



POWERING
POSSIBILITIES **TOGETHER**

SENSATA'S 2021 SUSTAINABILITY REPORT

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About Sensata

[Who We Are](#)

[A Message from Our CEO and
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[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.

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.

VISION AND PURPOSE

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.

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**:



Clean & Efficient

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



Electrification

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

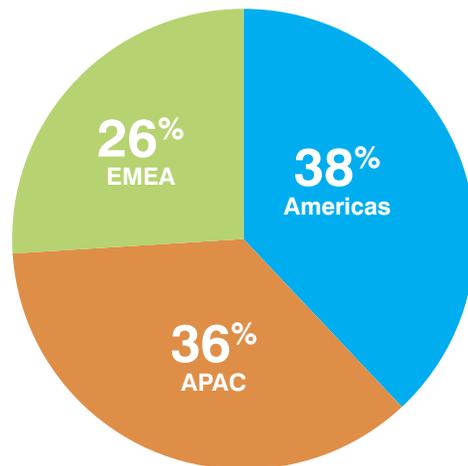
Sensata is developing smart, connected solutions that enable actionable insights for transport and logistics companies, enhancing safety and maximizing operational efficiency resulting in cost savings for our customers.

Key Metrics

2021 Revenue

\$3.8 billion

Revenue by Geographic Location



21K+
employees

25%
female executives on the Strategy Leadership team

1.2B+
products shipped

50%
increase in Electrification new business wins

13
countries with facilities/operations

5
companies acquired in support of megatrends

Delivering customer excellence globally

- Manufacturing
- Business Site

Americas

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

Europe

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

Asia

China, India, Japan, Korea, Malaysia



1.2 Billion

devices shipped each year,
each highly engineered



Sales & Engineering Support Offices Worldwide

A Message from our CEO and Chief Legal Officer

Creating solutions that help our customers and partners safely deliver a cleaner, more efficient, electrified and connected world is not only our purpose at Sensata, but a powerful rallying cry for our 21,000 global employees.

This clear purpose aligned with our consistent values and our commitment to our customers and each other is what makes Sensata truly great – and what enabled us to thrive this past year, despite the continued challenges related to the COVID-19 pandemic, supply chain issues and global economic uncertainty.

For the full year 2021, Sensata reported record revenue of \$3.8 billion, a 25.5% increase from 2020. End markets rebounded from the pandemic, although broad market recovery was stifled by worsening supply chain challenges throughout the year. In line with higher revenues, our EPS and adjusted operating income margins both grew in 2021, and our free cash flow generation remained strong. More importantly, we continued to invest in our transformation journey, acquiring five companies during the

year, which added distinctive capabilities, especially in Electrification and Insights/Internet of Things (IoT) to our product and solution portfolio and welcomed many new global members to Team Sensata.

The markets and customers we serve are in the middle of a significant evolution, driven by the trends of Electrification and IoT. We are investing in our capabilities and solutions to ensure our long-term future success. Our differentiated solutions help our customers with their most difficult engineering challenges and contribute to a cleaner, more efficient and connected world. Our solutions represent the most significant way we can address climate change. More than half of our new business opportunities during 2021 were in these megatrend areas.

And while we are supporting our customers, we are also building a better and more sustainable Sensata.

For the first time ever, we aligned our Diversity, Equity & Inclusion organizational goals to the compensation structure of our executives, because we truly believe that if we have a more diverse leadership team, we'll have a more diverse organization. Modeling inclusive behaviors begins at the top, so we expanded

our learning programs to include leadership development content focused on creating inclusive cultures, launched three new employee resource groups, and hosted two diversity-related virtual conferences, inviting employees from global sites to engage in open dialogue. Our DEI efforts contributed to a slight improvement in the number of women in management and above roles and we also expanded diversity at our Board of Directors. Although we are proud of this progress, we recognize that there is still work to be done to reach our stated 2026 goals.

With regards to our own energy usage across our global footprint, we are also working to incorporate more renewable energy into our portfolio. Last year, we introduced an Energy Efficiency Playbook and implemented changes at our facilities to decrease our environmental impact. We will continue to invest in facility efficiency projects across the globe.

Pertaining to our culture, we continued our consistent, transparent communications to keep employees updated and focused heavily on supporting our employees by launching a global Back To Better campaign to drive positive employee experience and create moments of connection and reconnection with Team Sensata as individuals began



returning to the physical workplace after many months of remote-only work.

Concerning the COVID-19 pandemic, we continued to navigate a second full year of COVID-19 challenges all while supporting our employees and consistently delivering for our customers throughout the year. Our international facilities in Botevgrad and Plovdiv in Bulgaria; Selangor, Malaysia and Aguascalientes, Mexico hosted vaccination clinics for Sensata employees, their families and the broader community.

We would be remiss if we didn't recognize the ongoing war in the Ukraine. Although Sensata's exposure to the war is minimal, our employees and the Sensata Technologies Foundation raised much-needed funds to support on-the-ground humanitarian relief, once again demonstrating our commitment to our global neighbors.

As sustainability gains momentum in the economy at large, here at Sensata, we will hold fast to what has always made Sensata great – our talented people driving towards an inspiring purpose.

We want to thank and recognize all our employees for their efforts this year. Our business is fundamentally rooted in sustainability; we have a privileged position to create the fundamental building blocks to help build a cleaner, safer planet for us all.

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

Jeffrey J. Cote
Chief Executive Officer and President

Shannon M. Votava
Chief Legal Officer



About This Report

This is Sensata Technologies' second 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 2021 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 we conduct business. Information regarding these practices has been disclosed to Sensata's customers and investors through third-party platforms, such as CDP, since 2017.

To fully address our stakeholders' expectations for transparency, Sensata intends to use this and future annual sustainability reports to share our continuing efforts to expand and improve our sustainable practices and progress toward meeting our sustainability goals.

FORWARD-LOOKING STATEMENTS

This report includes information that could constitute forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These statements include those that may be identified by words such as "anticipate," "believe," "could," "estimate," "expect," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "would," and similar expressions. These statements are subject to risks and uncertainties, and actual results and events could differ materially from what presently is expected. Detailed information about some of the other known risks is included in our Annual Report on Form 10-K for the year ended December 31, 2021 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.





Our Approach to Sustainability

[Powering Possibilities Together](#)

[Material Sustainability Topics](#)

[Our Commitment to the UN SDGs](#)

[ESG Governance](#)

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.

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

OUR PRIORITIES INCLUDE:



Empowering Our Workforce

We nurture a culture that promotes diversity and inclusion 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 topic list below:



ENVIRONMENTAL

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



SOCIAL

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



GOVERNANCE

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

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



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
Our goal to increase female representation in management
[page 17](#)

8 DECENT WORK AND ECONOMIC GROWTH
STEM community involvement and internships
[page 23](#), [page 34](#)

10 REDUCED INEQUALITIES
Diversity, Equity and Inclusion Policy
[page 17](#)

PROTECTING OUR ENVIRONMENT

7 AFFORDABLE AND CLEAN ENERGY
Our long-term goal to be carbon neutral
[page 51](#)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Strategic investment in the design and production of green technologies
[page 39-42](#)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Continuous improvement in the reduction of waste, water use and GHG emissions associated with our operations
[page 51](#), [55-56](#)

OPERATING SUSTAINABLY

8 DECENT WORK AND ECONOMIC GROWTH
Human Rights Policy
[page 68](#)

Responsible Sourcing Initiatives
[page 66-68](#)





ESG Governance

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

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 for making safer, cleaner and more efficient solutions. 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 more than 21,000 employees across 13 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:** 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 dedicated to ensuring our employees feel a sense of belonging and respect every day and can bring their true selves to work to engage, contribute and deliver results. We are committed to identifying and preventing discrimination in our business practices and have codified these commitments by tying progress toward our gender and ethnicity goals to the variable compensation of our Strategy Leadership Team (SLT).

DEI at Sensata is overseen by our Chief Human Resources Officer and guided by our [Diversity, Equity and Inclusion Policy](#).

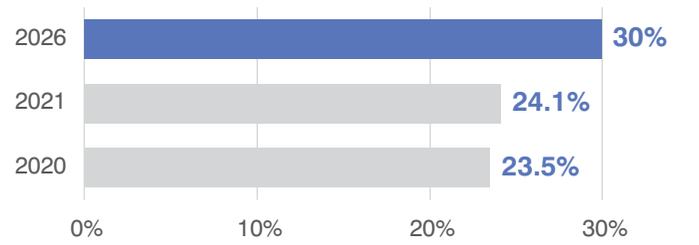


Diversity, Equity & Inclusion
A SENSE OF BELONGING

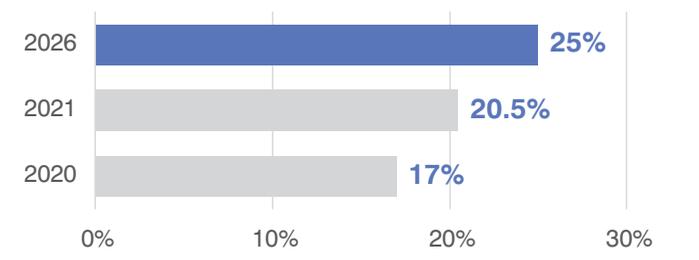
INCREASING REPRESENTATION

We continue to focus on increasing female representation in professional roles worldwide and improving racial/ethnic minority representation in the U.S. This includes aligning the five companies we acquired in 2021, and future acquisitions, with our DEI policies over time. Our DEI efforts contributed to a slight improvement in the number of women in management and above roles from 23.5% in 2020 to 24.1% percent in 2021, as well as an increase in diverse employees in management and above roles, up from 17% in 2020 to 20.5% in 2021. We also expanded diversity among our Board of Directors with the appointment of the first African American individual to Sensata’s Board. Although we are proud of this progress, we recognize there is still significant work to be done.

% Female Representation in Management+ Roles (worldwide)



% Racial/Ethnic Diverse Representation in Management+ Roles (US only)



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)

In 2021, we expanded our learning programs to include more content focused on creating inclusive cultures. Two of the three self-paced courses with the highest enrollment in 2021 were focused on diversity, equity and inclusion, demonstrating that this topic is top of mind for employees and that Team Sensata is committed to fostering a more diverse, equitable and inclusive workplace. We also developed and hosted 10 “Inclusive Leadership” webinars for managers and six “Inclusion in Action” webinars for all employees. At the leadership level, our top 100 leaders attended an externally-facilitated virtual “Inclusive Leadership” workshop, led by a nationally-recognized expert.

Furthermore, our global self-identification campaign invites employees to voluntarily disclose information such as disability and veteran status, as well as gender and racial identity. We plan to use data from this campaign to understand and address systemic barriers in our policies and processes.



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. Our pay practices are designed to ensure we are making fair and equitable decisions across the organization. We have checks and balances in place accordingly and conduct regular assessments to review for any inconsistencies. We are committed to continually pursuing pay equity across our global workforce.

EMPOWERING & ENGAGING EMPLOYEES

Our Employee Resource Groups (ERGs) form a support system facilitating professional development, networking and a sense of community. Sensata supports 11 global Employee Resource Groups, each of which is sponsored by a member of the SLT. In 2021, we introduced three new ERGs – Oil Women’s Affinity Group in China, Asian/Asian American & Pacific Islander (AAPI) and Proud@Sensata (LGBTQI+).

