information Security Assessment Exchange) to increase the number of Sensata locations that are third-party certified. Independently governed by the ENX Association, an organization comprised of auto manufacturers, suppliers and national automotive associations, the TISAX certification “aims to enable and simplify secure and trustworthy collaboration over industrial value-added networks”¹. In 2023, we plan to obtain certification for seven sites in four countries – Plovdiv and Sofia, Bulgaria; Attleboro, Massachusetts and Carpinteria, California in the United States; Changzhou and Baoying, China; and Subang Jaya, Malaysia. These are in addition to our sites that have already been audited in Mexico, the United Kingdom and the Netherlands, demonstrating the robust nature of our Quality Management System.

As vehicle regulations continue to harmonize and include software and cybersecurity updates, we will continue to evolve our product quality and capabilities to meet new requirements. This includes focusing on electric vehicles, material compliance, cybersecurity and product safety compliance.

¹ <https://enx.com/en-US/TISAX/>

Customer Satisfaction and Recognition

We pride ourselves on providing high quality products to our customers and strive for excellence. In 2022, we received 19 customer satisfaction awards from 10 different customers recognizing our commitment to delivering quality products and services. Award highlights include:

Zero Quality Recall/Zero Warranty Award

Baoying, Botevgrad and Mexicali sites

Supplier Quality Excellence Award

Baoying and Mexicali sites

Platinum and Gold Supplier Awards

Aerospace, Thousand Oaks, California, USA; Sensing Solutions Asia

Preferred Strategic Supplier Awards

Aguascalientes and Baoying sites

Kaizen 2.0 Competition Award

Baoying

Powertrain Auto Parts Excellence Awards

Asia Performance Sensing and Sensing Solutions

We continue to evolve our approach to measuring customer satisfaction as part of our efforts to drive continuous improvement in our products. We utilize indices and roadmaps, including customer scorecards, manufacturing site trends, customer events, causal analysis and more, to measure satisfaction and proactively address customer concerns. Customers can also raise questions or concerns by contacting us directly at quality@sensata.com.

Performance

	2020	2021	2022
Product Safety Recalls	0	0	0
Government Penalties Related to Product Regulatory Compliance	0	0	0
Quality Management System Certifications Withdrawn by Third Parties	0	0	0
Customer Satisfaction Awards	9	15	19

Circular Economy

Our Approach

As our products continue to enable our customers to deliver a cleaner, more efficient, electrified and connected world, it is critical that we consider the impacts of both our product inputs and end-of-life management. A circular economy focuses on lessening waste and pollution through reduced inputs and product repair and reuse. Given the nature of our business and the end markets we operate in, our products are typically small components of larger products sold by our customers. With that in mind, we believe our role in a circular economy is to design our products to optimize and increase the lifespan of our customers' end product through reduced emissions and waste while increasing resource efficiency across components and materials used in our products. We also recognize that, by addressing the entire life cycle of our products, we can further decrease our environmental impact and help customers meet their circular economy goals. Our approach to circular economy is influenced by our Engineering and Procurement departments as they are responsible for determining and obtaining the materials needed to manufacture our products.

Products Enabling a Circular Economy

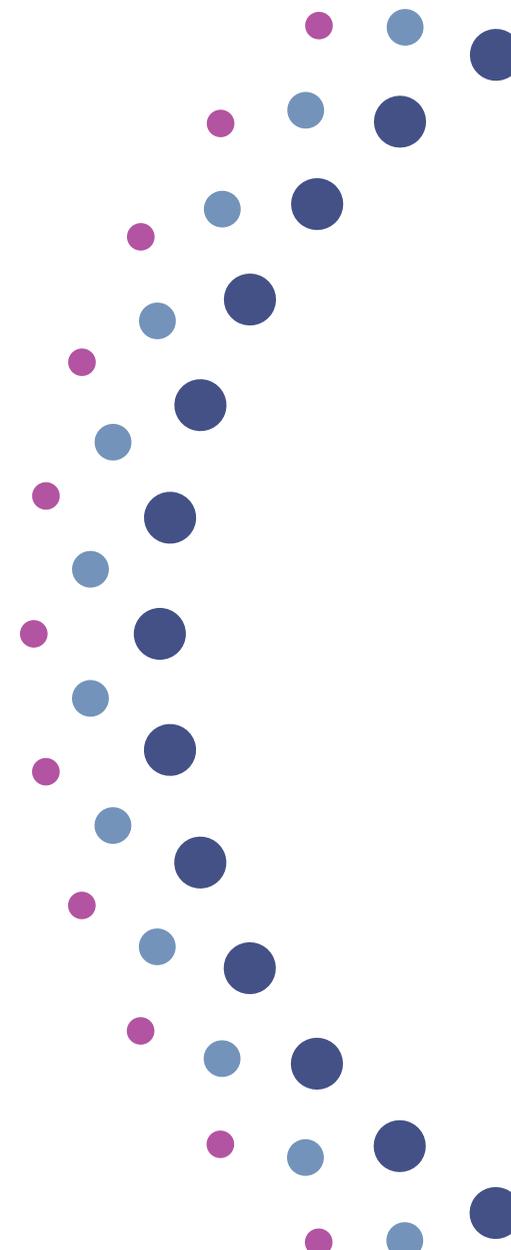
Sensata has been providing tire pressure management solutions to the automotive industry for over 25 years. Two of the biggest benefits of maintaining proper tire pressure are extending tire life and improving the fuel efficiency of a vehicle, ultimately reducing emissions and waste.

In 2022, we announced the development of a new Tire Mounted Sensor for vehicle and tire OEMs to deliver enhanced safety, performance and data insights. Our Tire Mounted Sensor includes TPMS functionality as well as an accelerometer to detect the force with which the tire is striking the ground. Mounted directly to the tire's inner liner, the Tire Mounted Sensor identifies the brand and model of the tire and provides data continuity for the specific tire throughout its life cycle.

Circular Design Principles

Although we are early in our journey to transition our products into a circular economy, we have historically integrated some of its aspects into product design and execution. All our products are designed with quality and durability in mind, enabling continued use throughout the lifetime of our customers' products (e.g., cars, trucks, HVAC systems, etc.). Additionally, recycled material is incorporated into some products, but we do not formally track the total number or percentage of products that contain recycled content. However, we do report the recycled content of some of the parts we sell through the International Material Data System (IMDS), as required by our New Product Development process and certain customer requests.

In 2022, our Plastics Center of Excellence launched a project to understand sustainable plastics and identify suitable plastic grades that could potentially be used in our products. The team is investigating how we can incorporate sustainable plastics into our engineering projects and deliver the same quality. We also conducted our first product life cycle assessments to better understand the impact of our products across the various stages of development and use.



Sensata Aftermarket

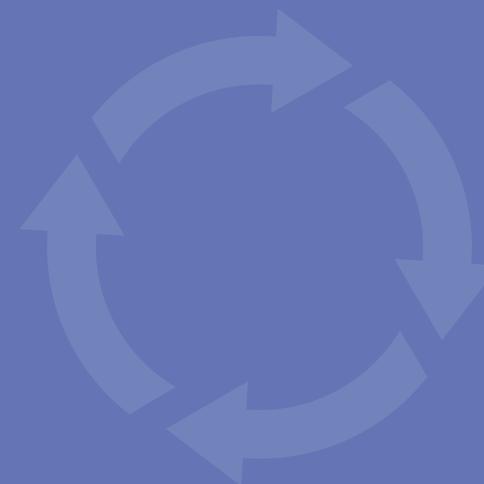
Our Aftermarket business enables consumers to extend the life of their automotive, heavy duty or motorsport vehicle. As material extraction for producing a vehicle is one of the highest emission-producing aspects of a vehicle’s life cycle, extending the life of a vehicle and replacing mission-critical sensors that contribute to a cleaner, more efficient, electrified and connected world helps reduce the lifetime emissions of a vehicle and limit waste.

