

An aerial photograph of a multi-lane highway bridge crossing a wide river. The bridge is surrounded by lush green trees and vegetation. A white car is driving on the left side of the bridge, and a red car is driving on the right side. The water in the river is dark and reflects the surrounding greenery. The overall scene is a mix of natural beauty and infrastructure.

# TENNECO

## 2022 SUSTAINABILITY REPORT

Covering Environmental, Social and  
Governance (ESG) Progress

REPORTING PERIOD:

January 1, 2022 to December 31, 2022



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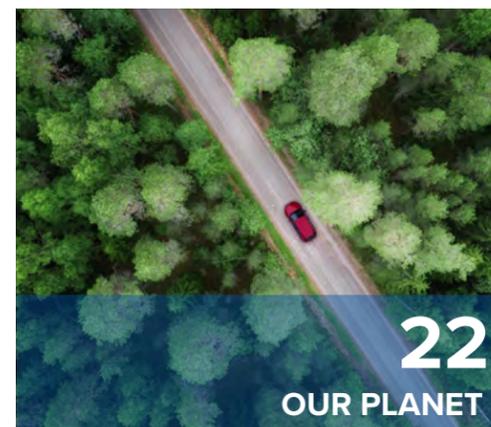
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## About This Report

Tenneco has prepared this report with reference to the Global Reporting Initiative (GRI) Standards and in alignment with the Sustainability Accounting Standards Board (SASB) Auto Parts Industry Standard. This fifth annual sustainability report incorporates our material topics and environment, social, and governance (ESG) strategy framework that covers our performance from January 1 to December 31, 2022, unless otherwise stated. In November 2022, Tenneco was acquired by funds managed by Apollo Global Management, Inc. (NYSE: APO) and transitioned to a privately-held company. We will maintain our global operations under the Tenneco name.

This report contains certain statements that relate to future events and expectations and, as such, constitute forward-looking statements included in various sections of the report. The words “may,” “will,” “believe,” “should,” “could,” “plan,” “expect,” “anticipate,” “estimate,” and similar expressions identify these forward-looking statements. Although we believe the expectations reflected in these statements are based on reasonable assumptions, such statements are subject to a variety of risks and uncertainties, and actual results may differ materially from the expectations expressed in the forward-looking statements. We welcome feedback at [Sustainability@tenneco.com](mailto:Sustainability@tenneco.com).



# A MESSAGE FROM OUR CEO



**Jim Voss**  
Tenneco CEO

## “ Our commitment to safe and sustainable operations is just as important as our operational and financial metrics.”

At Tenneco, we are committed to operating responsibly and sustainably in the communities in which we operate. Our commitment to safe and sustainable operations is just as important as our operational and financial metrics. This year's report highlights the progress and continued support of these initiatives by our team members, customers, and other stakeholders.

For me, the safety of our team members around the globe always comes first and is my top priority. While I'm proud that in 2022 we maintained an overall injury incident rate well below the industry benchmark, we'll continue to work to drive it even lower, because even one injury is too many.

Tenneco also continues to make inclusion and diversity a business priority. As a result of our robust Inclusion, Diversity and Equity (ID&E) strategy, we have achieved 21% of diversity in our workforce at the management level and above and are on track to achieve our 2030 targets for racial and gender diversity. Extending our diversity strategies throughout our supply chain, we continued to increase our relationships with underrepresented groups including minority-owned, women-owned, and veteran-owned businesses.

We continued to make great progress on our 2030 sustainability targets, particularly focusing on lowering greenhouse gas emissions. During 2022, we achieved a 21% reduction in greenhouse gas emissions intensity and an 11% reduction in energy use versus 2019 baselines. We also saw a 13% reduction in water use versus our 2019 baseline.

Tenneco has long worked to support the environment and society through both our processes and products. Our portfolio of technologies reflects our culture of innovation and commitment to safe, efficient, and high-quality components. Our emission control technologies reduce harmful pollutants and enable our customers to comply with the latest emissions regulations.

Just as important as the results we deliver is how we achieve them. Guided by integrity and drive to make tomorrow better, I am honored that Tenneco, for the second consecutive year, was named by Ethisphere as one of the 2023 World's Most Ethical Companies.

Tenneco is an extraordinary company with a very bright future, and I'm proud to work shoulder-to-shoulder with so many talented and committed individuals. Thank you to each of our global team members for finding ways to make Tenneco better through both incremental and step-change improvements.

# 2022 HIGHLIGHTS

As we continue to advance our sustainability efforts and measure improvements, we are proud to report our 2022 accomplishments, including:

- Continued to reduce our environmental footprints and made progress toward our sustainability goals;
- Deployed our supplier sustainability engagement and assessment strategy;
- Implemented a human rights and ESG due diligence process in compliance with the German Supply Chain Due Diligence Act;
- Increased diversity spend with underrepresented businesses; and
- Received a silver medal for our sustainability ratings from EcoVadis.