We established Regional DEI Councils in Asia, Europe, Mexico and the U.S. to aid global expansion of DEI initiatives and provide greater support to our ERGs. Regional DEI Councils promote local DEI efforts and collaborate with ERGs to funnel ideas, develop initiatives and increase regional employee involvement.

In 2021, we hosted two diversity-related virtual conferences – the Diversity Drives Innovation (DDI) Conference and our first annual Diversity Week – inviting employees from global sites to engage in open dialogue.

- The **DDI Conference** was a two-day virtual event with a technical focus, sponsored by the Sensata Engineering Council DEI Committee.
- **Diversity Week**, led by our ERGs, provided forums with internal panelists and external thought leaders discussing topics such as gender, race, mentoring and inclusive design in our changing world.

We continue to build relationships with external partners that empower women and minority communities and play a role in building talent for the future workforce. In the U.S., Sensata renewed its partnership with [Base 11](#), a nonprofit that prepares women and students of color with the skills to succeed in STEM careers. We also sponsored the Empower 2021 Conference hosted by the [Massachusetts Chapter of Women in Manufacturing](#) (WiM), a U.S. trade association that provides year-round support to women in manufacturing careers.

Our Employee Resource Groups (ERGs)





Northern Ireland Diversity and Inclusion Committee

The Northern Ireland (NI) Diversity and Inclusion Committee hosted a workshop titled “Be an Ally to LGBTQ+ People in the Workplace,” inviting teams, managers and employees interested in supporting LGBTQ+ colleagues. The goal of the workshop was to increase participants’ understanding of LGBTQ+ issues and confidence in supporting LGBTQ+ people. The Committee aims to make Sensata NI a welcoming workplace by championing events, training, and changes to company culture that benefit the workforce, particularly underrepresented populations.



2021 Awards

Sensata received MassTLC (Massachusetts Technology Leadership Council) honors in Tech Top 50 in 2021 with awards in three categories:

- Company Culture
- Inclusivity Impact
- Leadership

The MassTLC Tech Top 50 honors companies and leaders in the technology sector who made substantial impact in the region. The Leadership award recognized Jeff Cote, CEO and President, for navigating the company through the global COVID-19 pandemic, prioritizing direct communications that engaged employees, and for leadership that embraced authenticity, humility and vulnerability.

» LOOKING AHEAD

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. Our efforts will be guided in part by data from an externally-managed, anonymous DEI survey conducted in November 2021 that provided feedback from employees in manager and above roles about our DEI efforts as a company. We also plan to bolster support for our ERGs and regional DEI Councils, enabling them to offer more programs that encourage open dialogue. Finally, we look forward to sponsoring programs that develop talent in our communities, such as a mentoring program with American Corporate Partners, through which Sensata leaders will coach U.S. active duty military, their spouses and veterans seeking to transition to new, meaningful careers.

RELATED LINKS

[Diversity, Equity and Inclusion Policy](#)

Our Workforce by the Numbers

2021 Highlights



21,136
employees



5%
increase in women in leadership roles



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



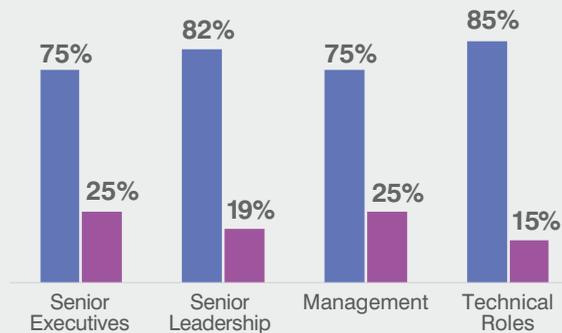
70%
of U.S. employees have self-identified their race and ethnicity

Board of Directors

10 non-executive directors
7 male/3 female

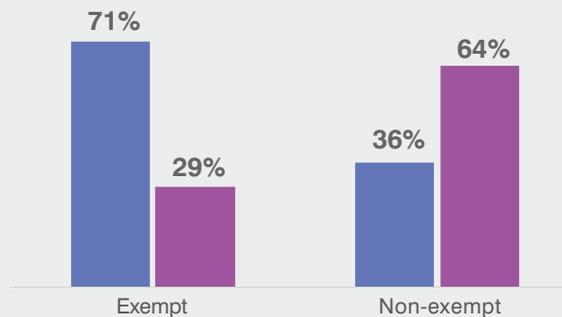
1 executive director
(the CEO)

Workforce by role

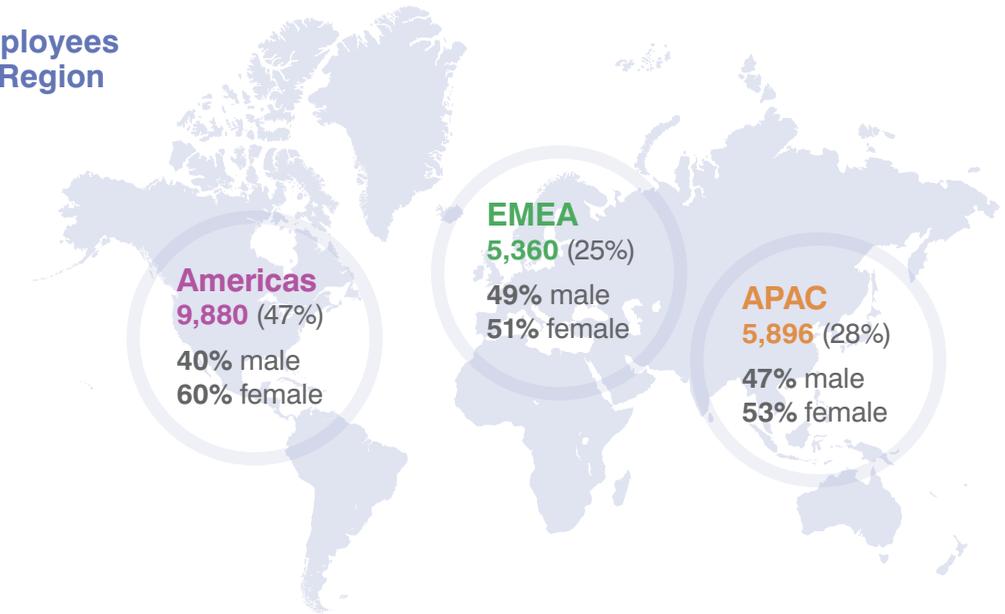


Senior Executives = CEO and his direct reports
 Senior Leadership = Sr. Director+
 Management = Supervisor to Director
 Technical = Employees in technical roles eligible for the Tech Ladder

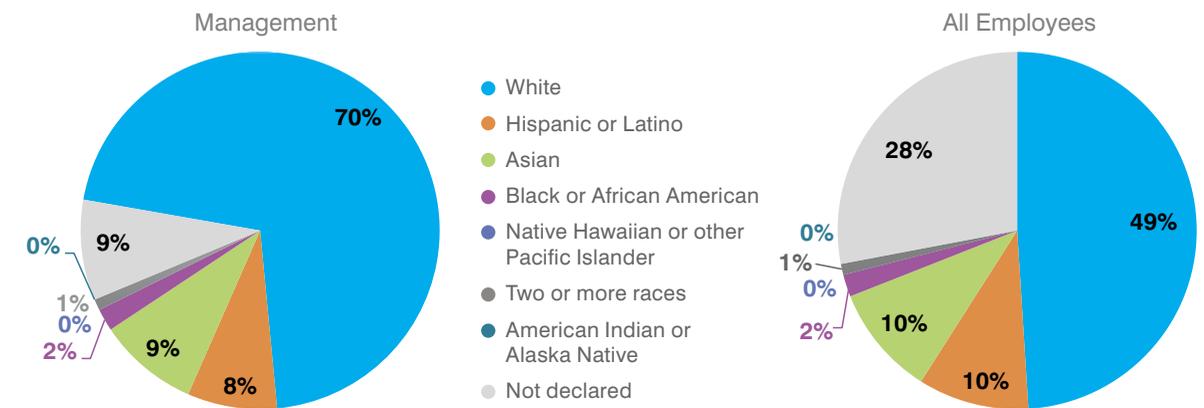
By job status



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
Employees		
Employees – Total	19,252	21,136
Employees – Men	44%	44%
Employees – Women	56%	56%
Employees: Americas		
Total	8,719 (45%)	9,880 (47%)
Men	40%	40%
Women	60%	60%
Employees: APAC		
Total	5,653 (29%)	5,896 (28%)
Men	45%	47%
Women	55%	53%
Employees: EMEA		
Total	4,880 (25%)	5,360 (25%)
Men	50%	49%
Women	50%	51%
Employees: By Age		
Employees – Age <30	5,828	6,600
Employees – Age 30-50	10,362	11,326
Employees – Age 50+	3,062	3,210

	2020	2021
Employees: Full Time		
Employees – Full Time	18,767	21,047
Employees – Full Time – Men	8,343	9,327
Employees – Full Time – Women	10,424	11,720
Employees – Full Time – Americas	8,211	9,860
Employees – Full Time – APAC	5,746	5,896
Employees – Full Time – EMEA	4,810	5,291
Employees: Part Time		
Employees – Part Time	485	89
Men	213	44
Women	272	45
Americas	218	11
APAC	140	0
EMEA	127	78
Self-Identifying		
U.S. Employees Self-Identifying Gender	100%	100%
U.S. Employees Self-Identifying Race/Ethnicity	72%	70%

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

	2020	2021
Executive Directors		
Executive Directors	1	1
Non-Executive Directors		
Non-Executive Directors	10	10
Men	7	7
Women	3	3
Senior Executives		
Men	78%	75%
Women	22%	25%
Senior Leadership		
Men	86%	82%
Women	14%	19%
Management		
Men	76%	75%
Women	24%	25%
Technical Roles		
Men	85%	85%
Women	15%	15%
Exempt & Non-Exempt Employees		
Exempt Employees – Men	71%	71%
Exempt Employees – Women	29%	29%
Non-Exempt Employees – Men	36%	36%
Non-Exempt Employees – Women	64%	64%

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

	2020	2021
U.S. Employees		
White	51%	49%
Hispanic or Latino	10%	10%
Asian	10%	10%
Black or African American	3%	2%
Native Hawaiian or other Pacific Islander	0%	0%
Two or more races	1%	1%
American Indian or Alaskan Native	0%	0%
Not Declared	25%	28%
U.S. Management		
White	74%	70%
Hispanic or Latino	8%	8%
Asian	7%	9%
Black or African American	2%	2%
Native Hawaiian or other Pacific Islander	0%	0%
Two or more races	0%	1%
American Indians or Alaskan Native	0%	0%
Not Declared	9%	9%
U.S. Non-Management		
White	46%	45%
Hispanic or Latino	11%	10%
Asian	10%	10%
Black or African American	3%	2%
Native Hawaiian or other Pacific Islander	0%	0%
Two or more races	2%	2%
American Indians or Alaskan Native	0%	0%
Not Declared	29%	31%

Talent Management and Future Workforce

OUR APPROACH



Our people are at the core of Sensata's success. Working across offices and sites in 13 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 retention, succession planning and internal promotions. Our strategy for talent management and developing the future workforce is overseen by our Chief Human Resources Officer.

