ESH Management System

GESH-#001

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1 PURPOSE:

The purpose of this Policy and Procedure is to establish global environmental, safety and health corporate requirements that Sensata operations must follow, unless otherwise exempted or approved by Global ESH.

Sensata is committed to conducting its business in compliance with all applicable governmental laws, rules and regulations. To the extent that the applicable laws conflict with or impose a higher standard than this policy, the applicable laws shall overrule this policy. If Sensata personnel have questions regarding the applicable laws in their locality, personnel should contact their Site ESH Manager/Coordinator/Contact.
2  SCOPE:

Sensata’s Environmental Safety and Health (ESH) Management System (ESHMS) as described herein is generally aligned with the standards incorporated into ISO Certification Programs (14001 and 45001) that are in place at key Sensata facilities. The ESHMS is intended to support and advance compliance with such certification programs but is not intended to replace such programs where they have been established. Except as noted below, the ESHMS described in this Policy is considered to be a minimum standard that applies to all Sensata operations worldwide.

This Policy and Procedure does not address Business Continuity or Business Recovery activities or requirements.

3  RESPONSIBILITIES:

Site-Led ESH Manager/Coordinator/Contact – responsible for understanding and ensuring compliance with this Policy. The Site-Led ESH Manager/Coordinator/Contact may designate another competent individual or individuals to perform all or a portion of the required procedures within this Policy. Some locations will have a combined Facility and ESH Manager (aka FESH Manager) in lieu of a separate ESH Manager or Lead. Larger facilities will have their ESH staff reporting into and to the FESH Manager for that location.

Global ESH Manager (aka Center-Led) – responsible for determining what sites, facilities, or operations must comply with this Policy; communicating information with the respective site ESH managers that is necessary to support compliance; and reviewing and approving deviations in the implementation of this Policy.

4  REFERENCES:

None

5  PROCEDURES:

5.1  Environmental Safety and Health (ESH) Policy

Sensata has adopted a Global Environmental Safety and Health (ESH) policy that is endorsed and signed by the CEO or by a member of the Strategic Leadership Team (SLT) (Appendix A). The ESHMS as described herein is intended to support the ESH Policy. Accordingly, the components of the ESHMS are consistent with the Global ESH Policy as follows:

- Appropriate in nature and scale to the potential environmental impacts and occupational health and safety risks of Sensata’s activities, products or services;
- Reflect a commitment to Continuous Improvement and prevention of pollution, injury and ill health;
- Include a commitment to comply with Sensata’s compliance obligations;
- Provide the framework for setting and reviewing ESH objectives and targets;
- Ensure that goals, policies, and practices are documented, implemented and maintained;
- Ensure that ESH goals, policies and practices are communicated within the organization; and
- Ensure that documentation regarding Sensata’s ESHMS is available to interested parties.
5.2 Leadership

Sensata shall ensure the availability of resources essential for the implementation and control of the ESHMS. Resources include appropriate staffing with specialized skills, internal infrastructure, technology and financial resources. These resources may be internally-derived or outsourced as appropriate.

ESH at Sensata is managed by a Global ESH Manager under the Global Operations Group who reports directly into the Operational Excellence Division.

The Site-Led ESH Manager/Coordinator/Contact will be assigned by each location’s General Manager/Operations Manager to coordinate ESH activities; and the number of ESH staff will be dependent on the size and potential risks associated with the operation. ESH technical support for non-Make Sites will be provided by Site-led ESH staff from nearby Sensata locations, the Global Operations Center-Led functional groups (the Global ESH Manager or other designees) or through subcontracted services to an outsourced provider.

The Global ESH Manager endeavors to meet weekly or bi-weekly routinely (i.e. every week or so) with other members of the Center-Led Operational Excellence Division, and other supporting Teams to (i) review progress on the implementation of ESH objectives and targets; (ii) review recent incidents and issues; (iii) share best practices; and (iv) determine the need to review and update policies, standards, and procedures.