In 2022, based on its recent analysis of the North American Tire Pressure Monitoring System Aftermarket Industry, Frost & Sullivan recognized Sensata with the 2021 Market Leadership Award for offering a broad portfolio of sensors, power protection components and sensor-rich solutions to the automotive, heavy and off-highway vehicle and aerospace industries.



Looking Ahead

In 2023, we plan to conduct additional life cycle assessments and work toward tracking recycled content across our product families. We will use the insights obtained from our life cycle assessments to reduce the environmental impact of our products through increased use of recycled material where feasible, in addition to improved energy efficiency and use of renewable energy for production at our manufacturing sites.





Protecting Our Environment

- Our Approach
- Energy and Emissions
- Environmental Compliance
- Waste Management
- Water Stewardship

Volunteers during Annual Day of Service Event

Our Approach

While our solutions serve as critical building blocks for making cleaner and more efficient products, 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.

We are committed to responsible environmental management practices at all our facilities worldwide and promoting a culture of working together for a more sustainable world. Our Environmental Management Programs are focused on:

- **Energy and Emissions:** We recognize the role we must play to combat climate change by managing energy consumption and emissions resulting from our operations and across our supply chain.
- **Environmental Compliance:** We are committed to the efficient use of natural resources, prevention of pollution, protection of the environment and elimination of environmental hazards where possible.
- **Waste Management:** We understand that minimizing waste is an important aspect of reducing our environmental impact.
- **Water Stewardship:** We recognize the need for clean and accessible water and that growing water scarcity poses a challenge to our operations, our customers and the communities where we conduct business.



At Sensata, we care about the health and safety of the communities in which we operate for the same reasons you do – we live there. That is why we are always working to improve the quality of life for our employees, communities and customers by reducing the potential ecological impact of our activities.

Plants for employees, Aguascalientes, Mexico

Our Goals

 **ACHIEVE CARBON NEUTRALITY**
in our operations by 2050

ACHIEVED

 **Reduce our market-based emissions intensity by 10%**
by 2026
from a 2021 baseline

NEW

 **Reduce our market-based emissions intensity by 5%**
in 2023 from 2022

Energy and Emissions

Our Approach

As a global company, we recognize the role we must play to combat climate change by managing energy consumption and emissions resulting from our operations. We also recognize that a changing climate may impact significant aspects of our business and the operation of our facilities. Since 2017, Sensata has disclosed information regarding our greenhouse gas (GHG) emissions performance through CDP and other sustainability reporting platforms.

Our energy and emissions efforts are led by our Senior Director of Sustainability and Facilities, Environment, Health and Safety, who is responsible for program management and implementation of initiatives to improve the energy efficiency of our operations, reduce greenhouse gas emissions and other activities aimed at reducing waste generation and water consumption across our global sites.

New Aguascalientes Building Achieves LEED Silver

Our newly constructed building in Aguascalientes, Mexico, which will support products contributing to our growing Electrification trend, achieved LEED Silver certification in early 2023. The building was designed to incorporate environmental best practices, including water-efficient fixtures, native vegetation, increased access to natural light, fewer parking spots to promote shared vehicles, and reduced construction and demolition waste.

Managing Our Footprint

We are continuously evaluating opportunities to both decrease energy consumption and increase renewable energy use at our manufacturing facilities and business centers. We are focused on first reducing or eliminating our carbon emissions wherever possible and then mitigating the remaining emissions through new technologies, renewable energy credits and other investments.

Energy Efficiency

As a company that manufactures mission-critical sensor-rich solutions, we understand that energy is essential to our business. We strive to run our operations as efficiently as possible but recognize there is always room for improvement. We continue to implement practices from our Energy Efficiency Playbook across our global locations to enable our sites to maximize their energy efficiency and reduce energy consumption.

In 2022, we undertook a number of projects focused on operational efficiency improvements. We completed LED lighting projects in the U.S. at our Boise, Idaho and Attleboro, Massachusetts facilities, as well as internationally at our Baoying, China; Pontalier, France; and Otay, Mexico locations. We also installed a high-efficiency, oil free compressor at our El Lago, Mexico facility and replaced an old, air-cooled chiller with a more efficient water-cooled chiller at our Botevgrad, Bulgaria site which, combined with our LED lighting projects, reduced our total energy consumption by over 2,700 megawatt hours (MWh). These projects, in addition to efficiency improvements in 2021, also enabled us to decrease our electricity consumption by 10,345 MWh – 3.8% of our total use. In 2023, we will continue to invest in facility efficiency projects across the globe.



Executive Workshop to Develop Renewable Energy Roadmap

In September, our energy consultant led a half-day workshop attended by our senior and executive management. The workshop focused on educating management on available options and evaluating the costs, benefits and risks associated with different renewable resource strategies, including on-site generation, power purchase agreements and renewable energy certificates. Following the workshop, we adopted a renewable energy roadmap designed to accelerate our carbon neutrality strategy.

As we increase the efficiency of our operations, we are also working to incorporate more renewable energy into our portfolio. In 2022, 6.6% of our total energy consumption came from renewable sources, which was a significant jump from 1.9% in 2021. This increase is attributable to purchasing bundled renewable energy credits for our Attleboro headquarters, in addition to the renewable energy already powering our Engineering Center in Hengelo, Netherlands and Unit 7 and 11 buildings in Antrim, Northern Ireland. Our first on-site solar panel projects at our facilities in Bulgaria and Malaysia will be operational in 2023, following slight project delays due to supply chain constraints.

GHG Emissions Scope 1 & 2 Emissions

In 2021, Sensata made a public commitment to reduce GHG emissions intensity relative to revenue by 10% by 2026. In 2022, we set an interim target to reduce our emissions intensity by 5% compared to 2021, which was tied to the variable compensation of our Strategy Leadership Team (SLT). We proudly exceeded our 2022 and 2026 goals with a 10.7% reduction in our Scope 1 and 2 market-based GHG emissions intensity. In light of our early achievement, we have set a short-term goal to reduce our Scope 1 and 2 market-based GHG emissions intensity by an additional 5% in 2023 from 2022. We expect to set an absolute GHG emissions reduction goal in the near future.

Reduce Market-based GHG Emissions Intensity by 10% by 2026

	2021	2022	2026 GOAL
Set baseline		10.7%	10%

As part of our renewable energy roadmap, we are striving to power our manufacturing facilities with 100% renewable energy by 2030.



Solar panel project, Plovdiv, Bulgaria

We continue to calculate our GHG emissions according to the Greenhouse Gas Protocol and obtained third-party verification of our 2022 Scope 1, 2 and all relevant categories of our Scope 3 emissions data, expanding the external assurance we received for our 2021 Scope 1 and 2 emissions.

In 2022, our Scope 1 and Scope 2 market-based emissions were 5,564 and 157,809 metric tons CO₂ respectively, representing a 5.8% decrease compared to 2021. This decrease can be attributed to our energy efficiency improvements and our efforts to source more renewable energy. Additionally, our market-based emissions intensity decreased from 45.41 to 40.55, a 10.7% decrease compared to 2021. Our Scope 2 location-based emissions were 162,715 metric tons CO₂ and our location-based emissions intensity decreased from 45.74 to 41.77.

As the company expands, we are committed to reducing our carbon footprint and will continue to implement projects and initiatives to reduce our emissions. Furthermore, our GHG emissions strategy is constantly evolving, and we will continue to evaluate our targets and timelines as we progress toward our goals.

Scope 3 Emissions

As part of our emissions inventory, Scope 3 emissions accounted for approximately 99% of our overall footprint, with most of our impact, roughly 94%, occurring during product use.

Our products are generally small components of much larger products and require minimal energy to operate. However, many of our products are used in internal combustion vehicles and equipment, which currently have a large carbon footprint. As we execute our Electrification megatrends strategy, and the energy grid powering electric vehicles and equipment incorporates more renewable energy, our Scope 3 emissions will naturally decline. Further, as the grid provides more renewable energy, the emissions impact of our industrial systems powered by electricity, which generally require energy throughout the day for operational performance, will also decrease. Although we expect our megatrends strategy and macro trends to positively impact our Scope 3 emissions, we understand the importance of taking proactive steps to reduce these emissions.