We regularly evaluate sources to recruit talent that both adds to our diversity and 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. In 2021, we interviewed all members of our Talent and Communications Committee to collect feedback on successes and areas for improvement in our performance management process.



TALENT ACQUISITION

We believe that a broad representation of experiences and perspectives leads to greater innovation, better talent and stronger business performance. In 2021, we certified 10 recruiters and recruiting managers globally as Diverse Recruiters through [AIRS](#), a program that teaches recruiters how to identify diverse talent and create partnerships with hiring managers to elevate diversity in recruiting practices. We also developed a hiring manager toolkit, a behavioral question library based on our Sensata competencies and a two-hour live webinar on interviewing best practices and common biases to improve the effectiveness of our interview process that will be rolled out in 2022.

Additionally, we expanded our outreach to Historically Black Colleges and Universities in the U.S. to source talent from underrepresented communities. We continued our 12-week paid summer internship program for college students

and recent graduates, providing immersive learning experiences that cultivate new talent in STEM, manufacturing operations, finance, and similar careers. Twenty-seven percent of our 2021 internship participants were women.

In 2021, we also piloted a Returnship program in the U.S. to attract skilled mid-career professionals wanting to return to the workforce after taking time off for personal reasons. We brought on several candidates for six-month Returnships and, at the conclusion of the program, transitioned the majority of these individuals to our full-time workforce. Among our Returnship participants, all were women and one was racially diverse.

To further diversify our candidate pool, in 2021, we updated our job requisitions to include educational equivalencies so that relevant work experience may be substituted for formal



Our online global learning management system, “Sensata Learning,” enables employees to access instructor-led classroom, virtual classes or self-paced lessons.

87,000+ hours

of training spanning various required learning and professional development topics.

55,665 hours

of training completed by indirect labor employees

7 hours

training averaged per employee



education. This approach enables us to reach more qualified candidates who otherwise may not have applied for a role at Sensata because of our previous degree requirements.

LEARNING & 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. Our online global learning management system, “Sensata Learning,” enables employees to access instructor-led classrooms, live virtual classes or self-paced on-demand content.

In 2021, to help new hires familiarize themselves with the Company and their role, we developed self-paced learning content, which also streamlines our onboarding experience. We created content for global onboarding, added manager onboarding to support employees promoted to manager roles and launched engineering onboarding, developed by the Engineering Council, for newly-hired engineers.

Ability to Execute Essentials

Additionally, as part of our commitment to continuously improve our culture, we offered Ability to Execute Essentials (A2E)¹, a foundational behavior change program, for all employees, at no charge. The A2E program uses a series of virtual live webinars in multiple languages and self-paced resources covering

topics such as prioritizing effectively, driving idea generation, coaching others, having courageous conversations, influencing change and building personal resilience.

In 2021, we delivered more than 87,000 hours of training spanning various required learning and professional development topics. This included indirect labor employees completing 55,665 hours of training, with an average of seven hours of training per employee.

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. We have developed a robust approach to performance management, providing managers with tools to check in with their direct reports about performance on a quarterly basis, with formal reviews recorded in our talent management system at mid-year and year end. In 2021, 100% of our indirect employees received formal performance reviews.

FeedForward

To better understand how performance evaluations are evolving, in 2021 our Human Resources team developed a white paper benchmarking peer actions, industry trends and recommendations for the future of performance at Sensata for our leadership team. Based on these findings, we launched our Feedforward

initiative – a tool designed to promote a culture that values feedback and empowers employees to take the lead in their career development. Feedforward enhances our annual review process with forward-focused feedback on what each employee can do to enable success in the year ahead. We introduced the concept through self-paced content and live goal-setting webinars on how to give and request feedback at Sensata. We also increased the number of Feedforward templates available, which enables employees to obtain feedback based on their specific scenario (e.g., a project, presentation, deliverable, as a matrix manager and as a project manager).

In addition to providing feedback, recognition is one of the best ways to reinforce Sensata’s core values and develop an empowered and engaged team of employees. We created programs to recognize employees in different ways, including *Service Milestones*, our *Premier! Peer to Peer Recognition Program* and interactive informal life event acknowledgements through our new global *CelebrateTogether* platform.

¹ Created by McKinsey & Company

RETENTION & SUCCESSION PLANNING

Retaining our employees to support the future of Sensata is paramount 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, saw a 30% increase in the number of women employees nominated to the program over the past two years.



PERFORMANCE

	2020	2021
Learning & Development		
Total Training Hours	63,000	87,115
Training Hours – Indirect Employees	40,000	55,665
Average Training Hours per Employee – Indirect	–	7 hours
% of indirect employees receiving regular performance reviews	100%	100%
Employees requesting feedback through Feedforward	–	3,545
Feedback responses provided through Feedforward	–	7,044
Talent Management		
Employee Turnover (Indirect Labor only)	–	16.6%
New Hires	–	9,352
		Indirect Labor: 1,944
		Direct Labor: 7,408
New Hires – Men*	–	4,173
		Indirect Labor: 1,382
		Direct Labor: 2,791
New Hires - Women*	–	5,132
		Indirect Labor: 554
		Direct Labor: 4,578

*Employees are not required to self-identify their gender, therefore New Hires - Men and New Hires - Women will 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 at all our global locations is a critical 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 facilitate this culture. We offer comprehensive and competitive benefits that facilitate holistic well-being including mental, physical and financial health. Our approach centers on relevant and easy-to-access programs that build resilience and accommodate the different needs of our employees across the world.

EMPLOYEE HEALTH & 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. As the COVID-19 pandemic continued to challenge us in 2021, our emergency preparedness plans prioritized the health and safety of Team Sensata as our operations ramped up. We followed all applicable regulations, including masking, cleaning, social distancing and vaccination protocols, as mandated by local governments.

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. In 2021, we also hired a Director of Global Environment, Health and Safety, who supports the Senior Director by leading the development of KPIs and reporting in addition to acting as a conduit to Sensata sites globally.



Addressing COVID-19 in 2021

As the pandemic continued to present challenges in 2021, our international facilities in Botevgrad and Plovdiv in Bulgaria; Selangor, Malaysia and Aguascalientes, Mexico hosted vaccination clinics for Sensata employees, their families and, in some cases, employees of other companies. Sensata employees volunteered to coordinate the events. Additionally, we hosted a COVID-19 testing center at our Aguascalientes, Mexico facility where employees could receive free rapid tests.

MEASURING HEALTH & SAFETY

In 2021, we updated and rolled out several security policies and launched the development of a new reporting system including a dashboard to track global metrics.

We improved our Total Recordable Incident Rate (TRIR) in 2021 by 1.9% compared to 2020 and made a commitment to reduce our TRIR by 25% by the end of 2025 and to improve our Lost Day Rate. Additionally, we partnered with Human Resources to enhance safety incident reporting and tracking of employee injuries at our facilities in the U.S. By centralizing reporting, we were able to better utilize data to identify potential safety or security issues in a specific location and streamline our processes.

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

In 2021, we conducted a gap analysis to assess the difference in approaches to health and safety among our global sites. Based on our findings, we began streamlining our standards to develop a global health and safety management strategy that will be driven from the corporate level and executed at individual sites.

All Sensata facilities have safety management systems that are, at a minimum, aligned with the ISO 45001 Safety Standard, and we continued to support our locations in complying with audits. In 2021, 48% of our facilities were ISO 45001 certified, covering 77% of Sensata’s global workforce.

PERFORMANCE

	2020	2021
Facilities with ISO 45001 Certification*	60%	48%
Total Recordable Incident Rate (TRIR)**	0.160	0.156
Lost Day Case Rate***	0.093	0.100
Number of Lost Days****	283	416
Lost-time Injury Frequency Rate – Employees	0.47	0.51

*Data reported in 2020 included only Sensata manufacturing facilities. 2021 data includes all Sensata facilities.
 **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 incidents x 1,000,000 / total number of hours worked

» LOOKING AHEAD

We will continue to improve transparency by bolstering our reporting infrastructure and metrics related to our health and safety management system. This includes site-specific data that we will aggregate to global reports, quarterly reporting with dashboards and automated reporting that would enable third-party audits. We expect to resume visits to our facilities worldwide for firsthand observations and insights into safety policies and practices at each location when it is safe to do so.

Finally, as acquisitions become a mainstay in Sensata’s business model, we plan to implement processes to integrate acquired-companies’ data into our reporting framework. Involving the Employee Health and Safety team early in M&A process enables us to proactively assess and identify potential risks associated with new acquisitions.

RELATED LINKS

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

Back TO Better

The Back To Better global campaign was created in 2021 to drive positive employee experience and create moments of connection and reconnection with Team Sensata as individuals began returning to the physical workplace.



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 Human Resources Officer and 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 the 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.

Given the impact of COVID-19 on our personal and professional lives, and the disruption to established work locations, we developed "Back to Better" programming focused on building employee resilience and well-being as sites adjusted to varying conditions. We created regional teams to oversee Back to Better initiatives, assess conditions and establish a plan that worked best for each location. We hosted on-site events to help employees reconnect with colleagues in person and manage the transition with their families. A COVID-19 microsite on our intranet portal supplemented these efforts, serving as an online resource providing relevant information to employees.



Every year we assess our compensation 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.

Examples of benefits and initiatives at different Sensata locations include:

U.S.

Across the U.S, we offer medical, prescription drug coverage, dental, vision, both healthcare and dependent care, flexible spending accounts and a health savings account. Our income protection benefits include life insurance, accidental death and dismemberment, disability, critical illness and group accident insurance. Other important benefit offerings include legal services, adoption assistance, education assistance, paid vacation and holidays, employee discounts, employee assistance program, health advocacy services, fitness benefit, weight loss benefit and subsidized back-up care for children and adults. In 2021, we announced the addition of two new benefits that will be available to employees in 2022:



Two new medical plans, offering employees more options to choose the plan that best fits their medical needs



A new voluntary benefit for identity theft protection from cybercrime, which covers comprehensive ID theft protection, security and warnings, restoration assurance and social media awareness

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

Our wellness program, designed to be fun and rewarding, provides tools and support that help employees make meaningful behavioral changes to promote good health. We offered a Wellness Seminar Series in the spring and fall, educating employees on topics ranging from financial wellness and stress management to nutrition and disease prevention. We also initiated step challenges that motivated hundreds of employees nationwide to participate in teams and engage in friendly competition.