The Global ESH Manager will also meet with Senior Management on a periodic or as needed basis to report and review the progress of the Global ESH programs. For this purpose, Senior Management consists of the Senior Director of the Center-Led Facilities, Engineering, ESH, Security and Real Estate Department, the Global ESH Manager’s immediate supervisor, and, as appropriate, members of the SLT.

5.3 Operational Control

5.3.1 Corporate

The Global ESH Manager is responsible for the identification of procedures and practices that are necessary to comply with the Corporate ESH Policy at each facility. Accordingly, the Global ESH Manager will establish, maintain and update as necessary the following documented policies and procedures:

- **Cardinal Rules of Environment and Safety (Zero Tolerance Policy)**
  - Absolute rules focused on an individual’s behavior and performance.
- **Minimum Standards of ESH Performance**
  - Standards focused on a location’s actions and performance.
- **Operating Policies and Procedures**
  - Explanation on how to achieve the Minimum Standards and other necessary ESH requirements.

Each of these Corporate policies, standards, and procedures are posted on the Corporate Global ESH Documents Share Point page; accessible to each facility’s ESH lead (or designee), FESH Managers, and included in Induction (New Hire) Orientation or Training as is appropriate.
5.3.2 Facilities

ESH Site-Led Staff, in consultation with the Global ESH Manager and other Center-Led Facility Leadership within the Operational Excellence Division may develop additional facility-specific policies, standards and procedures that are required to comply with the Corporate ESH Policy, local regulations, and/or Customer specific requirements provided that such policies, standards and practices do not replace or abridge any Corporate Policy.

Facility-specific policies, standards and procedures that do not comply with the Global ESH policies and standards should be reviewed and approved by the Global ESH Manager if not in compliance with global standards.

All facility-specific policies, standards and procedures that are adopted will be posted on SharePoint or similar storage location. It is the responsibility of the ESH Site-Led Staff at each facility to ensure that facility-specific ESH programs that are different or more comprehensive than corporate policies are communicated to employees at each relevant facility, and that training and compliance with the facility specific ESH programs is documented.

Facility-specific responsibilities are further described in Section 5.5.

5.4 Planning

5.4.1 Risk Management and Auditing

The Global ESH Manager will, on a continuing basis, assess and evaluate global operations for potential risks and liabilities as to environmental releases, safety hazards and health concerns. A summary of potential and known risks for each facility will be made and reviewed at least annually and more frequently, as necessary, depending on changes in the organization and the operation of each facility.

Potential risks will also be plotted on a Probability and Impact Matrix. Risks with the highest ranking will be prioritized for program assessment, training, and other actions to minimize, control, and if feasible, eliminate the potential risk. Risk management plans will be developed to address and coordinate actions for the highest risks.

The risk tabulations and the Probability and Impact Matrix for each facility will be maintained on the Corporate Global ESH Documents SharePoint page.

The Global ESH Manager (or designees) will periodically audit each facility’s performance against the minimum standards established by the organization, current requirements, policies and procedures, and compliance with local legal requirements and obligations.

5.4.2 Objectives and Targets

The Global ESH Manager is responsible for establishing annual Objectives and Targets for the company based on past performance and future potential risks and opportunities. Key Performance Indicators (KPIs) are established for selected targets.

Progress on these Objectives and Targets (including KPIs) are reported by the Site-Led ESH Manager/Coordinator at each facility to the Global ESH Manager, on a monthly schedule established by the Global ESH Manager.
Global Objectives and Targets and accompanying KPIs currently include:

- ESH Training Classes Held, Hours of Training, and Number of Staff Trained
- Safety Observations Recorded
- All-Incident Rate
- Recordable Incident Rate
- Lost Day Case Rate
- Hazardous Waste Generation
- Non-Hazardous Solid Waste Generation
- Water Usage
- Greenhouse Gas Emissions (GHGe) (Scope 1 and 2)\(^1\)
- Recycling Quantities/Percentage of Waste Recycled

Consistent with Sensata’s goal of Continuous Improvement, improvement goals for selected KPIs, and the applicable reporting units will be established annually by the Global ESH Manager and Senior Management.