Performance

	2020	2021*	2022
Scope 1 Emissions (metric tons CO₂)	4,968	6,527	5,564
Scope 2 Emissions Location-based (metric tons CO₂)	144,836	168,204	162,715
Scope 2 Emissions Market-based (metric tons CO₂)	-	166,940	157,809
Scope 1 & 2 Location-based Emissions (metric tons CO₂)	149,804	174,731	168,279
Scope 1 & 2 Market-based Emissions (metric tons CO₂)	-	173,467	163,373
Scope 3 Emissions (metric tons CO₂)	-	16,408,170	15,617,500
GHG Emissions Intensity (Scope 1 & 2 Location-based Emissions/\$1M Revenue)	49.19	45.74	41.77
GHG Emissions Intensity (Scope 1 & 2 Market-based Emissions/\$1M Revenue)	-	45.41	40.55
Market-based GHG Emissions Intensity Reduction (Scope 1 & 2 Market-based Emissions/\$1M Revenue)	-	Baseline year	10.7%
Electricity Use (MWh)	289,539	285,050	274,705
Renewable Energy (%)**	-	1.9%	6.6%

*Per the GHG Protocol, 2021 data has been restated to incorporate data from our acquisition of Dynapower.

** Reflects renewable energy confirmed via certificates from our utility providers

	2020	2021***	2022
Scope 3 Emissions (metric tons CO₂)	-	16,408,170	15,617,500
Category 1: Purchased Goods and Services	-	696,000	685,000
Category 2: Capital Goods	-	38,000	68,000
Category 3: Fuel- and Energy-Related Activities	-	41,000	40,000
Category 4: Upstream Transportation and Distribution	-	125,000	107,000
Category 5: Waste Generated in Operations	-	4,000	3,000
Category 6: Business Travel	-	3,000	6,000
Category 7: Employee Commuting	-	41,000	52,000
Category 8: Upstream Leased Assets	-	N/A	N/A
Category 9: Downstream Transportation and Distribution	-	16,000	5,000
Category 10: Processing of Sold Products	-	N/A	N/A
Category 11: Use of Sold Products	-	15,439,467	14,648,000
Category 12: End-of-Life Treatment of Sold Products	-	3,002	3,000
Category 13: Downstream Leased Assets	-	N/A	N/A
Category 14: Franchises	-	N/A	N/A
Category 15: Investments	-	1,700	500

***Per the GHG Protocol, 2021 data has been restated to incorporate data from our acquisition of Dynapower.

Environmental Compliance

Our Approach

At Sensata, our solutions serve as critical building blocks for making safer, cleaner and more efficient products, and our technology systems enable millions of people to make smarter, more sustainable choices. While we highlight our contribution to the sustainability of our customers' products and energy transition in the **Innovating for Sustainability** section, we also recognize the need to ensure those contributions are made in an environmentally responsible way.

As part of our Environmental, Health and Safety (EHS) program, we aim to drive continuous improvement across our operations, progressively reducing the environmental impact of our activities by focusing on:

- The efficient use of natural resources;
- Prevention of pollution and protection of the environment; and
- Eliminating environmental hazards where possible, or reducing risks to a reasonably practical level.

Our efforts are overseen by our Senior Vice President, Operational Excellence and underpinned by our Global Environmental, Health and Safety Policy.

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.

Environmental Management at Our Facilities

Sensata endeavors to comply with all applicable EHS laws and regulations. Our Environmental Management Program covers our global operations with a total footprint of over 4 million square feet, used by approximately 21,000 employees and temporary workers.

We collaborate with our workforce to develop and execute our performance goals and build a culture of accountability. Accordingly, through a consolidated dashboard system, we routinely develop and measure our performance toward our environmental management goals and train employees, contractors and visitors to our facilities on their responsibilities and environmental management requirements. We also collaborate with members of the communities where we operate 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 in 2022, 77% of our manufacturing, engineering, business center and lab locations were ISO 14001 certified by a third party. Per this standard, all certified facilities are also audited on an annual basis by a qualified third party.

In 2023, we will continue to strive for full compliance with all relevant environmental laws and regulations, conduct our operations in a way that minimizes our environmental impact and work toward increasing the number of our facilities with ISO 14001 certifications.



Sensata Attleboro campus

Performance

	2020	2021	2022
Facilities with ISO 14001 Certification	99%*	71%**	77%

*Data reported in 2020 included only Sensata manufacturing facilities.

**We previously reported that 70% of facilities were ISO 14001 certified in 2021. This number has been revised to reflect a change in calculation methodology.

Related Links

[Global Environmental Health and Safety Policy](#)

Waste Management

Our Approach

Our waste-related priority is compliance with local, national and global regulations and adherence to requirements for third-party certification of our environmental management systems. Although our operations do not generate a tremendous amount of waste relative to other manufacturers, minimizing waste and diverting it from landfill enables us to reduce our environmental impact.

At Sensata, waste management is overseen by our Senior Vice President, Operational Excellence, with program implementation led by our Senior Director of Sustainability and Facilities, Environment, Health and Safety in collaboration with Facility Managers at each of our sites.

Measuring Waste

We track solid waste generation on a monthly and annual basis at all our manufacturing facilities and maintain recycling programs at these facilities as well. We strive to achieve a 100% recycling rate and actively recycle cardboard, wood, e-waste, batteries, plastics and non-metal scrap parts as well as several metals including silver, platinum, cast iron, gold, aluminum, brass, nickel and copper. In 2022, we generated 9,674 metric tons of solid waste and diverted 80% of that waste from landfill, a slight increase compared to 2021.

We also measure hazardous waste generation on a monthly and annual basis at all our sites that generate hazardous waste. Examples of hazardous waste generated by our operations, as classified per legislation in the country of origin, include cured and dried non-recyclable resins and glues, waste oils, solvents, liquid chemical pastes, expired chemicals wipes, liquid cleaning agents and liquids from aerosol spray cans. In 2022, we generated 537 metric tons of hazardous waste, and in 2023 we will continue implementing initiatives to decrease waste created as a result of our operations.

Recycling Initiatives

As part of our waste management strategy, we periodically review and assess opportunities to both reduce waste generation and increase our recycling rate. In 2022, we implemented a global electronic waste recycling program that requires e-waste to be received, sorted and processed at our facilities, where it is then sent to an external vendor for final recycling. At our Boise, Idaho facility in the U.S., we introduced a recycling program as two of the buildings did not previously separate trash and recycling. By adding recycling containers inside the building and a roll-off container outside, employees are enabled and encouraged to separate cardboard, paper, plastic bottles, metal cans and other traditionally recyclable materials and divert them from landfill.

For the last two years, we have partnered with our supplier Kimberly-Clark to participate in their *RightCycle Program*, collecting eligible hard-to-recycle hazardous waste items, such as nitrile gloves and safety eyewear, to be upcycled into new consumer goods, such as flowerpots, patio furniture and plastic shelving, from our Attleboro headquarters. Given the success of the program, we are planning to expand participation to additional sites and divert more of our hazardous waste into reusable products.

Performance

	2020	2021*	2022
Total Non-Hazardous Waste Generated (metric tons)	7,728**	10,366	9,674
Total Non-Hazardous Waste Recycled (metric tons)	6,425	8,359	7,762
Total Waste Disposed (metric tons)	1,303	2,007	1,912
Hazardous Waste Generated (metric tons)	490	562	537

*Data for the three non-hazardous waste categories has been corrected from what was disclosed in our 2021 Sustainability Report. The updated numbers reflect data that was received after the 2021 Sustainability Report was published.

**Total non-hazardous waste generated in 2020 has been corrected from what was reported in our 2021 Sustainability Report. The updated number reflects a 10 metric ton decrease from what was previously reported due to human error.

Attleboro Coffee Bag & Pod Recycling – Employee Recycling Suggestion

Coffee bags, by volume, are one of the largest non-recyclable waste streams generated by commercial office spaces. Driven by an employee suggestion submitted through our internal *Powering Possibilities Together* forum, we introduced a coffee bag and pod recycling program at our Attleboro office. Used coffee capsules and tea discs are collected and shipped to Terracycle, where the pods are cleaned and shredded to separate the grounds from the plastic, enabling the plastic to be recycled and coffee grounds composted. Finding a recyclable alternative to a previously hard-to-recycle waste stream diverts waste from landfill and improves our recycling rate.