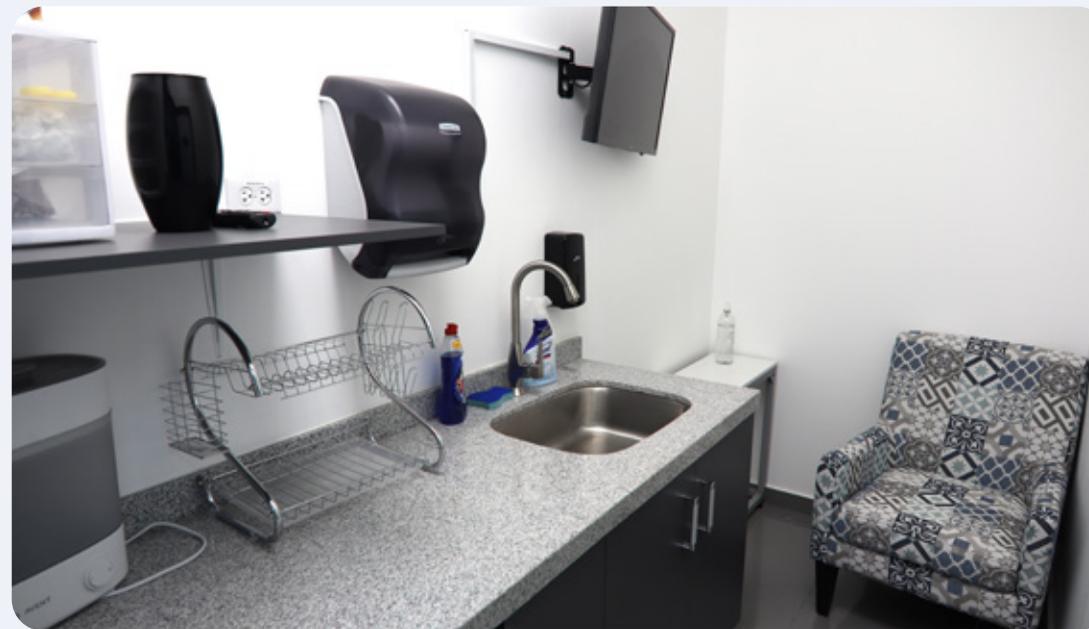


MEXICO

We harmonized key benefit components across our Mexico sites, including standardizing life insurance coverage to provide longer-term financial protection for our employees in Tijuana. We also standardized major medical insurance coverage to align the Aguascalientes and Tijuana sites, increasing insurance medical coverage per incident for Aguascalientes employees. Additionally, we hosted education sessions on a variety of topics for employees and their children, such as inclusion in times of stress, nutrition, and emotions and change and anger management, among others.

Supporting Mothers in Aguascalientes

With women making up more than 60% of the workforce, the Human Resources team at our Aguascalientes, Mexico facility identified the need for an on-site nursing room. After conducting due diligence on best practices and applicable local legal requirements, the team successfully created a dedicated space for nursing mothers. The space, a private room with controlled access, is outfitted with a refrigerator, sink, paper towels, sterilizer and breast milk storage bags, as well as a television with relaxing music. The room has proved so useful that it has led to the construction of two more rooms in a different building at the facility, scheduled to open in 2022.



UNITED KINGDOM

Sensata employees in the U.K. can utilize an Employee Assistance Program that provides access to counseling sessions, support for mental health and advice for a range of issues from childcare to renting and debt. This service is also available to immediate family members of employees at no extra cost. Additionally, employees had an option to invest in their retirement with a feature called “Bonus Sacrifice” in which they could exchange their bonus payment for an additional contribution to their pension savings in 2021.

ADDITIONAL LOCATIONS

Sensata employees in China were offered annual and biennial health checks to encourage employees to proactively monitor their health. A new voluntary benefit was added to provide the opportunity to purchase a cost-effective life-long critical illness insurance product that can cover employees and their family members. In 2022, we plan to launch a new employee assistance program as part of our roadmap for the future, which will help expand access to well-being programs for Sensata employees in China.

In Bulgaria, we launched an improvement to employees’ medical insurance benefit, raising the reimbursement limits for a range of services and treatments, including immunotherapy, dioptic glasses or lenses, hospital visits and highly specialized tests.

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.

We respect our employees' rights to associate to form trade unions if they choose and do not stand in the way of collective bargaining activities. As of year-end 2021, approximately 120 of our employees 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.

Sensata's labor practices are overseen by our Human Resources Leadership team and Legal Department who are responsible for compliance with and communication regarding our policies. We ensure that our employees, including hiring managers and those in HR, 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, accessible to all employees, including facility leads and HR managers. A review of these policies is included in new hire orientation or training as appropriate.

ENHANCING OUR MANAGEMENT SYSTEM

In 2021, we launched the development of a global Labor Ethics Management System (LEMS) that will help us assess and evaluate, on a continual basis, potential risks and liabilities regarding human rights and working conditions in our global operations. The LEMS will support and advance compliance and help drive continuous improvement by establishing objectives with relevant indicators to track labor standards performance. We also plan to assess our supply chain on an ongoing basis and consider risks arising from specific operating contexts.

To assess the performance of our management system, we plan to use an internal audit program to review all the LEMS pillars on a regular basis. This audit program would periodically assess our facilities' performance against established standards, current requirements, policies and procedures and compliance with local legal requirements and obligations. In 2022, a Responsible Business Alliance (RBA) audit is scheduled for our Mexicali facility in Mexico, the first in a series of annual audits planned for all our sites.

» LOOKING AHEAD

Additionally, maintaining dialogue with our employees is important to us. To build on our open-door culture, in 2022 we will post a summary of our Code of Business Conduct and Ethics, translated to the local language, at each of our global locations. Doing so will contribute to our continued efforts to improve the accessibility of documentation for all employees globally.

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.

Following a year of subdued activities owing to the COVID-19 pandemic, 2021 saw renewed focus on community impact. At a time when communities and agencies were continuing to feel resource burdened, we sought input from employees and community partners to identify areas of greatest need. We launched new initiatives, streamlined processes for increased impact and brought back existing programs such as the annual Day of Service. Team Sensata's compassion and generosity made 2021 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.

SENSATA FOUNDATION

The Foundation's efforts in 2021 focused on funding growth, building new community partnerships and engaging current partners. We also formalized nonprofit impact reporting, increased employee participation and established business site champions to serve as employee leaders and advocates for our programs at our major US locations. 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).

In 2021, the Foundation committed to increasing total grant funding by \$100,000 from the previous year, offsetting the dip in grant support in 2020 due to the COVID-19 pandemic. The increased funding allowed us to reinforce our commitment to supporting communities through grants, increasing the number of agencies that received grants as well as the dollar amount of each grant.

Sensata supports employee giving to the Foundation as well as directly to charities. In 2021, employees donated nearly \$145,000 directly to the Foundation through events such as the Annual Giving Campaign and eAuction. Employees were also encouraged to give directly to their preferred charities and take advantage of the Foundation's Matching Gift Program.

 
Community. STEM.

 **Sensata**
Technologies Foundation

~\$145,000

donated directly to the Foundation by employees in 2021

~\$90,000

matched by the Foundation for employee donations in 2021

233

nonprofits reached across the country in 2021

The program matches every donation, dollar-for-dollar, up to \$1,500 a year per employee, with a total company threshold of \$100,000 annually. In 2021, the Foundation matched nearly \$90,000 in employee donations reaching 233 nonprofits across the country.

As a company, acquisitions are a key way we accelerate growth and transform our product portfolio. As such, we strive to ensure acquisitions are included in our community giving. In 2021, the Foundation supplemented Sensata Technologies' integration activities for newly acquired companies by making five honorary donations of \$5,000 each to nonprofits serving communities where each acquisition is based. Employees and teams at the acquired companies chose the agencies to which funds were directed.

The Foundation also contributed to disaster relief and emergency response efforts to help communities dealing with stretched resources in a year of uncertainty. Donations included \$10,140 to the American India Foundation and Pratham USA for COVID-19 relief efforts in India, for which the Foundation raised funds with a 2:1 match and used employee input to select the nonprofits receiving the funds. The Foundation also donated \$5,000 to nonprofit Convoy of Hope's Crisis Relief Fund to assist with frontline recovery efforts in December 2021 when a series of out-of-season tornadoes made landfall in the U.S., affecting states in the South and the Midwest.



STEMbassadors

Nonprofit partner STEMbassadors

The Sensata Foundation and STEMbassadors enjoy a partnership that began at the inception of both organizations in 2017. Based in Ventura, CA, STEMbassadors is a student-led nonprofit providing STEM curriculum development and teacher training in Ventura and Santa Barbara Counties to outfit classrooms with STEM technologies. STEMbassadors' programs have impacted more than 4,200 K-12 students to date.

In 2021, the Foundation's grant support was pivotal for STEMbassadors' Manufacturing Academy – a 10-week-long summer program created to support youth in Ventura County's marginalized communities. The program offered the opportunity for students to use CNC, 3D Printers and LASER technologies to design, manufacture and market products to local businesses. The Manufacturing Academy enabled each student to develop skills in STEM and entrepreneurship as well as receive guidance from a mentor assigned to them from a local business.

The success of Manufacturing Academy led to the development of STEMbassadors' IDEA Center (the Center) that represents a scalable model for three-way partnerships with industry, education and nonprofits. The IDEA Center, set to open in 2022 and serve Ventura's disadvantaged communities including students of color, will provide relevant educational experiences that develop employable skills and introduce students to entrepreneurship. The Center will partner with local businesses to focus training and equipment on business needs and with Ventura Unified School District to adapt part of their curriculum, so students develop skills aligning with those needs. The Foundation's support of \$16,000 in the 2021-22 grant cycle will help outfit the IDEA Center with an array of manufacturing technologies including CNC, LASER, 3D printing and CAD/CAM technology for use in the programs.



COMMUNITY IMPACT PROGRAMS

In addition to supporting the Foundation, our company undertakes many initiatives, offering 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. We offer eight hours of paid time off every year for employees to participate in our annual Day of Service or volunteer for service projects during other working hours. In 2021, employees volunteered their time with 45 different charitable agencies.

After a hiatus in 2020 due to the pandemic, Sensata brought back the annual Day of Service in 2021, a designated day for volunteering and hands-on involvement in projects with nonprofits across the U.S. Employees, including SLT members, chose from a variety of on-site, outdoor and virtual activities designed to accommodate different work schedules as well as concerns related to the ongoing pandemic. Projects were created in consultation with community partners and employees serving as site champions at Sensata's U.S. locations. Team Sensata's efforts helped us surpass our 2021 goals for total volunteer hours and employee participation. Involvement from Sensata's SLT reinforces our commitment to leading by example and being a neighbor of choice. In addition to our annual Day of Service, the SLT spent a separate day at Mass Audubon Attleboro Springs Wildlife Sanctuary contributing to a hands-on project aimed at protecting the area's native ecosystem.

As a member of Massachusetts' Southeast Regional STEM Network, we hosted a STEM Drive-In Movie event, screening MacGillivray Freeman's "Dream Big: Engineering Our World". We transformed the parking lot at our Attleboro headquarters into an outdoor theater, inviting families in Attleboro and neighboring towns. This event was held in conjunction with Mass STEM Week, a statewide effort to boost interest in STEM (Science, Technology, Engineering, and Mathematics) education and careers.



Mexico

Sensata Mexicali was a sponsor of an annual fundraising event organized by the community association Todos Somos Mexicali (We are Mexicali). Sensata donated 20,000 Mexican pesos, and employees participated in the ‘Run, Jog or Walk for Mexicali’ race to support the event. Funds raised from the event went toward a city improvement project that included a recreational park with green areas.