## Our People

# 25%

reduction in recordable incident rate<sup>1</sup> compared to the 2019 baseline

# 21%

ethnically diverse U.S. team members<sup>2</sup> at the manager level and above

# 21%

global women team members at the manager level and above

# 57%

of manufacturing sites were certified to International Organization for Standardization (ISO) 45001 Health and Safety System



## Our Planet

# 11%

reduction in energy consumption compared to the 2019 baseline

# 21%

reduction in greenhouse gas (GHG) emissions intensity (Scope 1 and 2)<sup>3</sup> compared to the 2019 baseline

# 78%

of waste from manufacturing was recycled

# 86%

of manufacturing sites were certified to ISO 14001 Environmental Management System



## Our Products

# 35

world-leading brands

# 15

brands are 100+ years old

# 40%

revenue from products that contribute to fuel efficiency and/or emission reduction<sup>4</sup>

# 99%

of manufacturing sites were certified to International Automotive Task Force (IATF) 16949 Quality Management System or similar standards

<sup>1</sup>The rate has been calculated as (total number of recordable incidents) x 200,000 / total hours worked company wide.

<sup>2</sup>Ethnic diverse groups include Native Hawaiian or other Pacific Islander, Asian, Hispanic or Latino, American Indian or Alaska Native, Black or African American, and two or more races.

<sup>3</sup>Intensity is normalized by revenue.

<sup>4</sup>Data covers Clear Air and Powertrain segments only.



# OUR SUSTAINABILITY JOURNEY

## STAKEHOLDER ENGAGEMENT

At Tenneco, we recognize the importance of maintaining positive relationships with our stakeholders, which play a key role in the success of our business and sustainability strategy. We regularly communicate and engage with team members, customers, investors, communities, suppliers, government and regulatory agencies, trade associations, and other prominent stakeholders. For more information about our stakeholder engagement activities, including the frequency of our engagements and focused topics, please refer to [Appendix A](#).

## MATERIALITY ASSESSMENT

We value the perspectives and input from our people and communities in shaping our business practices and sustainability strategies. To identify ESG priorities that are important to our organization, we engaged a third-party consultancy and conducted a comprehensive materiality analysis to identify ESG topics that were most salient to our internal and external stakeholders. We used the Global Reporting Initiative’s (GRI’s) definition of materiality, including topics that reflect our significant economic, environmental, and social impacts or substantively influence the assessments and decisions of our stakeholders.

To start, we identified 25 issues in key areas that could directly or indirectly impact our business. The topics ranged from economic, environmental, social, and governance issues, which were identified based on competitive industry benchmarking and research. As part of the materiality assessment process, we interviewed 38 internal stakeholders and performed desktop research on more than 10 external stakeholders to understand the significance of each ESG topic to our business. Key internal stakeholders who provided input for the assessment included, but were not limited to, the Board of Directors (Board) and key functional leaders from Legal, Communications, Information Security, Investor Relations, Finance, Operations, Supply Chain, Product Quality, and our business segments—DRiV, Performance Solutions, Clean Air, and Powertrain. Participating stakeholders were requested to rate the identified economic and ESG topics on a scale of 1 to 7 based on their perceived importance and impacts to our business. After consolidating all internal and external views of material topics to our company, we hosted a workshop to validate the prioritized material and important topics.

In 2022, we revisited our material and important topic lists to account for new and emerging global ESG trends. Based on our review, we reprioritized our important subjects and designated human rights as a material topic to reinforce our commitment of respecting human rights and supporting fair labor working conditions globally for a sustainable future.

### Material Topics

---

Corporate Governance

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Energy and GHG Emissions

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Ethics and Compliance

---

Human Rights

---

Inclusion, Diversity and Equity (ID&E)

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Labor Relations

---

Occupational Health Safety

---

Product Efficiency

---

Product Innovation

---

Product Safety and Quality

---

Responsible Sourcing

---

Talent Attraction and Retention

---

### Important Topics

---

Air Quality

---

Circular Economy

---

Climate Change

---

Communication and Marketing

---

Community Involvement

---

Conflict Materials

---

Consumer Demand

---

Cybersecurity and Data Privacy

---

Economic Development

---

Operational Waste

---

Supply Chain Management

---

Talent Development

---

Water

---

## STRATEGY FRAMEWORK: THE ROAD TO MAKING TOMORROW BETTER

Our sustainability framework is designed to align our strategic approach to positive ESG outcomes. Based on our ESG priorities, we have organized three pillars—People, Planet, and Products—to define our sustainability focus areas and recognize opportunities for improvement across our business. Our strategy, The Road to Making Tomorrow Better, reflects stakeholder input, our material topics, and critical sustainability elements in our culture. We continue to operate with a foundation of responsibility and accountability as we deliver innovative solutions and implement our programs to bring positive impacts to the planet, our people, and our communities.