Water Stewardship

Our Approach

The growing global scarcity of water poses a challenge to our operations, our customers and the communities where we conduct business. As a manufacturer of sensor-rich solutions, water use at our facilities is not a significant component of our environmental impact. However, we recognize the need for clean and accessible water, and water stewardship is an important aspect of our approach to environmental sustainability and community support.

The majority of our water footprint occurs at our facilities through potable consumption and sanitation for employees and contractors, and as a result of the cooling process of some of our plants. Most of the water we use, aside from potable water consumption, is discharged back into the environment through wastewater treatment facilities or evaporation.

Since 2017, Sensata has tracked water consumption at our major manufacturing facilities and disclosed information regarding our performance through CDP. Our approach to water stewardship is led by our Senior Director of Sustainability and Facilities, Environment, Health and Safety, in collaboration with Facility Managers at each of our sites.

Reducing Water Utilization

Consistent with our EHS Policy, we endeavor to comply with all applicable water regulations and maximize water efficiency throughout our direct operations. We seek to mitigate our impact on local water bodies through appropriate use of storm water management systems and by recycling processes and cooling water inside our facilities when feasible. In 2022, we installed a production line washer to enable operational water recycling at our El Lago, Mexico facility, reducing monthly water consumption at the site by 15% compared to 2021. Additionally, at our Aguascalientes, Mexico facility, we detected an equipment issue that was causing unnecessary water consumption. The team fixed the equipment to prevent future leaks and will conduct periodic audits to ensure the equipment is used properly.

As we are not a water-intensive company, our primary focus is to provide safe sanitation and hygiene stations for our employees and ensure access to clean water, toilets and handwashing facilities. Based on our water use, we estimate a 90% discharge rate for water withdrawn into Sensata facilities, and in 2022, we saw a 2.2% increase in water use, which is attributable to an increase in hours worked by our employees on-site compared to 2021. As more employees return to work on site, we will continue to collaborate with our manufacturing facility leaders to identify initiatives to decrease water use.



Eco-friendly at Belfast Mela, Northern Ireland

Assessing Water Risk

As identified in our 2018 water risk assessment, four of our major manufacturing facilities are located in water-stressed areas. As new data is now available, we plan to conduct a climate risk scenario analysis in 2023 that will help us understand the risks posed to our operations, including water risks such as drought, flooding and access to clean water. We will use the results of this assessment to set informed water reduction targets for our most vulnerable facilities.

Performance

	2020	2021	2022
Water Use (megaliters)	1,078	1,252	1,280



Operating Responsibly

- Our Approach
- Corporate Governance
- Ethics and Compliance
- Risk Management
- Data Privacy and Security
- Government Relations
- Responsible Sourcing

Sensata Chemistry Laboratory, Attleboro

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 to safely deliver a cleaner, more efficient, electrified and connected world.

Our commitment to operate responsibly focuses on:



Corporate Governance

We are committed to operating our businesses with integrity and adopting robust and transparent governance policies that promote the interests of our stakeholders and strengthen Board and management accountability.



Ethics and Compliance

We take pride in doing business with integrity and operating with high standards of business ethics.



Risk Management

We recognize that risk management is integral to our strategic planning process, business decision making and day-to-day operations of our company.



Data Privacy and Security

We are committed to maintaining data privacy and cybersecurity and preserving the trust our employees and customers place in us.



Government and Community Relations

We actively engage with the communities in which we do business around the world but do not make contributions from corporate funds to candidates for state, local, or federal office or to political parties or certain entities, including political action committees.



Responsible Sourcing

We expect our suppliers and business partners to share our commitment to operating responsibly with respect for people and our planet, and to take a stand against corruption, labor violations and human trafficking.



Vision and Purpose

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 cleaner, more efficient, 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.

Corporate Governance

Our Approach

At Sensata, we are committed to operating our businesses with integrity and adopting robust and transparent governance policies that promote the interests of our stakeholders and strengthen Board and management accountability. Strong governance is the foundation of our work and is led by our Strategy Leadership Team and overseen by our Board of Directors and its standing committees. Learn more about our corporate governance policies that reflect best practices in our [2023 Proxy Statement](#).

Board of Directors

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 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. In 2022, the Board amended our Nominating and Corporate Governance Committee Charter to require that female or racially diverse candidates be included in any search pool for a new director. Currently, eight of 10 directors are independent, including

our Chairman of the Board, and four of 10 directors represent gender or racial diversity. We are committed to using succession planning and the refreshment process to continue advancing Board diversity.

Oversight for Sustainability

Our sustainability efforts are led by our General Counsel who, with the ESG team, collaborates with functional leaders across the company to develop and execute our sustainability strategy, initiatives and goals. Formed in 2021 and expanded in January 2023, our ESG/ DEI Steering Committee is composed of members of our extended leadership team who are actively engaged in assessing various initiatives across the company in support of our sustainability efforts.

The Board of Directors oversees our corporate sustainability program and reviews our strategy, goals and initiatives. The Board considers oversight and effective management of environmental, social and governance 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 General Counsel and other members of the management team.

In addition to oversight by the full Board, primary responsibility for more frequent and in-depth oversight of portions of the Company’s sustainability program has been delegated to various Board-level committees:

- **The Nominating and Corporate Governance Committee** receives periodic updates on the sustainability initiatives established by management, including initiatives related to climate change, responsible sourcing and governance.
- **The Audit Committee** oversees the Company’s enterprise risk management, compliance and cybersecurity programs.
- **The Compensation Committee** reviews initiatives and monitors progress toward goals as they relate to human capital management, including diversity, equity and inclusion and talent management.

Learn more about our Board and Committees, as well as their Charters and responsibilities, in our [2023 Proxy Statement](#) or by visiting our [Governance website](#).

Governance Data

	2020	2021	2022
Number of Directors	11	11	10
Independent Directors	8	9	8
Woman Directors	3	3	3
Racially Diverse Directors	0	1	1
Average Director Tenure	<5 years	<5 years	<5 years
Independent Chairman of the Board	Yes	Yes	Yes

Related Links

[2023 Proxy Statement](#)

[Corporate Governance Guidelines](#)

[Nominating and Corporate Governance Committee Charter](#)

[Governance website](#)

Ethics and Compliance

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 contribute to a safer, cleaner, more efficient, electrified and connected world. We expect suppliers and business partners to share our commitment to operating responsibly with respect for people and our planet and to take a stand against corruption, labor violations and human trafficking.

Sensata's approach to business ethics is guided by our Code of Business Conduct and Ethics ("Code"), which provides a framework for making business decisions and is available in local languages where we operate. Our Code establishes the importance of exercising sound, ethical judgment and recognizing 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 and central to our goal of operating responsibly. The Code applies to all employees, officers and directors of the company, and Board approval is required for all Code revisions. Our Business Ethics program is overseen by our General Counsel who provides updates to the Audit Committee of our Board of Directors at each quarterly meeting.

Our reputation for doing business with integrity and operating with high standards of business ethics helps us grow our business and contribute to a safer, cleaner, more efficient, electrified and connected world.



We hosted our third annual Integrity Week in 2022 as part of our continued commitment to embed ethical business principles in our organization. The theme of the event was **"Doing What's Right – Every Day. Every Site."**, featuring a new format of short videos from leaders at Sensata's global locations, including several manufacturing sites. More than 2,000 global employees attended Integrity Week, with our CEO kicking off the event and underscoring the role integrity plays in operating responsibly.

Doing What's Right – Every Day. Every Site.