Additionally, the Human Resources team in Aguascalientes organized an event to benefit the Centers for Multiple Attention (CAM) that provide educational services for children with disabilities. Employees from 12 integrated business teams and support areas volunteered for the event, during which they packed over 2,700 candy bags and nine piñatas, which were donated to CAM. Our Aguascalientes employees also participated in the annual telethon benefiting the local Children’s Rehabilitation Institute Teleton (CRIT). We matched contributions from more than 1,000 employees to donate over 100,000 Mexican pesos (around \$5,000 U.S. dollars) to CRIT.



Bulgaria

Team Sensata in Sofia, Bulgaria, found a way to deliver seasonal cheer and sustainability to the community during the winter holidays. We participated in a month-long *Talent of Talents Christmas* social and environmental campaign, sponsoring a Christmas tree to benefit gifted children from disadvantaged families. Sensata’s contribution was part of a “coniferous forest” of trees donated by different organizations and that decorated the area around the National Palace of Culture in Sofia. Proceeds from tree sales supported scholarships for students, and trees that were not sold were replanted.

PERFORMANCE

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

» LOOKING AHEAD

Community impact will continue to be an area of focus as we recognize its role in empowering employees and strengthening the neighborhoods where we live and work. As we build on programs that support STEM education, economic development, civic involvement and diversity, we aim to engage more employees at all levels with volunteering and giving. We look forward to forming new community partnerships and ensuring grant distribution adequately reflects Sensata’s presence across the U.S. In 2021, we implemented processes that enabled us to expand our community partnerships and streamline Foundation grant allocations in the U.S. In 2022, we will continue our efforts in the U.S. and streamline processes for reporting community impact initiatives undertaken at our global sites.



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 safer, 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 our products for longevity of use and enable the recyclability of our customers' products.



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.



INSIGHTS

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

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 consumer 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 2021 Diversity Drives Innovation (DDI) Conference was a two-day event connecting 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. This virtual conference was open to all employees globally and served as a precursor to the launch of our inaugural Sustainability Report.

Members of the SLT, Engineering community, HR and employees across functions led sessions highlighting how Sensata's purpose, products and operations align with our ESG initiatives. Breakout sessions included a panel discussion on Future Technologies, as well as an EnRoads Simulation that featured a role-play exercise for the United Nations Climate Change Conference, inviting audience reflection and call for action. The event showcased Sensata's Employee Resource Groups, encouraging employee involvement as members or allies of these groups. Guest speaker, Professor Danielle Wood, who leads the Space Enabled Research Group within the Media Lab at MIT, spoke about Sustainability for Social Impact. The conference helped employees connect Sensata's business and operations with the changes needed in the world and think about how they could contribute to these changes through their day-to-day work.

ELECTRIFICATION

We aim to be a provider of choice for components for electrification in transportation, broad industrial, and other markets, as well as offering systems or full energy storage solutions. Our progress in 2021 was accelerated by the acquisitions of Sendyne, offering current sensing and isolation monitoring; Spear Power Systems, providing turnkey battery energy solutions to specialty transportation markets on land, sea and air; and Lithium Balance, providing battery management solutions.

In 2021, electrification applications across our business were supported by global demand for greater efficiency and 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 2021, Electrification revenue was \$260 million across Sensata, and new business wins in Electrification rose 50% to \$270 million.



\$260M

Electrification Revenue 2021

+50%

New Business Wins
in Electrification to

\$270M

Automotive

Within our automotive business, we engage with nearly all of the world's leading Original Equipment Manufacturers (OEMs) launching battery EVs. In 2021, when EVs represented about 6% of total global auto production, EV revenues comprised about 8% 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.



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 & Industrial Vehicles

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 to the market and are currently developing their next generation BEVs.

One of the major hurdles for increased adoption rates is the charging time needed for the large battery packs necessary to operate these trucks. To remove this hurdle, charging powers 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.

Material handling is another sector where our products are enabling electrification. Many vehicles in this segment are already electrified utilizing lead acid batteries, but the adoption of cleaner and less hazardous lithium-ion batteries is growing rapidly. Lithium-ion offers many advantages over lead acid, 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. However, lithium-ion battery packs require robust solutions such as our battery management systems to monitor and maintain the health of the battery pack.



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.

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.

As an example, in addition to numerous defense applications served by Sensata, Blue Origin turned to Sensata’s Spear Power to design and develop lithium-ion battery energy storage systems for its next-generation space vehicles, recognizing our extremely robust, energy-dense, and safety-conscious designs.

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. 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.

INDUSTRIAL SMART DEVICES

In addition to our focus on electrification, clean energy solutions and contributing to the transition to a low carbon economy, we are developing products that provide other environmental benefits. We have worked with smart meter manufacturers to incorporate a digital pressure sensor into smart water meters. The addition of a pressure sensor in smart water meters helps prevent water loss in distribution networks, conserving water and enabling utilities to reliably supply clean water to the communities they serve.



Smart water meter

Electrifying Commercial Marine

We integrate battery management and high voltage distribution units with lithium-ion battery packs to create safer and more robust full energy storage solutions for specialty transport customers. Marine vessels face unique challenges in adopting electrification to reduce emissions, as energy storage in this environment is safety-critical because a fire on board a vessel, whether at sea or in port, could be catastrophic. Moreover, significant space and weight constraints require high energy density levels. We have led the development of customized electrified solutions that are extremely robust to withstand the harsh environments in which they function. Batteries in these instances must withstand moisture, salt, oil and high vibration levels over the vessel’s lifetime. Thanks to the acquisition of Spear Power, our innovative energy storage solutions for marine applications have been successfully tested in the field, and we are engaged with several major programs to upgrade marine vessels with battery electric power plants.



PERFORMANCE

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

Safe Mobility

OUR APPROACH

As a company that takes pride in engineering cutting-edge 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, 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. 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. These next-generation brake force sensors have the potential to enable electromechanical braking for future autonomous vehicle applications.

PreView Side Defender® Blind Spot Monitoring Systems

PreView Side Defender® is the industry's most advanced side collision avoidance solution, developed specifically for over-the-road truck operators and city service and delivery drivers. This system uses proactive audible and visual alerts to warn operators of potential collisions enabling them to take appropriate actions to avoid harm. Additionally, this solution has the ability to integrate with telematics applications, vehicle control systems, vision systems or other sensors using industry-standard communications.

As part of the Side Defender®II system, the PreView® v2 in-cab display equips operators with more intuitive audible and visual alerts while offering installers more flexibility and time savings. For retrofit applications, the new display can provide a GPS-based vehicle speed message, while OEMs and bodybuilders can connect the display directly to the vehicle CAN-bus for vehicle speed information.



AEROSPACE APPLICATIONS

Over 1 million Sensata parts are installed in aircrafts 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.

In 2021, we announced a new auto-throttle assembly product that can be integrated into aircraft cockpit controls to improve flying safety and convenience for light jet applications. Located in the cockpit at the pilot’s side, an automatic throttle is used to modify fuel flow to the engine, controlling engine power and thrust. Similar to the cruise control function in a car, the automatic throttle allows the pilot to set the desired flight characteristics and control an aircraft’s power settings automatically, rather than manually controlling the thrust levers. In high-workload situations or other instances where the pilot may get distracted, the auto-throttle can prevent the aircraft from a situation that might lead to a stall and loss of control. In addition to reducing the pilot’s workload, the auto-throttle assembly offers a significant safety benefit for single-pilot aircraft, including light jet and turboprop applications.

PERFORMANCE

	2020	2021
Tire Pressure Monitoring Systems Shipped	71,216,410	82,900,989

RELATED LINKS

[Vehicle safety case studies](#)



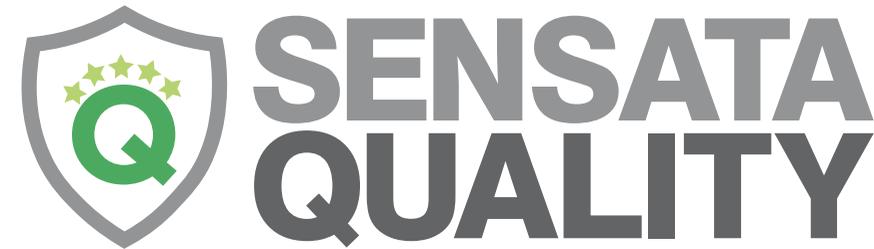
Product Quality

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.

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, Sensata has produced billions of quality products and solutions for more than 100 years.

Led by the Vice President 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 & SUSTAINABILITY

Our operations are subject to local and global product regulations and protocols, including the International Material Data System (IMDS); Restriction of Hazardous Substances 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, which are audited by customers and third parties.

In 2021, we manufactured and shipped 1.2 billion highly-engineered product units and are continuously examining ways to lower 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.

1 <https://enx.com/en-US/TISAX/>

SOFTWARE QUALITY ASSURANCE & 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 as a Service (SaaS) platform team and Software CoE 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, Over the Air (OTA) Updates and Internet of Things (IoT).

In early 2021, we completed our first major quality Software & Systems Process Improvements Capability Determination (SPICE) model assessment and set clear multi-year milestones for the different businesses working with software and systems to support our business strategy. In 2021, we also created an independent Software Quality Assurance function reporting directly to the Vice President of Quality and hired a Software Quality Assurance Director with more than 25 years of experience in the software industry to expand the role of quality assurance in software engineering. This role will also focus on strengthening our capabilities for assessing the software quality and security of our products and services as well as acquired companies and assets. Additionally, we are on track with our multi-year software quality maturity improvement journey that is consistent with software industry standards.

TISAX Certification

In 2021, we also obtained third-party TISAX (Trusted Information Security Assessment Exchange) certification at five of our sites – Baoying, China; Changzhou, China; Aguascalientes, Mexico; Hengelo, Netherlands; and Antrim, United Kingdom. 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. This certification is another key building block of our Quality Management System and further demonstrates our commitment to software quality and information security.

As vehicle regulations begin to harmonize and include software and cybersecurity updates, in 2022, we will continue to evolve our product quality and capabilities to meet new requirements.

CUSTOMER SATISFACTION & RECOGNITION

We pride ourselves on providing high-quality products to our customers and strive for excellence. In 2021, we received 15 customer satisfaction awards from nine different customers recognizing our commitment to delivering high-quality products and services.

Award highlights include:

Supplier Quality Excellence Award
Aguascalientes, Mexicali, Changzhou and Baoying sites

Excellent Supplier of the Year
Sensata Aerospace

Supplier Excellence Award
Botevgrad site (third year in a row)

Top Ranked Supplier
Sensata Japan



15

Customer Satisfaction Awards in 2021



PERFORMANCE

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

To drive continuous improvement in our products, we measure customer satisfaction in a number of ways. In 2022, we will continue to evolve our approach by utilizing Net Promoter Score (NPS) to measure satisfaction, enabling us to proactively address customer concerns. Customers can also raise questions or concerns by contacting us directly at quality@sensata.com.

Circular Economy

OUR APPROACH

As our products continue to enable our customers to deliver a safer, cleaner, more electrified and connected world, it is critical that we consider the impacts of both our product inputs and end-of-life management. By addressing the entire life cycle of our products, we can further decrease our environmental impact and help customers meet their circular economy goals, especially as it relates to recyclability.

