

# Gentherm Supplier Code of Conduct

## GENTHERM'S COMMITMENT:

Gentherm is committed to the highest standards of product quality, safety and business integrity. We want to ensure that working conditions across our supply chain are safe, that workers are treated with respect and dignity, and that our manufacturing processes work towards minimizing our environmental impact. .

To support these principles Gentherm has adopted our updated Supplier Code of Conduct - defining the basic requirements placed on our suppliers of goods and services ("Suppliers") concerning their responsibilities towards their stakeholders and the environment.

## THE PURPOSE OF THIS SUPPLIER CODE OF CONDUCT:

Guided by our policies on responsible and lawful business practices, including our Code of Business Conduct and Ethics, our Global Human Rights policy, our Environmental Health and Safety Policy, our Responsible Sourcing Policy for Minerals and Other Raw Materials, the United Nations (UN) Guiding Principles on Business and Human Rights (UNGPs), and other Gentherm documents, this Supplier Code of Conduct ("Code") details Gentherm's requirements and expectations for Suppliers in areas related to human rights, the environment and much more.

This Code applies to all Gentherm Suppliers. While we require Suppliers to follow all applicable Gentherm policies and to comply with all applicable laws and regulations, our Code also aligns with widely accepted international human rights frameworks and guidance. Suppliers are also expected to extend these requirements to their own suppliers and supply chains.

Our goal is to ensure that we build and maintain an ethical and sustainable supply base. While we reserve the right to seek alternate sources if a Supplier fails to comply with this Code, we may also elect to be guided by the United Nations Guiding Principle 19 and continue to work with a Supplier to drive their compliance with our environmental, social and governance requirements. This practice allows Gentherm to influence and monitor progress toward corrective action and alignment with our requirements.

## SUPPLIER OBLIGATIONS:

All Gentherm Suppliers are expected and required to:

- Know and follow this Code and all applicable laws, including developing company policies to support and reflect these guidelines.
- Develop a related Code and require that subcontractors and Suppliers do the same.
- Engage with and use subcontractors and Suppliers who comply with all applicable legal and regulatory requirements, including this Code.
- Report and address any non-compliance to your appropriate Gentherm contact, including reporting progress around the remediation of the identified issues.
- Operationalize and document compliance through the establishment of an appropriate risk management system, including a risk analysis process.
- Demonstrate appropriate internal controls upon Gentherm's request or participate in such upon Gentherm's request.

## LEGAL OBLIGATIONS:

All Gentherm Suppliers are expected and required to:

- Comply with all applicable laws and regulations.
- Develop, implement and maintain methods and processes appropriate to its products and services to minimize the risk of introducing counterfeit parts and materials into deliverable products.
- Establish effective processes to detect counterfeit parts and materials and, if detected, quarantine the materials and notify the OEM customer and/or law enforcement as appropriate.
- Accurately record, maintain and report business documentation including, but not limited to, financial accounts, quality reports, time recording, expense reports and submissions to customers and regulatory authorities, when appropriate.

Maintain books and records in accordance with applicable law and generally accepted accounting principles.

## LABOR AND HUMAN RIGHTS:

Gentherm is committed to ensuring that we treat people with respect at all times. Respecting the fundamental and essential rights of employees, customers, Suppliers and other stakeholders is a basic requirement for the way that Gentherm does business. We expect our Suppliers to adhere to the same labor and human rights standards and guidance that we adhere to.

The requirements below are aligned with the requirements laid out in the Gentherm Global Human Rights Policy. The Gentherm Global Human Rights Policy clearly states that “suppliers, contractors and other business partners with whom we do business, are expected to adhere to these standards, including, but not limited to, human rights and labor practices”, but by presenting them here, we once again emphasize the importance of these topics.

1. Harassment and Discrimination
  - a. Suppliers must prohibit any sort of discrimination or harassment based on race, age, sex, national origin, religion, sexual orientation, gender identity and/or expression, disability, or any other status protected by applicable law. These requirements apply not only to the active employee base, but also to recruiting, hiring and employee separation practices. Suppliers should be committed to ethical recruiting and hiring practices across their operations.
  - b. Suppliers must be committed to creating an environment that does not tolerate harassment or discrimination of any form, supporting minority, indigenous people, and women's rights and to valuing employees, including potential employees / recruits, based on their professional qualifications, skills, performance and experience.
2. Forced Labor / Human Trafficking