All KPIs reported by each facility will be supported with objective evidence, which will be saved to a designated SharePoint or similar storage location. The standards for the collection, accuracy, and reporting of KPI metrics will be established by the Global ESH Manager and Coordinator. For additional information, see Section 6: Related Documents.

### 5.4.3 Communication

Communication of the Global ESH objectives, targets, results, etc. are made through a variety of mechanisms, including but not limited to:

- Sensata VPN Portal Communications to all employees
- Quarterly to monthly conference calls with Site-Led Facility and ESH personnel
- Information on policies and procedures posted on VPN
- Periodic all-employee emails and announcements
- New Hire Orientation Training

### 5.4.4 Documentation and Records

A data warehouse on SharePoint has been established to accommodate both Corporate and facility-specific documents.

Documents that are to be maintained on SharePoint include, but may not be limited to:

- Corporate Policies and Procedures

\(^1\) While Sensata does not currently track Scope 3 emissions, facilities may be asked to collect data for this purpose in the future.
• Facility based Policies and Procedures
• Facility Certifications
• Facility Risk Evaluations
• Facility Audit Documents
• Corporate and Facility Training Records
• FESH Dashboard for Environmental, and Health and Safety Data and Supporting Documentation (Objective Evidence)
• Documentation of Responses to Customer and Investor Requests for ESG Disclosures

Site-Led ESH Managers are responsible for posting all relevant facility-based information and associated objective evidence to the established SharePoint files on a continuing basis. All files for the preceding year are to be saved to the SharePoint files on or before January 30th of each year.

The Global ESH Manager is responsible for periodically auditing each facility’s compliance with this obligation, and for addressing non-compliance in a timely manner.

Corporate and Facility-based Policies and Procedures that are necessary for the implementation of the ESHMS shall be managed as follows:

• Documents will be developed, reviewed and approved by an authorized Senior Manager prior to posting on SharePoint;
• Documents will be updated as necessary and re-approved by the respective Site-Led or Corporate ESH Leads;
• Changes and the current revision status of documents will be identified on each document;
• Relevant versions of applicable documents will be available at points of use; and
• Documents will be retained in accordance with Sensata’s Document Retention Policy.

5.5 Facility-Specific Responsibilities

Make Sites, Business Centers, operations with 100 or more personnel, and smaller operations that are determined by the Global ESH Team to have potential risks that require additional monitoring are required to establish and manage their ESH obligations and needs through the ESHMS, or another recognized environmental and safety management system such as ISO 14001 and ISO 45001, respectively. Additionally, all Make Sites and Business Centers that conduct business with BMW, or those intend to conduct business with BMW in 2020 must achieve third party safety certification under 18001 or 45001 by December 2020.

The ESHMS may be used to supplement other ESH management systems, but is not intended to replace such systems, where they have been established.

Existing and established ESH management systems that support third-party certification at a facility (such as the ISO Certifications noted above) may not be terminated or replaced without the review and approval of the Global ESH Manager.

At a minimum, the ESH Management System at each Sensata facility must include the elements described below.
5.5.1 Establish Legal, Regulatory, and Other Obligations

Facilities must develop a procedure to identify and access applicable legal, regulatory, and other requirements and obligations related to its environmental aspects, potential safety hazards, and health concerns and to determine how these requirements and obligations may apply to the subject facility.

Each facility shall ensure that applicable legal requirements and other obligations to which the organization is subject are taken into account in establishing, implementing and maintaining its ESH management system.

Documentation of applicable laws that apply to the ESH Management of each facility will be updated on an annual basis, maintained on site, and shared with the Global ESH Team upon request.