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 for longevity of use and enable the recyclability of our customers' products. Currently, our approach to circular economy is influenced by our Engineering and Procurement departments, as they are responsible for determining and procuring the materials needed to manufacture our products.

CIRCULAR 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, we will conduct product life cycle assessments to better understand the impact of our products across the various stages of development and use and work toward tracking recycled content across our product families.



All our products are designed with quality and durability in mind, enabling continued use throughout the lifetime of our customers' products



Protecting Our Environment

- [Our Approach](#)
- [Energy and Emissions](#)
- [Environmental Compliance](#)
- [Waste Management](#)
- [Water Stewardship](#)

Our Approach

While our solutions serve as critical building blocks for making safer, 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 & Emissions:** We recognize the role we must play to combat climate change by managing energy consumption and emissions resulting from both 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.

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 established annual goals for the reduction of our Scope 1 and 2 greenhouse gas (GHG) emissions and disclosed information regarding our performance against these goals through CDP and other sustainability reporting platforms.

In 2021, we appointed a Senior Director of Sustainability & Facilities, Environmental Health and Safety, who is responsible for program management and implementation of our sustainability-related efforts, including 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.

Our 2026 Goal



**REDUCE OUR
GHG EMISSIONS
INTENSITY BY
10%**

from a 2021 baseline

Our 2050 Goal



**ACHIEVE
CARBON
NEUTRALITY**
in our operations

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, offsets and other investments.

Energy Efficiency

As a company that manufactures mission-critical sensor-rich solutions, we understand that energy is essential to our business: Approximately 90% of our total energy consumption occurs at our manufacturing facilities. We strive to run our operations as efficiently as possible but recognize there is always room for improvement. To strategically address our operational efficiency, in 2021, we developed an Energy Efficiency Playbook that outlines best practices for energy management, applicable across our global facilities. In addition to raising awareness about facility upgrades, this Playbook will enable our sites to maximize their efficiency and reduce energy consumption.

In 2021, we undertook initiatives focused on operational efficiency improvements. In addition to introducing the Energy Efficiency Playbook, we implemented changes at our facilities to decrease our environmental impact, including switching to LED lighting as well as upgrading HVAC systems and compressors. The LED lighting projects reduced our energy consumption by approximately 1,063 megawatt hours in 2021. In 2022, we will continue to invest in facility efficiency projects across the globe.

As we increase the efficiency of our operations, we are also working to incorporate more renewable energy into our portfolio. In 2021, 1% of our total energy came from renewable sources. Highlighting our commitment to increase renewable energy use, both our Engineering Center in Hengelo, Netherlands and Unit 11 Building in Antrim, Northern Ireland were powered by 100% renewable energy in 2021. Additionally, we've developed plans for on-site renewable energy projects at two facilities, which will be rolled out in 2022, and intend to purchase renewable energy credits to accelerate the incorporation of renewable energy into our overall strategy.

GHG Emissions

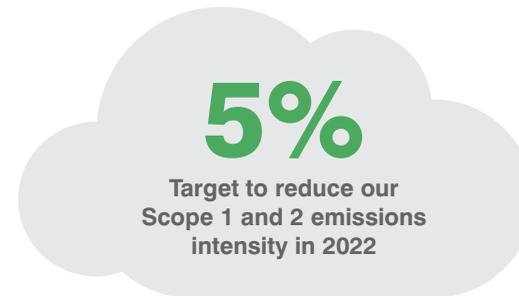
Scope 1 & 2 Emissions

In 2021, Sensata made a public commitment to achieve carbon neutrality in our operations by 2050 and reduce GHG emissions intensity based on revenue by 10% by 2026. To ensure that Sensata is taking a holistic approach in addressing our emissions, in 2021, we also began working with a third-party provider to support the establishment of a roadmap to carbon neutrality and improve our overall GHG emissions accounting process. As a first step, we revised our data collection and documentation processes to align with the Greenhouse Gas Protocol, thereby providing more robust data to serve as a baseline for our goals. We also plan to obtain separate third-party verification of our Scope 1 and 2 emissions data ahead of our 2022 CDP Climate Change submission.

Once finalized in 2022, our comprehensive roadmap will include an emissions inventory management plan, annual emissions reduction targets, renewable energy targets and recommendations for renewable energy projects at our manufacturing facilities. As an interim measure, we have set a target to reduce our Scope 1 and 2 emissions intensity by 5% in 2022.

In 2021, our Scope 1 and Scope 2 (location-based) emissions were 6,192 and 167,876 metric tons CO₂ respectively, representing a 16% increase compared to 2020. This increase can be attributed to ramped-up production as COVID-19 restrictions were lifted, as well as our substantial growth of over \$800 million in revenue and the acquisition of five companies. Meanwhile, our location-based emissions intensity decreased from 49.19 to 45.57, a 7.4% decrease compared to 2020.

In 2021, we also calculated our market-based emissions profile to take into account efforts to source renewable energy and are using that data point as our 2021 baseline for our goals. Our 2021 market-based emissions intensity was 45.24. As the company expands, we are committed to reducing our carbon footprint and will continue to implement projects and initiatives to reduce our emissions. Further, our GHG emissions strategy is constantly evolving, and we will continue to evaluate our targets and timelines as we progress toward our goals.



Assessing the Impact of Acquisitions

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



Scope 3 Emissions

In 2021, we also began measuring our Scope 3 emissions. After assessing the Scope 3 emissions relevant to our business, we determined that these emissions account for approximately 98% of our overall footprint, with most of our impact, roughly 90%, 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. In 2022, we will conduct pilot life cycle assessments for two products and begin implementing additional actions identified in our emissions roadmap to work toward refining our estimates for and decreasing our Scope 3 emissions.

PERFORMANCE

	2020	2021*
Scope 1 Emissions (metric tons CO ₂)	4,968	6,192
Scope 2 Emissions – Location-based (metric tons CO ₂)	144,836**	167,876
Scope 2 Emissions – Market-based (metric tons CO ₂)	–	166,611
Scope 1 & 2 Location-based Emissions (metric tons CO ₂)	149,804**	174,068
Scope 1 & 2 Market-based Emissions (metric tons CO ₂)	–	172,803
Scope 3 Emissions (metric tons CO ₂)	–	10,884,900
GHG Emissions Intensity (Scope 1 & 2 Location-based Emissions/\$1M Revenue)	49.19	45.57
GHG Emissions Intensity (Scope 1 & 2 Market-based Emissions/\$1M Revenue)	–	45.24
Electricity Use (MWh)	289,539	283,692
Renewable Energy (%)	–	1%***

*Following the independent verification of our Scope 1 and 2 GHG emissions inventory, completed on July 29, 2022, we have revised our 2021 Scope 1 and 2 emissions, as well as electricity use, to reflect a decrease in the previously reported data.

**We have revised our 2020 Scope 2 location-based emissions to reflect a slight decrease of 4 metric tons due to a previous data error. This revision also impacts our total Scope 1 and 2 emissions for 2020 which has been updated as well.

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

SCOPE 3 EMISSIONS

	Quantity
Scope 3 Emissions (metric tons CO ₂)	10,884,900
Category 1 - Purchased Goods and Services	696,000
Category 2 - Capital Goods	38,000
Category 3 - Fuel- and Energy-Related Activities	45,000
Category 4 - Upstream Transportation and Distribution	125,000
Category 5 - Waste Generated in Operations	4,000
Category 6 - Business Travel	3,000
Category 7 - Employee Commuting	41,000
Category 8 - Upstream Leased Assets	N/A
Category 9 - Downstream Transportation and Distribution	16,000
Category 10 - Processing of Sold Products	N/A
Category 11 - Use of Sold Products	9,912,200
Category 12 - End-of-Life Treatment of Sold Products	3,000
Category 13 - Downstream Leased Assets	N/A
Category 14 - Franchises	N/A
Category 15 - Investments	1,700

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 the environment and prevention of pollution, and
- Eliminating environmental hazards where possible, or reducing risks to an acceptable level.

Our efforts are overseen by our Senior Vice President of Operational Excellence and underpinned by our 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 the operations of 134 locations with a total footprint of 4,968,891 million square feet, used by more than 21,000 employees and temporary workers.

We collaborate with our workforce to develop and execute against our performance goals and build a culture of accountability. Accordingly, through a consolidated dashboard system, we routinely develop and measure our performance on 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 currently, 70% of our facilities are 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 2022, 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.

PERFORMANCE

	2020	2021
Facilities with ISO 14001 Certification*	99%	70%

*Data reported in 2020 included only Sensata manufacturing facilities. 2021 data includes all Sensata facilities.

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 landfills enables us to reduce our environmental impact.

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

REDUCING WASTE

We track solid waste generation on a monthly and annual basis at all our manufacturing facilities and maintain recycling programs at our facilities in Attleboro, Massachusetts and Thousand Oaks, California. We are working on expanding these programs to our facilities in North and South America, Europe and Asia. We actively recycle cardboards, plastics and several metals including silver, platinum, cast iron, gold, aluminum, brass, nickel and copper and strive to achieve a 100% recycling rate. In 2021, we generated 10,652 metric tons of waste and diverted 78% of that waste from landfill.

We also measure hazardous waste generation on a monthly and annual basis at our global manufacturing sites. 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 2021, we generated 562 metric tons of hazardous waste and in 2022, we will continue implementing initiatives to further decrease waste created as a result of our operations.

As part of our waste management strategy, we periodically review and assess opportunities for the elimination or mitigation of activities that generate waste, as well as the use of potentially harmful materials. In 2021, we partnered with our supplier Kimberly-Clark to participate in their *RightCycle Program*, collecting eligible hard-to-recycle items, such as nitrile gloves and safety eyewear, to be upcycled into new consumer goods, including flowerpots, patio furniture and plastic shelving. By participating in this program, we were able to divert several hundred pounds of waste from hazardous waste disposal.

At our Plovdiv facility in Bulgaria, we implemented a number of initiatives to reduce waste, including employee training on waste separation, the removal of single-use cups and a charity auction for scrapped equipment (e.g., tables, chairs, shelves, etc.). These efforts resulted in a 9.5% decrease in non-hazardous solid generated waste at the site compared to 2020.

PERFORMANCE

	2020	2021
Total Non-Hazardous Waste Generated (metric tons)	7,738	10,652
Total Non-Hazardous Waste Recycled (metric tons)	6,425	8,282
Total Waste Disposed (metric tons)	1,303	1,794
Hazardous Waste Generated (metric tons)	490	562



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 2016, Sensata has tracked water use at our major manufacturing facilities and maintained our commitment to reducing water consumption. Our water use data is disclosed annually through CDP and our approach to water stewardship is led by our Senior Director of Sustainability and Facilities, Environmental 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.

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. We have worked with our manufacturing facility leaders to identify initiatives to decrease water use. Activities undertaken in 2021 include standardizing restrooms to install sensor-based, high-efficiency water faucets and waterless urinals. These measures will reduce annual water usage by approximately 525,000 gallons at our Attleboro, MA headquarters, equal to roughly 6.5% of our total water usage.