Reporting Concerns

We encourage and expect Team Sensata to speak up by reporting any concerns of violations of our Code, policies or applicable law. We prohibit retaliation against employees for making a good faith report and offer multiple channels for reporting actual or suspected violations:

- Directly to a supervisor, supervisor's supervisor or representatives in the Human Resources or Legal departments
- Anonymously through our third-party managed **Ethics Hotline**

Reported violations are appropriately investigated by our Legal, Internal Audit and Human Resources departments, which report their findings to the Audit Committee. In 2022, our reports per 1,000 employees increased to 4.73, which was expected as more employees returned to the office post pandemic. Reporting in 2022 was slightly above pre-pandemic reporting levels (i.e., 4.0 reports per 1,000 employees in 2019), but remains below an external benchmark of 5.0 reports per 1,000 employees.

We continue to focus on active investigation of all reports to drive improvements to investigation closure cycle time. In 2022, our average time to close reports was less than 45 days, a marked improvement compared to less than 90 days in 2021.

Mandatory Trainings

All employees are required to complete annual training on our Code. In addition, mandatory training on other compliance topics, such as antitrust, anti-corruption and anti-harassment, are provided on a targeted basis across the organization. Our quarterly training calendar, reminders and reporting updates to Team Sensata help drive strong training completion rates.

Anti-Corruption

Bribery harms communities, causes damage to reputation and disrupts markets. We are committed to winning customers and selecting business partners based on the merit of our solutions and never because of bribery or other illegal activity. All forms of bribery are prohibited across all Sensata operations, in all our locations and in all our interactions. We do not allow giving or accepting cash, cash equivalents or anything else of value to secure an unfair business advantage. We do not allow 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.

Performance

	2020	2021	2022
Code of Conduct Training Completion % (exempt)	99.0%	99.7%	99.6%
Code of Conduct Training Completion % (non-exempt)	89.0%	99.6%	99.7%
Ethics Hotline Reports/1,000 employees (assuming 22,000 Sensata employees)	2.41	2.77	4.73

Related Links

[Code of Business Conduct and Ethics](#)

[Anti-Bribery and Anti-Corruption Policy](#)

[Sensata Legal Policies & Procedures](#)



Risk Management

Our Approach

Sensata recognizes that, to achieve its business objectives, risks must be considered and managed enterprise wide. Risk management is integral to our strategic planning process, business decision making and day-to-day operations of our company. Primary responsibility for identifying, evaluating, managing and mitigating our exposure to risk belongs to our management team. Risks are prioritized and assigned to senior leaders based on the risk's relationship to the leader's business area and focus. Senior leaders then develop plans to address the risks and measure the progress of risk management efforts. The Enterprise Risk Management team, which reports to the Chief Accounting Officer, supports the execution of our enterprise risk management program by working to identify and assess our material risks and evaluating action plans to mitigate these risks. Our Board of Directors oversees our risk management processes and assesses whether our management team utilizes an appropriate framework to manage risks effectively.

Sensata Compliance Committee

The Sensata Compliance Committee is composed of more than 20 employees with representation from every core Sensata compliance risk area. The committee meets monthly to discuss compliance risks and mitigation plans. Members of the Enterprise Risk Management team attend these meetings and work with the Compliance Committee to update Sensata's Risk Assessment to reflect emerging and revised compliance risks.

Assessing Risk

As part of our annual risk assessment process, the Sensata Compliance Committee distributed a risk template to its members to identify risks within their respective business areas. During monthly meetings, each member presented their respective risks for analysis and discussion with the Compliance Committee. The Enterprise Risk Management team leveraged these risk templates and discussions, in conjunction with our risk matrix, to determine inherent and residual risk for major processes. As part of the annual assessment, the Enterprise Risk Management team met with key stakeholders and senior management to assess any changes to previously identified risks and determine whether any new risks emerged. Risks were then prioritized, and we developed action plans based on an assigned risk rating from our risk matrix that measures the likelihood of the risk occurring and potential impact of the risk. Top risks are actively managed by senior management, who provide updates to the full Board or its committees at least biannually.

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 and compliance with various regulations that could cause significant impact to our business.

Data Privacy and Security

Our Approach

Maintaining data privacy and cybersecurity to protect our employees, customers and business is an integral aspect of our operations. Our approach to data privacy and cybersecurity is defined by our commitment to preserving the trust our employees and customers place in us and focuses on driving continuous improvement as the threat landscape evolves.

The Sensata Legal team is responsible for monitoring developments in privacy regulations and protections, updating our policies and programs, and plays a key role in providing strategic, privacy-related advice and support to our global business teams. Our Senior Director of Cybersecurity leads our information security operations, with a focus on identifying, evaluating, mitigating and reporting on information technology (IT) and cybersecurity risks that have the potential to threaten Sensata's enterprise information assets and systems. Our cybersecurity and global IT strategy is regularly aligned with business leaders across Sensata through our IT Excellence Committee meetings, conducted 10 times a year, to ensure cyber, IT and business priorities are communicated and understood throughout the organization.

The Legal team and Senior Director of Cybersecurity provide quarterly updates to the Data Protection Steering Committee, which is co-chaired by our Chief Technology Officer and General Counsel and responsible for assessing whether risks are being properly identified and mitigated. The Audit Committee of our Board of Directors has ultimate oversight of data privacy and cybersecurity and receives regular updates.

Data Privacy

As a trusted business partner and employer, we are committed to collecting, handling and protecting personal information responsibly and in compliance with applicable privacy and data protection laws. We promote transparency by disclosing how we collect, use and share personal information in our [Privacy Policy](#) to more clearly explain our data handling practices and increase trust with our customers and employees. We continue to monitor developments in privacy regulations and protections and update our policies and programs as required. We implement a range of technical and organizational measures designed to provide a level of security appropriate to the risk to the personal information we process, including addressing the ongoing integrity, confidentiality and availability of personal information. We evaluate these measures on a regular basis. Additionally, our Privacy Threshold Assessment requires certain projects to be reviewed for implications regarding privacy policies.

Sensata's Five Privacy Principles –

Accountability, Transparency, Responsibility, Choice & Control and Security – serve as Sensata's Global Privacy Framework. In support of this framework and our commitment to privacy, in 2022, we improved global privacy training and awareness by adding new, updated awareness campaigns, interactive privacy training and targeted privacy training based on job function.

Sensata's Five Privacy Principles



Accountability

We abide by and uphold our Privacy Principles.



Transparency

We are open and clear about how we collect, use, share, store and protect personal information.



Responsibility

We collect, use and share personal information mindfully.



Choice & Control

We provide individuals with appropriate choice and control over how their personal information is collected, used and shared.



Security

We keep personal information secure, in accordance with applicable security requirements.



Cybersecurity

At Sensata, we value the ability to openly communicate and share information and recognize that information and IT assets are critical to our company. We are guided by our Cybersecurity Charter, which includes our philosophy of information security, identifies the motivation for security, describes information security principles and terms and defines the scope of information security policies and responsibilities for various functions. We continue to improve the maturity of our cybersecurity program, aligning with the NIST Cybersecurity Framework.

Training Programs

We have robust cybersecurity training programs with frequent touch points for all employees to empower them to act responsibly and keep cybersecurity top of mind. We use monthly activities to keep employees engaged with cybersecurity, including newsletters, articles on the Sensata intranet and mock

phishing campaigns. We regularly update our comprehensive training program, which covers a wide variety of topics, from protecting work machines and personal information to social innovation and how employees can protect their digital lives at home. In the event of a cybersecurity incident, our response and mitigation efforts are guided by the Sensata Cyber Incident Management and Incident Response Playbook, which provides guidance on how to respond to, and recover from, a significant cyber incident requiring an organized response.

In 2022, an external cybersecurity expert presented to our Board and senior management, discussing the threat landscape, geopolitical cybersecurity considerations and Sensata’s cybersecurity posture. We continued to conduct tabletop exercises testing the principles and procedures set forth in our Cyber Incident Management and Incident Response Playbook and update the Playbook based on lessons learned. We have maintained our mock phishing campaigns, and our employee phishing

assessment failure rate is consistently at or below industry benchmarks. We intentionally increased the difficulty of our phishing campaigns in 2022 to better prepare our company and employees for the increased sophistication of external phishing threats. Despite this increased difficulty, our phishing assessment pass rate decreased only slightly, by 1.3% compared to 2021.