- a. Suppliers must strictly prohibit any use, in any form, of forced labor, including indentured labor, bonded labor, prison labor, or any similar form of non-voluntary working arrangement. This would also include any arrangement that includes or supports in any manner, human trafficking, forced relocation, or other similar practices.
  - b. Suppliers must also forbid the use of physical punishment, threats of violence, physical intimidation or other forms of physical or mental abuse in any form.
- 3. Child Labor
  - a. Suppliers must prohibit the hiring of employees under the age of 15, or higher based on the local legal minimum working age / required schooling age.
- 4. Safe & Healthy Working Conditions
  - a. Suppliers should be committed to providing a safe and healthy working environment to their employees, including full compliance with all applicable health and safety laws and regulations, as well as compliance with internal health and safety policies.
  - b. This commitment should include a strong focus on actions designed to minimize the risk of on-the-job accidents and injuries, and ongoing programs to continually strive to reduce workplace safety incidents.
  - c. Safe and healthy working conditions further include working to provide and maintain a workplace that is free from violence, intimidation, infectious disease or other conditions detrimental to employee health and wellness, whether from internal or external sources. Actions and activities in support of this effort may include professional security personnel, restricted / badge-access buildings and grounds, and other workplace controls as appropriate.
  - d. As part of providing a safe and healthy workplace, Suppliers will not implement unreasonable restrictions on workers' freedom of movement during their time on-site. Employees will be allowed reasonable allowances for movement related to health and well-being.
  - e. As part of supporting a safe and healthy environment, Suppliers will respect all applicable regulations related to land, forest, and water usage, as well as the rights of the local communities, related to these topics. Suppliers must not support forced / illegal eviction of peoples or communities, and always align with applicable laws and regulations in this area.
- 5. Freedom of Association and Collective Bargaining
  - a. Suppliers must respect their employees' right to join or form, including the right not to join, a labor union without fear of retaliation, intimidation, or harassment. If employees are represented by a legally recognized union, leadership must be committed to establishing productive and positive communications and to bargaining in good faith with appropriate, freely chosen representatives / labor leadership.
- 6. Working Hours, Benefits, and Wages
  - a. Suppliers must comply with all applicable laws related to the payment of wages and benefits for their employees. Suppliers should be committed to ensuring equal pay for equal work.

**For more information on the Gentherm Global Human Rights Policy, please click [here](#).**

## ENVIRONMENTAL IMPACT:

Gentherm is committed to minimizing our environmental impact across our locations, focusing on topics including greenhouse gas emissions, solid waste disposal, recycling of waste, and water usage. Alignment with applicable environmental regulations is an absolute requirement at all Gentherm locations. We expect our Suppliers to adhere to the same environmental standards and guidance that we adhere to.

The requirements below are aligned with the requirements laid out in the Gentherm Environmental, Health and Safety (EHS) Policy. The Gentherm EHS Policy clearly states that “suppliers, contractors and other business partners with whom we do business, are expected to adhere to these standards, including, but not limited to... operating with environmental awareness”, but by presenting them here, we once again emphasize the importance of these topics.

1. Suppliers should be committed to operating in a manner that minimizes their environmental impact in a responsible manner.
2. Suppliers must comply with all applicable environmental laws and regulations and work to align with external guidance such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Science Based Targets Initiative (SBTi).
3. Suppliers should be committed to disclosing key information around their environmental activities and metrics, both voluntarily and in-line with applicable reporting requirements.
4. Suppliers should strive to implement actions that drive positive environmental impact, including, but not limited to the items listed below. Actions taken may vary based on local requirements, action feasibility, and business impact. Suppliers should cascade these details and requirements to their supply chain as well.
  - a. Work to reduce greenhouse gas emissions of all types. Reductions may be driven by increased use of renewable energy, energy efficiency efforts, fuel switching, or other methods.
  - b. Work to drive energy savings and increase energy efficiency. This may include equipment upgrades, external energy audits, process changes, or other locally relevant steps that drive energy efficiency.
  - c. Sites should, in coordination with and supported by centralized corporate efforts, understand their related emissions (Scope 1 and Scope 2), and be engaged in efforts to reduce those emissions as part of overall decarbonization efforts.
  - d. Implement procedures that minimize waste produced during the manufacturing process. When waste is produced, sites should pursue options for recycling of waste, as opposed to usage of landfill or incinerator programs.
  - e. Sites should work to eliminate hazardous substances from the workplace and from the operational processes.
  - f. Products should, when feasible, utilize sustainable materials and design methods (i.e. recycled content, lower carbon output resins, recycling friendly design, etc.). Products should, when feasible, utilize local sourcing to reduce transportation-related emissions and environmental impacts.
  - g. Sites should work to reduce the use of water, while also increasing water re-use and recycling.
  - h. Processes should consider, when applicable and feasible, bio-diversity impact, land usage impact, deforestation risks, animal welfare, noise emissions, air quality, and soil quality. Applicability will vary by site, process, local regulations, and other criteria.
5. Suppliers are requested to have the ability and tools to calculate and determine the Product Carbon Footprint (PCF) of products they supply to Gentherm.