ASSESSING WATER RISK

We have also conducted a preliminary water risk assessment of Sensata's major manufacturing sites, using online tools such as World Resources Institute's Aqueduct and World Wildlife Foundation's Water Risk Filter, and determined that four of our facilities are located in water-stressed areas. In 2022, we will develop an action plan to address the results of this assessment and set water reduction targets for facilities in high-stress areas.

PERFORMANCE

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





Operating Responsibly

[Our Approach](#)

[Corporate Governance](#)

[Ethics and Compliance](#)

[Risk Management](#)

[Data Privacy and Security](#)

[Government and Community Relations](#)

[Responsible Sourcing](#)



Our Approach

At Sensata, we have a sense of pride and integrity in everything we do, from how we govern ourselves to our responsible sourcing practices. Our reputation for doing business with integrity and operating with high standards of business ethics helps us grow our business and solve the need for a safer, cleaner, 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 & 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 & Security

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



Government & 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 & 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

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 [2022 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 2021, the Board added one new independent director, Daniel Black, who brings decades of experience in key areas critical to Sensata's future operations and strategy and enhanced the Board's racial diversity. Currently, nine of 11 directors are independent, including our Chairman of the Board, and four of 11 directors represent gender or racial diversity. We are committed to using succession planning and the refreshment process to continue advancing Board diversity.



Sensata Board of Directors (left to right): Stephen Zide, Lorraine Bolsinger, Daniel Black, Andrew Teich, Jeff Cote, Martha Sullivan, Steven Sonnenberg, Constance Skidmore, Charles Pepper, James Heppelmann. *Not pictured: John Absmeier*

OVERSIGHT FOR SUSTAINABILITY

Our sustainability efforts are led by our Chief Legal Officer who, with the ESG team, collaborates with functional leaders across the company to develop and execute on our sustainability strategy, initiatives and goals. Formed in 2021, our ESG Steering Committee is composed of executive leadership 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 Chief Legal Officer and other members of the Strategy Leadership Team.

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

- The **Nominating & 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 and compliance programs.
- The **Compensation Committee** reviews initiatives and monitors progress against goals as they relate to human capital management, including diversity, equity and inclusion.

GOVERNANCE DATA

	2020	2021
Number of Directors	11	11
Independent Directors	8	9
Female Directors	3	3
Racially Diverse Directors	0	1
Average Director Tenure	<5 yrs	<5 yrs
Independent Chairman of the Board	Yes	Yes

RELATED LINKS

[2022 Proxy Statement](#)

[Corporate Governance Guidelines](#)

[Nominating and Corporate Governance Committee Charter](#)

[Governance website](#)

Learn more about our Board and Committees, as well as their Charters and responsibilities, in our 2022 Proxy Statement or by visiting our [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 and more efficient, electrified and connected world. We expect suppliers and business partners to share our commitment of operating responsibly with respect for people and our planet and to take a stand against corruption, labor violations and human trafficking.

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 all 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 are 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 Chief Legal Officer who provides updates to the Audit Committee of our Board of Directors at each quarterly meeting.

As a continuation of our commitment to embed ethical business principles into our organization, in 2021, we hosted our second Integrity Week, attended by more than 2,000 employees globally. Kicked off by our CEO, this event focused on the five ethical practices, or senses, in our Code: Sense of What's Right, Sense of Belonging, Sense of Integrity, Sense of Community and Sense of Security. Integrity Week featured five days of sessions with senior leaders and experts discussing efforts underway for each of the ethical practices and how all of Team Sensata can play a role in strengthening our culture of ethics and integrity.

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 the Legal, Internal Audit and Human Resources Departments, which report their findings to the Audit Committee. In 2021, we reduced investigation closure cycle time to less than 90 days.

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. We introduced a quarterly training calendar, reminders and reporting updates to Team Sensata, which helped drive higher training completion rates for 2021.

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 for payments or the provision of any benefit to government officials to obtain business or other favorable treatment. We also do not allow facilitation payments to government officials to speed up their performance.

PERFORMANCE

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

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 the Company's 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 committee to update Sensata's Risk Assessment to reflect emerging and revised compliance risks.

ACTION TAKEN IN 2021

In 2021, we developed a revised enterprise risk management framework where risks are identified, analyzed, responded to, monitored and reported on, in accordance with policies and procedures. As part of a preliminary risk assessment, the Sensata Compliance Committee sent out a risk template to its members to identify risks and document responses, which were discussed in its monthly meetings. The Enterprise Risk Management team utilized these compliance risk templates and developed similar templates for non-compliance risks. The team then held working sessions with key stakeholders and management with the objective of building on this information to identify high risks from the perspective of these stakeholders, existing controls to mitigate these risks, and potential gaps in such controls. Utilizing a risk impact matrix, we analyzed the identified risks

and determined their likelihood of occurrence and magnitude of impact. Identified risks were prioritized according to this data and action plans were considered if current controls were not robust enough to respond to or mitigate the risk.

The Chief Accounting Officer provided an update on the enterprise risk management framework to the Audit Committee in July 2021, which included communicating our key risk pillars and top risks. Among our top risks were ESG-related risks, including stakeholder expectations surrounding climate change. In 2022, we will expand our Enterprise Risk Management process to include climate-related risks and opportunities to enhance our reporting against the Task Force on Climate-Related Financial Disclosures (TCFD), in addition to preparing for new proposed disclosures by the U.S. Securities and Exchange Commission (SEC).

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 therefore defined by our commitment to preserving the trust our employees and customers place in us.

Sensata's Global Privacy Officer, hired in 2021, leads the development, implementation and execution of our global privacy program and plays a key role in providing strategic, privacy-related advice and support to our global business teams.

The **Senior Director of Cybersecurity**, also hired in 2021, 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.

The **Global Privacy Officer** and **Senior Director of Cybersecurity** provide bimonthly updates to the **Data Protection Steering Committee**, which was created in 2021 and is co-chaired by our Chief Legal Officer and the Chief Technology Officer.

The Data Protection Steering Committee's mission is to enable cross-business executive alignment when determining our long-term data privacy and cybersecurity protection and governance strategy. This committee is also responsible for assessing whether risks are being properly identified and mitigated. The Audit Committee of our Board of Directors has ultimate oversight over data privacy and cybersecurity and receives regular updates.

DATA PRIVACY

At Sensata, we are committed to collecting, handling and protecting personal information responsibly and in compliance with applicable privacy and data protection laws to make us a trustworthy business partner and employer. We promote transparency by disclosing how we collect, use and share personal information in our [Privacy Policy](#), which was revised in 2021 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 to address the ongoing integrity, confidentiality and availability of personal information. We evaluate these measures on a regular basis.

As part of our commitment to privacy, in 2021 we adopted Sensata's Five Privacy Principles focused on Accountability, Transparency, Responsibility, Choice & Control and Security, which will serve as Sensata's Global Privacy Framework. Additionally, we launched the Privacy Threshold Assessment, which requires all new or expanded projects to be reviewed for implications regarding privacy policies.

Sensata's Five Privacy Principles



- 1 Accountability**
We abide by and uphold our Privacy Principles.



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



- 3 Responsibility**
We collect, use and share personal information mindfully.



- 4 Choice & Control**
We provide individuals with appropriate choice and control over how their personal information is collected, used and shared.



- 5 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 and our investment in improved processes, tools and personnel have led to notable improvements in 2021.

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 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 Crisis Management & Incident Response Playbook, which provides guidance on how to respond to, and manage the fallout from, a significant cyber incident requiring an organized response.

In 2021, we conducted a tabletop exercise testing the principles and procedures set forth in the Sensata Cyber Crisis Management & Incident Response Playbook and updated the Playbook based on lessons learned. We have continued our phishing campaigns, and our employee phishing assessment failure rate is consistently at or below industry benchmarks.

PERFORMANCE

	2020	2021
Average Completion Rate - Mandatory Trainings	90%	87%
Phishing Assessment - Pass Rate	–	92.6%
Phishing Assessment - Messages Sent	–	85,308

LOOKING AHEAD

In 2022, we plan to improve global privacy training and awareness by adding more updated awareness campaigns, interactive employee privacy trainings and targeted privacy trainings based on job functions.

Additionally, we plan to increase our cybersecurity budget by 40% compared to 2021. We will continue to add resources to the Information Security team to support the Company’s strategy including the Sensata Insights business, which will enable us to devote more time to reviewing new technology requests and third-party platform security. We will also take steps to drive improved completion rates for cybersecurity trainings.

40%
Cybersecurity budget increase compared to 2021

RELATED LINKS

[Privacy Policy](#)

Government and Community 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 APPROACH

In 2021, Sensata's global supply chain included more than 7,500 suppliers in over 50 countries and our total supplier spend exceeded \$2.5 billion, encompassing a wide variety of commodities and services that are required to support our manufacturing and business operations. We are committed to operating with the highest standards of integrity and ethical behavior and extending 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.

Amended in 2021, 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 and marketplace risks.

Our Global Procurement Business Process and Compliance organization oversees our responsible sourcing practices and reports to the Vice President, Global Procurement, who regularly updates senior leadership on sourcing practices. Additionally, our ESG Steering Committee receives monthly updates on risks and opportunities associated with our responsible sourcing program, and our Chief Legal Officer provides periodic updates to the Board.

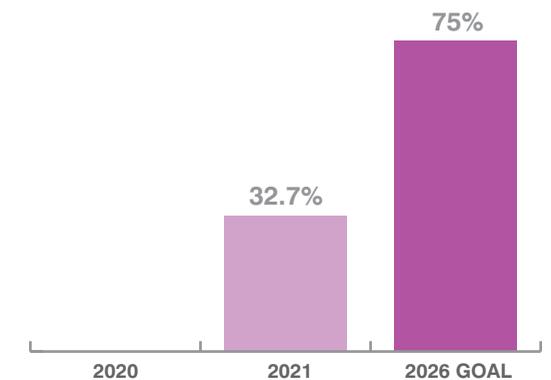
HUMAN RIGHTS AND WORKING CONDITIONS

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.

In 2021, we relaunched our Slavery and Human Trafficking responsible sourcing campaign using the Slavery & Trafficking Risk Template. We surveyed 1,831 suppliers making up 80% of our total spend and located in high-risk countries. Although our response rate of 32.7% for the 2021 campaign is similar to benchmark data provided by our third-party provider, we will seek to drive a higher response rate or consider a different approach to assessing our supply chain for risks of slavery and human trafficking that provides us with more actionable insights in 2022. Our goal is to gain meaningful insight into our supply chain and ensure supplier compliance with our policies.

Response Rates for Responsible Sourcing Campaigns

Slavery & Human Trafficking



Human Rights Due Diligence

We surveyed **1,831** suppliers making up **80%** of our total spend and located in high-risk countries.