Performance

	2020	2021	2022
Average Completion Rate – Mandatory Trainings	90%	87%	98.8%
Phishing Assessment – Pass Rate	–	92.6%	91.3%
Phishing Assessment – Messages Sent	–	85,308	109,669

Looking Ahead

In 2023, we plan to refresh our cybersecurity risk assessment, utilizing a third party to identify the top risk areas specific to our current operations and partner with our internal audit team to assess the current state of our cybersecurity program. Our new Chief Information and Digital Officer, who joined the Company in January 2023, will work with our Senior Director of Cybersecurity to use the results of these activities to define future strategy and initiatives. We also plan on creating a “Cybersecurity Starts with Me” campaign focused on educating our employees about cybersecurity risks, followed by an increase in targeted training and corrective actions.

Related Link: [Privacy Policy](#)



Government Relations

Our Approach

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, which sets forth basic principles concerning political contributions, trade associations and lobbying activities, applies to Sensata and its subsidiaries, affiliates and employees. The Nominating and Corporate Governance Committee has oversight responsibility over any political activity.

Trade Associations

Sensata supports and participates in trade associations for a variety of reasons, including monitoring of industry policies and trends. Our participation with these organizations does not mean we endorse the organization's entire agenda or the views of its leaders or members. Furthermore, we do not make additional contributions to these organizations to support the organization's political activities and prohibit these organizations from using our contributed funds to intervene, directly or indirectly, in any election.

Political Contributions

As outlined in our **Political Activity Policy**, 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.

Related Links

[**Political Activity Policy**](#)

Responsible Sourcing

OUR 2026 GOALS



Achieve 75%

response rate on our responsible sourcing campaigns



Achieve 100%

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

Our Approach

In 2022, Sensata's global supply chain included more than 8,000 suppliers in over 50 countries and our total supplier spend exceeded \$2.4 billion, encompassing a wide variety of commodities and services that are required to support our operations. We are committed to operating with the highest standards of integrity and ethical behavior and extend this commitment to our suppliers to ensure that participants in our supply chain are respected and treated with dignity. Assessing and managing our supply chain risks and engaging with suppliers to address these risks is critical to our long-term success.

Our **Supplier Code of Conduct** sets forth expectations for ethical social, business and environmentally responsible practices. Our Supplier Code of Conduct is aligned with the Responsible Business Alliance Code of Conduct and reflects the fundamental values of fairness and integrity articulated in international, national and local conventions, namely the International Labor Organization (ILO) Conventions, International Bill of Human Rights and the United Nations Guiding Principles on Business and Human Rights (2011). Additionally, our supply chain management practices are aligned with the Automotive Industry Action Group Guiding Principles to Enhance Sustainability Performance in the Supply Chain. Our suppliers have an affirmative obligation to promptly report via our Ethics Hotline any information

or allegations related to a violation of our Supplier Code of Conduct. 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, geopolitical and marketplace risks.

We have identified the following areas as salient risks and have therefore prioritized them: child labor, forced labor or human trafficking; and conflict-related impacts from sourcing of minerals. While we currently prioritize these risks through focused efforts and collaborative engagements, the full scope of human rights risk is continuously managed through our responsible sourcing program and our annual due diligence responsible sourcing campaigns.

Our responsible sourcing practices are overseen by our Vice President, Global Procurement, who provides regular updates to senior leadership. Additionally, our ESG/DEI Steering Committee receives monthly updates on risks and opportunities associated with our responsible sourcing program, and our General Counsel provides periodic updates to the Board.

Human Rights and Working Conditions

We expect our suppliers to maintain labor, health and safety, environmental and ethics practices that meet or exceed all applicable laws and relevant international norms and standards, such as the United Nations' Universal Declaration of Human Rights and ILO International Labor Standards. We do not tolerate the use of child labor, forced labor or human trafficking in any form – including slave labor, prison labor, indentured servitude or bonded labor – either in our operations or supply chain. We expect our suppliers to abide by relevant minimum wage and maximum hour regulations, including the payment of overtime, as applicable. Each year, Sensata publishes our **Annual Slavery and Human Trafficking Statement** describing how we are tackling the challenge of modern slavery and human trafficking throughout our operations and supply chain.

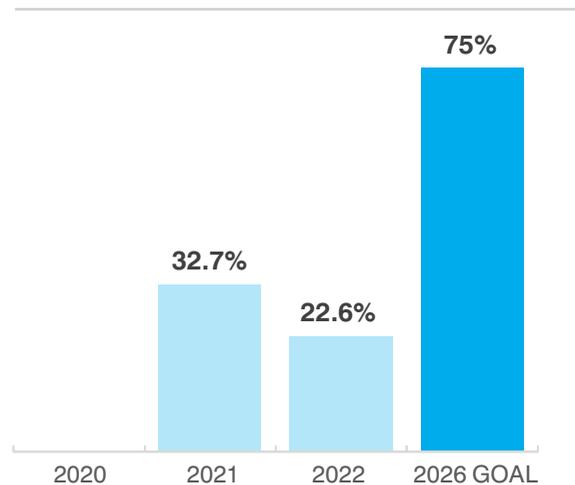
Since 2021, we have assessed our supply chain for risks through our Slavery and Human Trafficking responsible sourcing campaign using the Slavery & Trafficking Risk Template (STRT). In 2022, we surveyed 1,731 suppliers making up 80% of our total spend and located in high-risk countries. We also obtained third-party risk intelligence reports when at-risk suppliers were identified through the STRT. Despite active outreach to our suppliers and offering training hosted by our third-party provider, the response rate for our 2022 campaign was 10% less than that of our 2021 campaign. Given the lack



of engagement from our suppliers using the STRT, we plan to change course for our Slavery and Human Trafficking responsible sourcing campaign in 2023 to obtain more actionable insight into our supply chain for risks of slavery and human trafficking. Our new campaign will focus on investigating whether our suppliers have policies and procedures to combat the risks of human rights and working conditions violations, including slavery and human trafficking. Our goal remains to gain meaningful insight into our supply chain and ensure supplier compliance with our policies.

Response Rates for Responsible Sourcing Campaigns

Slavery and Human Trafficking



Responsible Mineral Sourcing

As with many manufactured goods, our products contain different minerals and metals that are required for functionality. Some of these raw materials can originate from conflict-affected and other high-risk areas. Although we do not have direct business relationships with any smelters or refiners of metals, we are committed to the transparency of our sources of certain minerals and to procuring minerals from suppliers that do not directly or indirectly finance or contribute to armed conflict or human rights abuses or are sanctioned by the U.S. government. Our **Responsible Mineral Sourcing Policy** and Supplier Code of Conduct set forth our requirements for supplier due diligence, risk assessment and compliance with this commitment.

Since 2015, we have conducted an annual conflict minerals campaign to determine the smelter or refinery of conflict minerals within our supply chain and report our findings using the Responsible Mineral Initiative’s (RMI) Conflict Minerals Reporting Template (CMRT) and in our Conflict Minerals Report filed with the U.S. Securities and Exchange Commission. Consistent with our commitment to human rights, in 2022, we migrated from the Cobalt Reporting Template to the Extended Minerals Reporting Template (EMRT) and implemented due diligence regarding the use of mica in our supply chain. A dedicated team, with the support of our third-party provider, analyzes

information from our suppliers’ CMRT and EMRT disclosures and conducts due diligence on the source and chain of custody of minerals in our supply chain. Our Global Procurement organization engages with non-responsive suppliers or suppliers reporting sanctioned, high-risk or non-RMAP (Responsible Minerals Assurance Process) conformant smelters to implement corrective action plans.