In addition to the environmental requirements detailed in the Gentherm EHS policy noted above, further details and guidance around environmental requirements and expectations are stated in the Gentherm Supplier Requirements Manual (Section 3.5), available from the [Gentherm Automotive Resource Center](#).

**For more information on our EHS policy, please click [here](#).**

## CORRUPTION AND BRIBERY:

Gentherm is committed to acting with integrity and to the highest standards of ethical conduct in all of our activities. We abide by the laws of the United States and other countries where we conduct business. It is Gentherm's policy to conduct all business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. We require the same alignment and behavior from our suppliers.

The requirements below are aligned with the requirements laid out in the Gentherm Anti-Bribery Policy and the Gentherm Code of Business Conduct and Ethics. These documents clearly state our commitment to these principles, but by presenting them here, we once again emphasize the importance of these topics.

1. Suppliers must prohibit bribery of any kind, within or outside of the United States, notwithstanding any local practice, custom or convention.
2. Suppliers must refrain from making any payments or providing anything of value to any person, including any Foreign Official, directly or indirectly, for the purpose of influencing an action or decision, inducing the person to do or refrain from doing any act, or securing an unfair advantage. This applies to informal interactions as well as formal agreements.

**For more information on our Anti-Bribery policy or our Code of Business Conduct and Ethics, please click [here](#).**

## HEALTH AND SAFETY:

Gentherm is committed to ensuring that we provide a safe workplace for our employees and site visitors and that our actions align with applicable environmental regulations and best practices. Safety is an absolute priority for Gentherm, and we take great care to eliminate risks and danger in our workplace. Gentherm firmly believes that Environmental, Health, and Safety (EHS) is an essential part of any effective short or long-term business strategy.

The requirements below are aligned with the requirements laid out in the Gentherm Environmental, Health and Safety (EHS) Policy. The Gentherm EHS Policy clearly states that "suppliers, contractors and other business partners with whom we do business, are expected to adhere to these standards, including, but not limited to... providing a safe working environment", but by presenting them here, we once again emphasize the importance of these topics.

1. Suppliers are required to provide safe and healthy working conditions, including, but not limited to:
  - a. Implementing local procedures to prevent injuries.
  - b. The fulfillment of requirements and reasonable procedures around:
    - i. Personal protective equipment
    - ii. Emergency preparedness planning
    - iii. Fire prevention and protection
2. Eliminating or limiting exposure to hazardous substances.
3. Maintaining a focus on repetitive stress injuries.
4. Ensuring that site facilities are properly designed and maintained to ensure health and safety during operations.
5. Ensure access to safe, potable water for employees. Access to water is a fundamental human right and a key part of a healthy working environment.
6. Providing on-site security services, as appropriate for the location and its needs related to local practices and risks. Appropriate on-site security services may include, but are not limited to, building entrance controls, personnel controlling building / site entrance, and other related services. Some locations, for example sales offices within larger office buildings or complexes, may rely up on the security services provided by a landlord, building management, or similar situation.

7. Sites are responsible for implementing meaningful metrics for measuring their performance related to EHS and then using those metrics to help drive improvement.
  - a. Sites should work with the global operations team to implement best practices, lessons learned, and information about improvements related to EHS.
  - b. Global EHS data should be annually reviewed, and where appropriate, summarized for external / public reporting. This transparency helps to demonstrate the Supplier's commitment to their EHS stance.
8. Suppliers are expected to comply with any EHS investigation, audit, or requests for information.

**For more information on our EHS policy, please click [here](#).**

## RESPONSIBLE SOURCING OF MATERIALS:

Gentherm is committed to ensuring that we conduct our global business with respect for human rights and in compliance with all applicable laws, including taking reasonable actions to remove minerals and other raw materials in our products and supply chain if it is determined that they are financing conflict in specified countries, or such use is otherwise sanctioned by applicable law or regulations.

The requirements below are aligned with the requirements laid out in the Gentherm Responsible Sourcing Policy for Minerals and Other Raw Materials (Responsible Sourcing). This policy clearly states our commitment to these principles, but by presenting them here, we once again emphasize the importance of this topic.

1. Suppliers must conduct due diligence consistent with the processes and procedures set forth in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from CAHRAs as well as our own annual conflict minerals reporting requirements, including, when requested, submission of the industry standard Conflict Minerals Reporting Template (CMRT) or other similar reporting processes, to both source responsibly and understand the sources of conflict minerals.
2. Suppliers providing applicable minerals (or other raw materials) or parts containing applicable minerals (or other raw materials) are required to use smelters, refiners, and processors that have been validated as conformant to an applicable independent, OECD aligned, third party-assured responsible sourcing validation program, such as Responsible Mineral Initiative's (RMI) Responsible Mineral Assurance Process (RMAP).
3. Suppliers must cascade OECD Guidance due diligence requirements to sub-tier Suppliers and report any identified risk in the supply chain to Gentherm. Such Suppliers and sub-tier Suppliers should have a formal policy addressing these matters that is publicly available.