Our 2026 Goals



ACHIEVE **75%**

response rate on our responsible sourcing campaigns



ACHIEVE **100%**

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

RESPONSIBLE MINERALS SOURCING

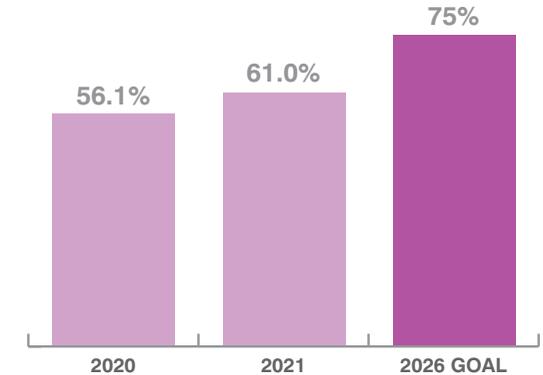
We are committed to the transparency of our sources of certain minerals and to procuring minerals from suppliers that do not directly or indirectly finance or contribute to armed conflict or human rights abuses or are sanctioned by the United States government. Our [Responsible Mineral Sourcing Policy](#) 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 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 and the goals of our customers, in 2021 we began implementing due diligence regarding the use of cobalt in our supply chain and disclosed our findings using the Responsible Mineral Initiative’s Cobalt Reporting Template (CRT). A dedicated team, with the support of our third-party provider, analyzes information from our suppliers’ CMRT and CRT reports 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.

Policy Updates

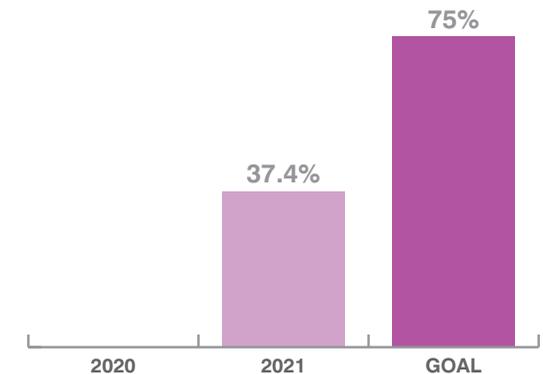
In 2021, we published an updated Responsible Minerals Sourcing Policy setting forth our requirements for supplier due diligence, risk assessment exposure and compliance and put our suppliers on notice of our intention to conduct cobalt sourcing due diligence. In addition, in alignment with our responsible sourcing goal, we amended our Supplier Code of Conduct to make our expectation clear to suppliers that conflict minerals be sourced only from RMAP conformant (or equivalent) smelters. We have also updated our corrective action processes to more meaningfully engage with suppliers who fail to respond to our responsible sourcing surveys or do not conform to our responsible sourcing requirements.

Response Rates for Responsible Sourcing Campaigns

Conflict Minerals

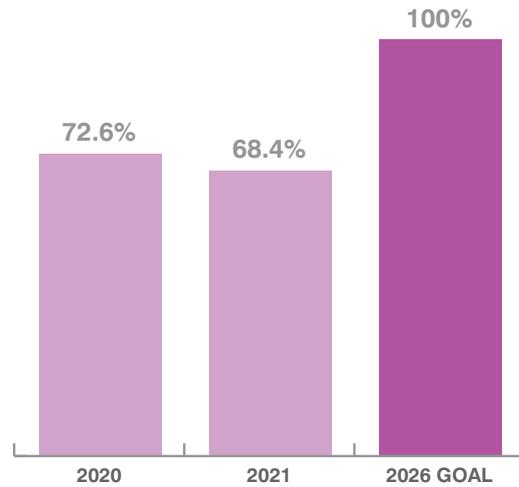


Cobalt



% Smelter RMAP Conformance

Conflict Minerals



Environmentally Friendly Sourcing

As we finalize our strategy for Scope 3 emissions, we look forward to working with our suppliers to reduce their own emissions and help us decarbonize our supply chain.

Conflict Minerals and Cobalt Campaign

During our 2021 conflict minerals campaign, we surveyed 1,661 suppliers and received responses from 61% (over 1,000) of these suppliers. The improvement in response rate from 2020 is attributed to increased supplier engagement and improved scoping for the campaign. For our 2021 cobalt campaign, we surveyed 1,689 suppliers and received responses from 37.4% of these suppliers. 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. In 2022, we will migrate from the CRT to the Extended Minerals Reporting Template (EMRT) and include mica with our cobalt due diligence program.

While our supplier response rate for our responsible sourcing campaigns increased, the percentage of reported smelters in our supply chain who 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 the increase in suppliers responding to our campaign, as well as 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. 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.

PERFORMANCE

	2020	2021
Responsible Sourcing Campaign (response rates)		
Conflict Minerals	56.1%	61.0%
Cobalt	–	37.4%
Slavery & Human Trafficking	–	32.7%

RELATED LINKS

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



Appendix

[GRI Index](#)

[SASB Index](#)

[TCFD Index](#)

GLOBAL REPORTING INITIATIVE (GRI): 2021 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 https://www.sensata.com/locations/business-centers
	2-2	Entities included in the consolidated financial statements	2022 Form 10-K, Exhibit 21.1 Our GHG emissions data excludes companies acquired after Q1 of 2021.
	2-3	Reporting period, frequency and contact point	Reporting period: January 1, 2021 - December 31, 2021; Annual reporting Publication date: June 30, 2022 Point of contact: Kramer Ortman, Assistant General Counsel, Corporate & ESG ESGcompliance@sensata.com
	2-4	Restatements of information	Data for our 2021 Scope 2 (location-based) and total Scope 1 and 2 (location-based) emissions have been restated to reflect a small calculation error. Our revision resulted in a decrease of 4 metric tons, which has been deemed not significant.
	2-5	External assurance	We anticipate obtaining third-party limited assurance of our 2021 Scope 1 and 2 (location-based) emissions after the publication of this report.
	Activities and workers		
	2-6	Activities, value chain and other business relationships	About Sensata, p. 5-7 2022 Form 10-K, p. 4-11; Our Brands (https://www.sensata.com/our-brands); Responsible Sourcing, p. 66 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	Information unavailable - We are working to collect relevant information to report on this indicator in the future.
	Governance		
	2-9	Governance structure and composition	Our Approach to Sustainability, p. 14; Governance, p. 59-60
	2-10	Nomination and selection of the highest governance body	2022 Proxy Statement, p. 4-15
	2-11	Chair of the highest governance body	2022 Proxy Statement, p. 7

GRI Standard	Disclosure Number	Description	Location or Direct Answer
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	2022 Proxy Statement, p. 13-14
	2-13	Delegation of responsibility for managing impacts	2022 Proxy Statement, p. 13-14
	2-14	Role of the highest governance body in sustainability reporting	Corporate Governance, p. 60; 2022 Proxy Statement, p. 13-14
	2-15	Conflicts of interest	2022 Proxy Statement, p. 65
	2-16	Communication of critical concerns	2021 IFRS Annual Report, p. 24-25
	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	2022 Proxy Statement, p. 13
	2-19	Remuneration policies	2022 Proxy Statement, p. 27-46
	2-20	Process to determine remuneration	2022 Proxy Statement, p. 27-46
	2-21	Annual total compensation ratio	2022 Proxy Statement, p. 47
	Strategy, policies and practices		
2-22	Statement on sustainable development strategy	A Message from our CEO and CLO, 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.58-68	
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	2022 Form 10-K, p. 110	
2-28	Membership associations	Government and Community Relations, p. 65	
2-29	Approach to stakeholder engagement	Our Approach to Sustainability, p. 14	
2-30	Collective bargaining agreements	2022 Form 10-K, p. 14	
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	About this Report, p. 12, 14; Our Approach to Sustainability, p. 9
	3-2	List of material topics	Our Approach to Sustainability, p. 12

GLOBAL REPORTING INITIATIVE (GRI): 2021 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. 48
	Other KPI	Under development	Information unavailable - We are currently developing KPIs for this material topic and intend to disclose them 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
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy and Emissions, p. 53; CDP Climate Change 2022, C8. Energy
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Energy and Emissions, p. 53
	305-2	Energy indirect (Scope 2) GHG emissions	Energy and Emissions, p. 53
	305-4	GHG emissions intensity	Energy and Emissions, p. 53
Environmental Compliance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Environmental Compliance, p. 54
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	2022 Form 10-K, p. 110
Innovation of Sustainable Products			
GRI 3: Material Topics 2021	3-3	Management of material topics	Innovation of Sustainable Products, p. 39
	Other KPI	% R&D spend allocated to megatrends	Innovation of Sustainable Products, p. 42
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	Waste Management, p. 55
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. 55
	306-4	Waste diverted from disposal	Waste Management, p. 55
	306-5	Waste directed to disposal	Waste Management, p. 55

GRI Standard	Disclosure Number	Description	Location or Direct Answer
Water Stewardship			
GRI 3: Material Topics 2021	3-3	Management of material topics	Water Stewardship, p. 56
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. 54
	303-5	Water consumption	Water Stewardship, p. 56; CDP Water 2022

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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. 33
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community Impact, p. 35-36
Diversity, Equity and Inclusion			
GRI 3: Material Topics 2021	3-3	Management of material topics	Diversity, Equity and Inclusion, p. 17
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Our Workforce by the Numbers, p. 21-22
Future Workforce			
GRI 3: Material Topics 2021	3-3	Management of material topics	Talent Management and Future Workforce, p. 23
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
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. 26-27
	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. 27
	403-6	Promotion of worker health	Employee Health, Safety and Well-Being, p. 28-30
	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

GRI Standard	Disclosure Number	Description	Location or Direct Answer
	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. 31
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Labor Practices, p. 31
Responsible Sourcing			
GRI 3: Material Topics 2021	3-3	Management of material topics	Responsible Sourcing, p. 66
	Other KPI	Response rate for responsible sourcing campaigns	Responsible Sourcing, p. 66-67
Safe Mobility			
GRI 3: Material Topics 2021	3-3	Management of material topics	Safe Mobility, p. 43
	Other KPI	Tire pressure monitoring systems shipped	Safe Mobility, p. 44

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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. 59
	Other KPI	Board diversity	Corporate Governance, p. 59
Data Privacy and Security			
GRI 3: Material Topics 2021	3-3	Management of material topics	Data Privacy and Security, p. 63
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
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Ethics and Compliance, p. 61
Product Quality			
GRI 3: Material Topics 2021	3-3	Management of material topics	Product Quality, p. 45
	Other KPI	Product units with zero recalls	Product Quality, p. 47

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB): ELECTRICAL AND ELECTRONIC EQUIPMENT: 2021 INDEX

Topic	Code	Accounting Metric	Location or Direct Response
Energy Management	RT-EE-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Energy and Emissions, p. 53; CDP: Climate Change 2022
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated, percentage recycled	Waste Management, p. 55
	RT-EE-150a.2	Number and aggregate quantity of reportable spills, quantity recovered	We experienced no reportable spills in 2021.
Product Safety	RT-EE-250a.1	Number of recalls issued, total units recalled	Product Quality, p. 47
	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	We are unable to provide data for this metric at this time.
Materials Sourcing	RT-EE-440a.1	Description of the management of risks associated with the use of critical materials	Responsible Sourcing, p. 67-68
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
	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 2021.
	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 2021.

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 2022, C1. Governance
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Risk Management, p. 62 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 2022, 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 2022, 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 climate-related scenario analysis but anticipate doing so in the near future.
Risk Management	Location or Direct Answer
a) Describe the organization's processes for identifying and assessing climate-related risks.	Risk Management, p. 62 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 2022, 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. 62 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. 53
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Energy and Emissions, p. 53
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Energy and Emissions, p. 53

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