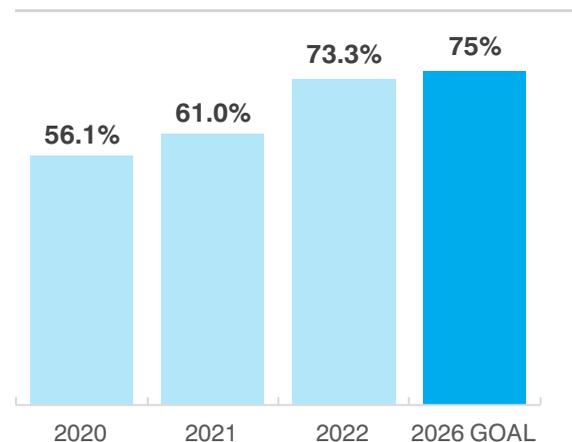
Conflict Minerals and Extended Minerals Campaigns

During our 2022 conflict minerals campaign, we surveyed 1,376 suppliers and received responses from 73.3% of these suppliers. The increase in response rate from 2021 is attributable to greater supplier engagement and improved scoping for the campaign as well as improved data collection by incorporating more data from previous campaigns, including supplier numbers, supplier phone numbers and part numbers. For our 2022 extended minerals campaign, we surveyed 1,164 suppliers and received responses from 55% of these suppliers, a significant improvement compared to our 2021 campaign. For each of our responsible mineral sourcing campaigns, we will continue to refine the scope of suppliers through improvements in internal processes to limit the scope of each campaign to only those suppliers providing components containing the respective minerals.

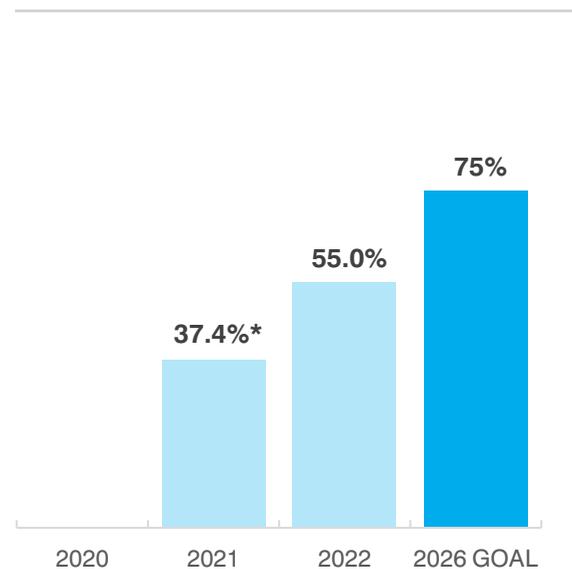
While the supplier response rate for our conflict minerals campaign increased, the percentage of reported smelters in our supply chain that are in conformance with RMAP or an equivalent standard decreased. We are committed to making progress toward our 2026 goal and believe this decrease is partly attributed to a trend noted by our third-party provider that smelters are shifting away from compliance with RMI and other third-party verification groups for political reasons. Additionally, the ongoing conflict between Russia and Ukraine has resulted in the loss of RMAP conformance status for many Russian smelters. Though we do not directly source from any smelters, we will continue to work with our direct suppliers to encourage all smelters in our supply chain to be conformant with RMAP or an equivalent standard.

Response Rates for Responsible Sourcing Campaigns

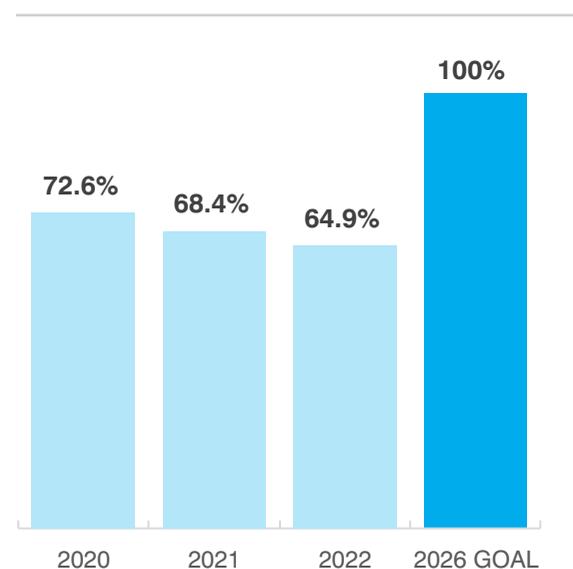
Conflict Minerals



Extended Minerals



Percent Smelter RMAP Conformance - CM



Performance

	2020	2021	2022
Responsible Sourcing Campaign (response rates)			
Conflict Minerals	56.1%	61.0%	73.3%
Extended Minerals	–	37.4%*	55.0%
Slavery & Human Trafficking	–	32.7%	22.6%
Percent Smelter RMAP Conformance			
Conflict Minerals	72.6%	68.4%	64.9%

*Data reflects information collected using the Cobalt Reporting Template (CRT). We transitioned to the EMRT for the 2022 reporting year in order to expand our due diligence efforts to include mica.

Looking Ahead

In 2023, we will expand our supplier due diligence program to gain improved insights into our supply chain. We will formally launch a supplier audit program that will be conducted by a third party and focus on compliance with our Supplier Code of Conduct. We will also implement an annual supplier sustainability survey to collect data regarding environmental sustainability, environmental compliance, governance, anti-corruption and anti-bribery.

- Related Links:** [Global Supplier Quality Manual \(GSQM\)](#)
[Human Rights and Working Conditions Policy](#)
[Responsible Mineral Sourcing Policy](#)
[Annual Slavery and Human Trafficking Statement](#)
[Supplier Code of Conduct](#)
[Supplier Portal](#)



Appendix

- GRI Index
- SASB Index
- TCFD Index

Global Reporting Initiative (GRI): 2022 Index

General Disclosures

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Foundation			
GRI 1: Foundation 2021	Requirement 7	Publish a GRI content index	This document represents the company's GRI content index.
	Requirement 8	Provide a statement of use	This report has been prepared in reference to the Global Reporting Initiative (GRI) 2021 and 2016 Standards. Some disclosures reference updated Standards: Water and Effluents 2018, Occupational Health and Safety 2018 and Waste 2020.
General Disclosures			
GRI 2: General Disclosures 2021	The organization and its reporting practices		
	2-1	Organizational details	Sensata Technologies Publicly traded company (NYSE: ST) Attleboro, MA, USA https://www.sensata.com/locations/business-centers ; Who We Are, p. 6
	2-2	Entities included in the consolidated financial statements	2023 Form 10-K, Exhibit 21.1
	2-3	Reporting period, frequency and contact point	Reporting period: January 1, 2022 - December 31, 2022; Annual reporting Publication date: June 29, 2023 Point of contact: Kramer Ortman, Assistant General Counsel, Corporate & ESG ESGcompliance@sensata.com
	2-4	Restatements of information	2021 data has been restated in the following sections: Employee Health, Safety and Well-Being, p. 27 - Percent of facilities with ISO 45001 certification Energy and Emissions, p. 54 - Total Scope 3 emissions; Scope 3 emissions - category 11 Environmental Compliance, p. 55 - Percent of facilities with ISO 14001 certification Waste Management, p. 56 - Non-hazardous waste generated; Non-hazardous waste recycled; Total waste disposed 2020 data has been restated in the following section: Waste Management, p. 56 - Non-hazardous waste generated
	2-5	External assurance	https://www.sensata.com/sensata-sustainability-policies-procedures-and-notice
	Activities and workers		
	2-6	Activities, value chain and other business relationships	About Sensata, p. 5; Innovation of Sustainable Products, p. 38 2023 Form 10-K, p. 4-12; Our Brands (https://www.sensata.com/our-brands); Responsible Sourcing, p. 67 No significant changes compared to the previous reporting period.
	2-7	Employees	Our Workforce by the Numbers, p. 21
	2-8	Workers who are not employees	2023 Form 10-K, p. 14