5.5.2 Determine Environmental Aspects, Safety Hazards and Potential Risks

Each facility will annually evaluate its operations, activities and work procedures to identify the environmental aspects and potential Occupational Safety and Health (OSH) risks that it can control and those which it can influence, taking into account planned or new developments, new or modified activities, products and services; and to determine the extent to which those aspects have or can have significant impacts or risks. Risks to be evaluated will include but not be limited to:

- Air Emissions
- Wastewater Discharges
- Chemical Spills
- Waste Management
- Greenhouse Gas Emissions (GHGe),
- Climate Change and Water Risks
- Occupational Incident Management
- Workplace Safety Hazards
- Compliance with Legal Obligations
- Emergency Response
- Impacts from Natural Disasters
- Impacts from Health-Related Incidents (Pandemics, Outbreaks, etc.)
- Resource Needs

Program assessments, training programs, and other actions will be adopted to address, minimize, control, and to the extent feasible, eliminate potential environmental and OSH risks. Risk management plans will be developed to address and coordinate actions for the highest potential impacts/risks.

5.5.3 Setting Objectives and Targets

Each facility shall annually establish and document its own specific ESH objectives and targets, which must at a minimum be consistent with and support any and all Corporate/Center-Led ESH objectives and targets.

The objectives and targets shall be measurable, where practicable, and consistent with the ESH policy, including the commitments to compliance with applicable legal requirements and other obligations to which the organization subscribes, and to continual improvement.
When establishing and reviewing its objectives and targets, the facility shall consider the legal and other obligations, its significant environmental aspects and potential OHS risks, its technological options and its financial, operational and business requirements, and the views of interested parties.

Facilities shall also establish and maintain a program for achieving and documenting compliance with its ESH objectives and targets.

5.5.4 Training and Awareness

Each facility will identify and implement the necessary training associated with its environmental aspects, potential OSH risks and its ESHMS requirements. A training matrix shall be established to identify for each operation (i) the type of training required; (ii) the staff that require training; and (iii) the frequency of training. The training matrix shall be reviewed and updated as necessary and at least annually.

Induction or New Hire Orientation training shall be provided to all new employees, temporary agency workers and contractors/vendors who are going to work on the site. This training shall include, but not be limited to the following topics:

- The importance of conformity with the ESH policy and with the requirements of the ESHMS.
- The significant environmental impacts and OSH risks, actual or potential, of their work and the benefits of improved personal performance;
- Their roles and responsibilities in achieving and maintaining compliance with the ESH policy and procedures and with the requirements of the ESH management system, including emergency preparedness and response requirements; and
- The potential consequences of departure from specified operating procedures.

Training shall be provided to individuals before they begin work onsite, before they start a task for which the training is intended, or within a time period after a person begins that is acceptable within local law. All training will be documented as follows:

- Attendance sheet with attendee signatures, trainer’s name and signature upon completion of the training, date and time of the training, and name or topic of the training.
- Copy of the training slides, videos, or materials used.
- Copy of any testing or examination conducted to determine the attendee’s comprehension.

Testing or examination of attendees for every training is not an explicit requirement but should be considered.

5.5.5 Implementation of Operating Procedures

Each facility will identify, maintain, and document the necessary ESH procedures to: (i) control situations where absence of documented procedures could lead to deviations from the ESH policy and its ESH objectives and targets; (ii) achieve compliance with legal requirements and other obligations of interested parties; and (iii) ensure compliance with corporate-wide minimum standards, requirements, policies and procedures.
5.5.6 Evaluation and Documentation of Performance and Continual Improvement

Each facility shall establish, maintain, implement and document procedures to:

- Monitor and measure, on a regular basis, the key characteristics of its operations that can have a significant environmental impact and OHS risk;
- Calibrate and maintain monitoring and measurement equipment and shall retain associated records;
- Periodically evaluate compliance with applicable environmental legal requirements and other ESH obligations to which the organization subscribes to meet the organization’s commitment to compliance;
- Identify actual ESH nonconformities;
- Correct and mitigate nonconformities;
- Investigate and eliminate the cause(s) of (an) actual nonconformities, in order to prevent recurrence;
- Determine action(s) to eliminate the causes of potential non-conformities to prevent their occurrence;
- Track ESH KPIs and other required metrics, objectives or targets and document data on the company’s FESH Dashboard (stored on Share Point) or other tracking system as requested.