**For more information on our Responsible Sourcing policy, please click [here](#).**

## PRIVACY AND CYBER-SECURITY:

Gentherm is committed to ensuring that we protect our data and the data of our products, customers, and stakeholders. We expect our Suppliers to take appropriate action to protect Gentherm data and other sensitive information.

The requirements below are aligned with the requirements laid out in the Gentherm Terms and Condition of Purchase (Global T&C – Section 13). The Global T&C document clearly states the following requirements and defines key terms, but by presenting them here, we once again emphasize the importance of these topics.

1. Suppliers are obliged to keep all Confidential Information of Disclosing Party confidential using at least the same degree of care Recipient uses to protect their own Confidential Information, but no less than a reasonable degree of care.

2. Gentherm retains all of its rights in its Confidential Information and grants no licenses or rights to any Confidential Information to Recipient, except those expressly set forth in specific cases.
3. Suppliers may disclose Gentherm Confidential Information only to its employees, Affiliates, sub-contractors and Suppliers, who have:
  - a. A need to know such Confidential Information in order to fulfill business obligations, and
  - b. Are bound by a written agreement with the Suppliers that is at least as protective of Gentherm's confidential information as of their own data.
4. Supplier will comply with data protection laws and regulations, including but not limited to GDPR.
5. Supplier will utilize information technology equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") that are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Supplier and its subsidiaries, free and clear of all material bugs, errors, defects, trojan horses, time bombs, malware and other corruptants.
6. Supplier will implement and maintain commercially reasonable controls, policies, procedures, and safeguards to maintain and protect its material Confidential Information and the integrity, continuous operation, redundancy and security of all IT Systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data) used in connection with its businesses.
7. Supplier warrants there have been no breaches, violations, outages or unauthorized uses of or accesses to its IT Systems, except for those that have been remedied without material cost or liability or the duty to notify any other person or those that would not, individually or in the aggregate, have a material adverse effect, nor any incidents under internal review or investigations relating to the same.

**For more information on our Global Terms & Conditions, please click [here](#).**

## TRADE AND EXPORT CONTROLS:

Gentherm is committed to ensuring that we operate in strict compliance with all applicable laws related to trade and export controls. As a global company with a global supply chain, we must ensure that our flow of goods aligns with applicable regulations.

The requirements below are aligned with the requirements laid out in the Gentherm Terms and Condition of Purchase (Global T&C – Section 25.5) as well as the Gentherm Code of Business Conduct and Ethics. These documents clearly state our commitment to these principles, but by presenting them here, we once again emphasize the importance of these topics.

1. Suppliers will comply with all applicable Laws, including without limitation in relation to the manufacture, labeling, transport, import, export, licensing, approval or certification of products supplied to Gentherm.
2. Suppliers will not engage in sourcing or other dealings with sanctioned countries or with designated individuals.
3. Suppliers will maintain all appropriate paperwork and documentation related to export and trade transactions or product movement.

**For more information on our Global T&C, please click [here](#).**

**For more information on our Code of Business Conduct and Ethics, please click [here](#).**

## IMPLEMENTATION OF THIS CODE:

Gentherm is committed to ensuring that we clearly communicate our expectations and requirements to our Suppliers, and that our Suppliers acknowledge their alignment with the expectations and their agreement to operate in accordance.

By submitting this document signed by an appropriate representative, the Gentherm Supplier acknowledges their understanding of the requirements laid out herein, as well as in supporting reference documents, and agrees to operate in line with such requirements.

Company Name: \_\_\_\_\_

Name & Title of Submitting Individual: \_\_\_\_\_

Signature & Date: \_\_\_\_\_

## APPENDIX / SUPPORTING DOCUMENTS:

As referenced above, this Supplier Code of Conduct is aligned with and based on existing Gentherm policies, guidance and supporting documents. Those documents are listed below, including links to locate the source document.

- Code of Business Conduct and Ethics:
  - <https://ir.gentherm.com/corporate-governance/policies-reports>
- Gentherm Global Human Rights Policy:
  - <https://ir.gentherm.com/corporate-governance/policies-reports>
- Gentherm Global Terms & Conditions:
  - <https://gentherm.com/en/automotive/automotive-resource-center/>
- Responsible Sourcing Policy for Minerals and Other Raw Materials:
  - <https://ir.gentherm.com/corporate-governance/policies-reports>
- Environmental Health and Safety Policy:
  - <https://ir.gentherm.com/corporate-governance/policies-reports>
- Anti-Bribery Policy:
  - <https://ir.gentherm.com/corporate-governance/policies-reports>
- Gentherm Supplier Requirements Manual
  - <https://gentherm.com/en/automotive/automotive-resource-center/>