GRI Standard	Disclosure Number	Description	Location or Direct Answer
GRI 2: General Disclosures 2021	Governance		
	2-9	Governance structure and composition	Our Approach to Sustainability, p. 14; Corporate Governance, p. 60
	2-10	Nomination and selection of the highest governance body	2023 Proxy Statement, p. 5-16
	2-11	Chair of the highest governance body	2023 Proxy Statement, p. 8
	2-12	Role of the highest governance body in overseeing the management of impacts	2023 Proxy Statement, p. 14-15; Corporate Governance, p. 60
	2-13	Delegation of responsibility for managing impacts	Corporate Governance, p. 60
	2-14	Role of the highest governance body in sustainability reporting	Corporate Governance, p. 60
	2-15	Conflicts of interest	2023 Proxy Statement, p. 71
	2-16	Communication of critical concerns	2022 IFRS Annual Report, p. 24
	2-17	Collective knowledge of the highest governance body	Corporate Governance Guidelines, p. 6
	2-18	Evaluation of the performance of the highest governance body	2023 Proxy Statement, p. 14
	2-19	Remuneration policies	2023 Proxy Statement, p. 28-47
	2-20	Process to determine remuneration	2023 Proxy Statement, p. 28-47
	2-21	Annual total compensation ratio	2023 Proxy Statement, p. 48
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	A Message from our CEO, p. 7-8
	2-23	Policy commitments	Code of Business Conduct and Ethics; Responsible Mineral Sourcing Policy; Supplier Code of Conduct
	2-24	Embedding policy commitments	Operating Responsibly, p. 58-69
	2-25	Processes to remediate negative impacts	Ethics and Compliance, p. 61; Code of Business Conduct and Ethics, p. 4
	2-26	Mechanisms for seeking advice and raising concerns	Code of Business Conduct and Ethics, p. 4
	2-27	Compliance with laws and regulations	2023 Form 10-K, p. 99
	2-28	Membership associations	Government Relations, p. 66
	2-29	Approach to stakeholder engagement	Our Approach to Sustainability, p. 14
	2-30	Collective bargaining agreements	Labor Practices, p. 30

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Our Approach to Sustainability, p. 14; About this Report, p. 9
	3-2	List of material topics	Our Approach to Sustainability, p. 14

Global Reporting Initiative (GRI): 2022 Index Environmental Topics

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Circular Economy			
GRI 3: Material Topics 2021	3-3	Management of material topics	Circular Economy, p. 47-48
	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			
GRI 3: Material Topics 2021	3-3	Management of material topics	TCFD Index, p. 78
	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			
GRI 3: Material Topics 2021	3-3	Management of material topics	Energy and Emissions, p. 51-54
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy and Emissions, p. 54; CDP Climate Change 2023, C8. Energy
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Energy and Emissions, p. 54
	305-2	Energy indirect (Scope 2) GHG emissions	Energy and Emissions, p. 54
	305-4	GHG emissions intensity	Energy and Emissions, p. 54
Environmental Compliance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental Compliance, p. 55
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	2023 Form 10-K, p. 99
Innovation of Sustainable Products			
GRI 3: Material Topics 2021	3-3	Management of material topics	Innovation of Sustainable Products, p. 38-42
	Other KPI	% R&D spend allocated to megatrends	Innovation of Sustainable Products, p. 42

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	Waste Management, p. 56
GRI 306: Waste 2020	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	Waste Management, p. 56
	306-4	Waste diverted from disposal	Waste Management, p. 56
	306-5	Waste directed to disposal	Waste Management, p. 56
Water Stewardship			
GRI 3: Material Topics 2021	3-3	Management of material topics	Water Stewardship, p. 57
GRI 303: Water and Effluents 2018	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 Compliance, p. 55
	303-5	Water consumption	Water Stewardship, p. 57; CDP Water 2023

Global Reporting Initiative (GRI): 2022 Index

Social Topics

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Community Impact			
GRI 3: Material Topics 2021	3-3	Management of material topics	Community Impact, p. 32-35
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community Impact, p. 35
Diversity, Equity and Inclusion			
GRI 3: Material Topics 2021	3-3	Management of material topics	Diversity, Equity and Inclusion, p. 17-19
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Our Workforce by the Numbers, p. 21-22

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Future Workforce			
GRI 3: Material Topics 2021	3-3	Management of material topics	Talent Management and Future Workforce, p. 23-25
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Talent Management and Future Workforce, p. 25
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Talent Management and Future Workforce, p. 25
	404-2	Programs for upgrading employee skills and transition assistance programs	Talent Management and Future Workforce, p. 24-25
Health, Safety and Well-Being			
GRI 3: Material Topics 2021	3-3	Management of material topics	Employee Health, Safety and Well-Being, p. 26-27
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Employee Health, Safety and Well-Being, p. 26-27
	403-2	Hazard identification, risk assessment, and incident investigation	Employee Health, Safety and Well-Being, p. 26
	403-3	Occupational health services	Employee Health, Safety and Well-Being, p. 26-27
	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. 26
	403-6	Promotion of worker health	Employee Health, Safety and Well-Being, p. 28-29
	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. 27
	403-9	Work-related injuries	Employee Health, Safety and Well-Being, p. 27
Labor Practices			
GRI 3: Material Topics 2021	3-3	Management of material topics	Labor Practices, p. 30-31
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Labor Practices, p. 30
Responsible Sourcing			
GRI 3: Material Topics 2021	3-3	Management of material topics	Responsible Sourcing, p. 67-69
	Other KPI	Response rate for responsible sourcing campaigns	Responsible Sourcing, p. 69

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Safe Mobility			
GRI 3: Material Topics 2021	3-3	Management of material topics	Safe Mobility, p. 43-44
	Other KPI	Tire pressure monitoring systems shipped	Safe Mobility, p. 44

Global Reporting Initiative (GRI): 2022 Index Governance Topics

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Corporate Governance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Corporate Governance, p. 60
	Other KPI	Board diversity	Corporate Governance, p. 60
Data Privacy and Security			
GRI 3: Material Topics 2021	3-3	Management of material topics	Data Privacy and Security, p. 64-65
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information unavailable - We are working to collect relevant data to report on this indicator in the future.
Ethics and Compliance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Ethics and Compliance, p. 61-62
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Ethics and Compliance, p. 62
Product Quality			
GRI 3: Material Topics 2021	3-3	Management of material topics	Product Quality, p. 45-46
	Other KPI	Product safety recalls	Product Quality, p. 46

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

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	Energy and Emissions, p. 54
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated, percentage recycled	Waste Management, p. 56
	RT-EE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	We experienced no reportable spills in 2022.
Product Safety	RT-EE-250a.1	Number of recalls issued, total units recalled	Product Quality, p. 46
	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	This metric is not relevant for our company. Our products cannot be ENERGY STAR® certified as they are components of larger consumer products.
	RT-EE-410a.3	Revenue from renewable energy-related and energy efficiency-related products	Innovation of Sustainable Products, p. 39
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Responsible Sourcing, p. 68
Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Ethics and Compliance, p. 61-62
	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 2022.
	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 2022.

Task Force on Climate-Related Financial Disclosures (TCFD)

Governance	Location or Direct Answer
a) Describe the board's oversight of climate-related risks and opportunities.	CDP Climate Change 2023, C1. Governance
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Risk Management, p. 63 The ERM Committee continually assesses climate-related risks and opportunities to our business, including risks associated with climate change compliance and disclosure and meeting customer sustainability requirements and expectations around climate change.
Strategy	Location or Direct Answer
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CDP Climate Change 2023, C2. Risks and Opportunities
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	CDP Climate Change 2023, C2. Risks and Opportunities
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We have not conducted a climate-related scenario analysis but will do so in 2023.
Risk Management	Location or Direct Answer
a) Describe the organization's processes for identifying and assessing climate-related risks.	Risk Management, p. 63 The ERM Committee continually assesses climate-related risks and opportunities to our business, including risks associated with climate change compliance and disclosure and meeting customer sustainability requirements and expectations around climate change.
b) Describe the organization's processes for managing climate-related risks.	CDP Climate Change 2023, C2. Risks and Opportunities
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Risk Management, p. 63 The ERM Committee continually assesses climate-related risks and opportunities to our business, including risks associated with climate change compliance and disclosure and meeting customer sustainability requirements and expectations around climate change.
Metrics and Targets	Location or Direct Answer
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Energy and Emissions, p. 54
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Energy and Emissions, p. 54
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Energy and Emissions, p. 51

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