6 RELATED DOCUMENTS:

- Sensata GHGe Reporting Policy and Guidelines (in Progress)
- Sensata Global KPI Reporting Guidelines (In Progress)
- Sensata Water Policy

7 DISTRIBUTION LIST:

This document is open to all Sensata employees, agency personnel, and contractors and is posted on SharePoint and on the Sensata portal.

8 DOCUMENT REVISION & APPROVAL HISTORY:

<table>
<thead>
<tr>
<th>Date</th>
<th>Nature of Review/Revision</th>
<th>Performed By</th>
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<tbody>
<tr>
<td>10/6/2017</td>
<td>Final Global ESH Management System Policy &amp; Procedure released</td>
<td>Richard DiNitto, Global ESH Manager</td>
</tr>
<tr>
<td>12/15/2017</td>
<td>Revised document to add in sections on Responsibilities, References, Related Documents, and Distribution List</td>
<td>Richard DiNitto, Global ESH Manager</td>
</tr>
<tr>
<td>02/27/2018</td>
<td>Reviewed and edited</td>
<td>Corporate Legal and HR</td>
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<td>03/12/2018</td>
<td>Final review and edit based on comments from Legal and HR</td>
<td>Rich DiNitto, Global ESH Manager</td>
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### ESH Management System  
**GESH-#001**

<table>
<thead>
<tr>
<th>Date</th>
<th>Details</th>
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<tbody>
<tr>
<td>06/26/2019</td>
<td>Proposed updates to address BMW Requirements, UK Financial Reporting Requirements.</td>
<td>M. Hanley, ESG Manager</td>
</tr>
<tr>
<td>07/02/2019</td>
<td>Revised and updated to accommodate new internal organization (Site-Led vs. Center-Led), address proposed changes to support ESG matters, and provide additional clarity.</td>
<td>Rich DiNitto, Global ESH Manager</td>
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<td>07/09/2019</td>
<td>Minor Revisions to 7/2/2019 Draft, for internal review.</td>
<td>M. Hanley ESG Manager</td>
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<td>Edited to reflect Sensata updated organizational structure, reporting structure and terms.</td>
<td>Rich DiNitto, Global ESH Manager</td>
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<td>Final revisions to internal review comments.</td>
<td>Rich DiNitto, Global ESH Manager</td>
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### Document Approval History

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<tr>
<th>Approver (Name)</th>
<th>Approver Signature</th>
<th>Date</th>
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<tr>
<td>Priscilla Woods, Global Safety Manager and Rich DiNitto, Global ESH Manager</td>
<td>Priscilla Woods Richard DiNitto</td>
<td>04/06/18</td>
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<td>Rich DiNitto, Global ESH Manager</td>
<td>Richard DiNitto</td>
<td>07/22/2020</td>
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Appendix A, GESH-#001

GLOBAL ENVIRONMENTAL, SAFETY AND HEALTH POLICY

As a leading supplier of sensors and controls across a broad range of markets and applications, Sensata Technologies responsibly creates, makes and markets innovative technological solutions to today’s business challenges.

Sensata consistently complies with applicable environmental, safety and health (ESH) regulations as well as customer, community and other requirements.

Sensata commits to continual improvement of its operations, progressively reducing the potential ESH impact of its activities, by focusing on: the health, safety and productivity of employees and processes; efficient use of natural resources; and prevention of pollution.

This commitment is tracked by setting and reviewing relevant ESH objectives and targets for Sensata operations worldwide.

This Environmental, Safety and Health Policy can be summarized as follows:

**COMPLY. PREVENT. IMPROVE.**

*We comply with all ESH laws and regulations.*

*We seek to prevent any kind of injury or pollution.*

*We constantly strive to improve our ESH practices.*

Martha Sullivan
PRESIDENT AND CHIEF EXECUTIVE OFFICER