We believe high-quality data is core to the success of our sustainability framework. Our sustainability initiatives are supported by our ESG dashboards that help operationalize our goals and facilitate progress tracking. The dashboards are presented to our leadership at least quarterly to enable early intervention to address any negative trends and ensure that we stay on track for achieving our sustainability goals.



## SUSTAINABILITY GOALS

At Tenneco, we are dedicated to advancing sustainability in our operations and value chain through impactful and meaningful efficiency improvement tactics, stakeholder engagements, and industry partnerships. Our initiatives are anchored by our sustainability goals, which offer opportunities to create measurable impacts and bring value to our communities, our customers, and our industry. In 2022, we achieved a more diverse workforce, reduced environmental footprints, and continued to enhance product quality and supply chain sustainability. Our progress toward our goals is outlined below and in various sections within this report.

Material Topic	Tenneco's Goal	Progress
Inclusion, Diversity and Equity	<ul style="list-style-type: none"> <li>Increase gender diversity to one-third females globally at manager level and above by 2030.</li> <li>Increase U.S. minority group representation to one-third at manager level and above by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>21% females globally.</li> <li>21% minority group representation in the U.S.</li> </ul>
GHG Emissions	<ul style="list-style-type: none"> <li>Reduce Scope 1 and Scope 2 GHG emissions intensity by 30% by 2030 from a 2019 baseline.</li> </ul>	<ul style="list-style-type: none"> <li>Achieved a 21% reduction compared to the 2019 baseline.</li> </ul>
Energy Use	<ul style="list-style-type: none"> <li>Decrease operational energy demand by 10% by 2030 from a 2019 baseline.</li> <li>Source 15% more renewable energy by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>Achieved the goal and reduced energy consumption by 11% compared to the 2019 baseline.</li> <li>Approximately 6% of 2022 energy consumption was from renewables.<sup>5</sup></li> </ul>
Operational Waste	<ul style="list-style-type: none"> <li>Reduce waste to landfill by 20% by 2030 from a 2021 baseline.</li> </ul>	<ul style="list-style-type: none"> <li>Achieved a 19% reduction compared to the 2021 baseline.</li> </ul>
Product Safety and Quality	<ul style="list-style-type: none"> <li>Achieve 100% certification with IATF 16949, ISO 9001, or other applicable quality management standards for manufacturing sites based on customer requirements by the end of 2025 to standardize quality governance.</li> </ul>	<ul style="list-style-type: none"> <li>99% of manufacturing sites were certified.</li> </ul>
Supplier Management	<ul style="list-style-type: none"> <li>100% of strategic partners reaffirm their commitment to the Tenneco Code of Conduct by the end of 2022.</li> <li>100% of Tenneco's top sustainability "high-risk" and/or "high-impact" suppliers complete a self-assessment questionnaire by the end of 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Launched new supply chain policies and required suppliers to adhere to our ESG expectations.</li> <li>Partnered with EcoVadis to assess our top 200 suppliers by spend on sustainability performance.</li> </ul>
Conflict Minerals	<ul style="list-style-type: none"> <li>Develop a strategy by 2024 to phase out, where possible, tantalum, tin, tungsten, and gold (3TG) smelters and refiners nonconformant with Responsible Minerals Initiative (RMI) and/or other third-party audit processes in the supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Improved the conformant rate of smelters and refiners by 1% from 95% to 96%.</li> </ul>

## NEXT STEPS ON OUR JOURNEY

We remain dedicated to pursuing opportunities to continuously improve and maintain leading performance throughout each of our sustainability focus areas. Moving forward and building on this report, we are committed to:

- Refining our ESG strategy in line with evolving regulations and requirements;
- Sharing best practices actively, internally and externally;
- Continuing to assess our climate change risks and opportunities;
- Reducing our environmental footprints and making progress toward our sustainability goals;
- Embracing continuous improvement and evaluating program effectiveness; and
- Reporting our progress against our sustainability goals and objectives.

<sup>5</sup> The decline in the percentage of renewable energy consumption compared to our 2021 baseline was mainly driven by the 2022 energy crisis in Europe. Our team is continuously exploring renewable sourcing opportunities.

# OUR COMPANY

We are dedicated to helping our customers, team members, and communities build a sustainable future. Sustainability is at the core of our business practices and supports our corporate value to continually Make Tomorrow Better. We are proud of our innovative solutions and services that help advance sustainability in global mobility markets—today and tomorrow.



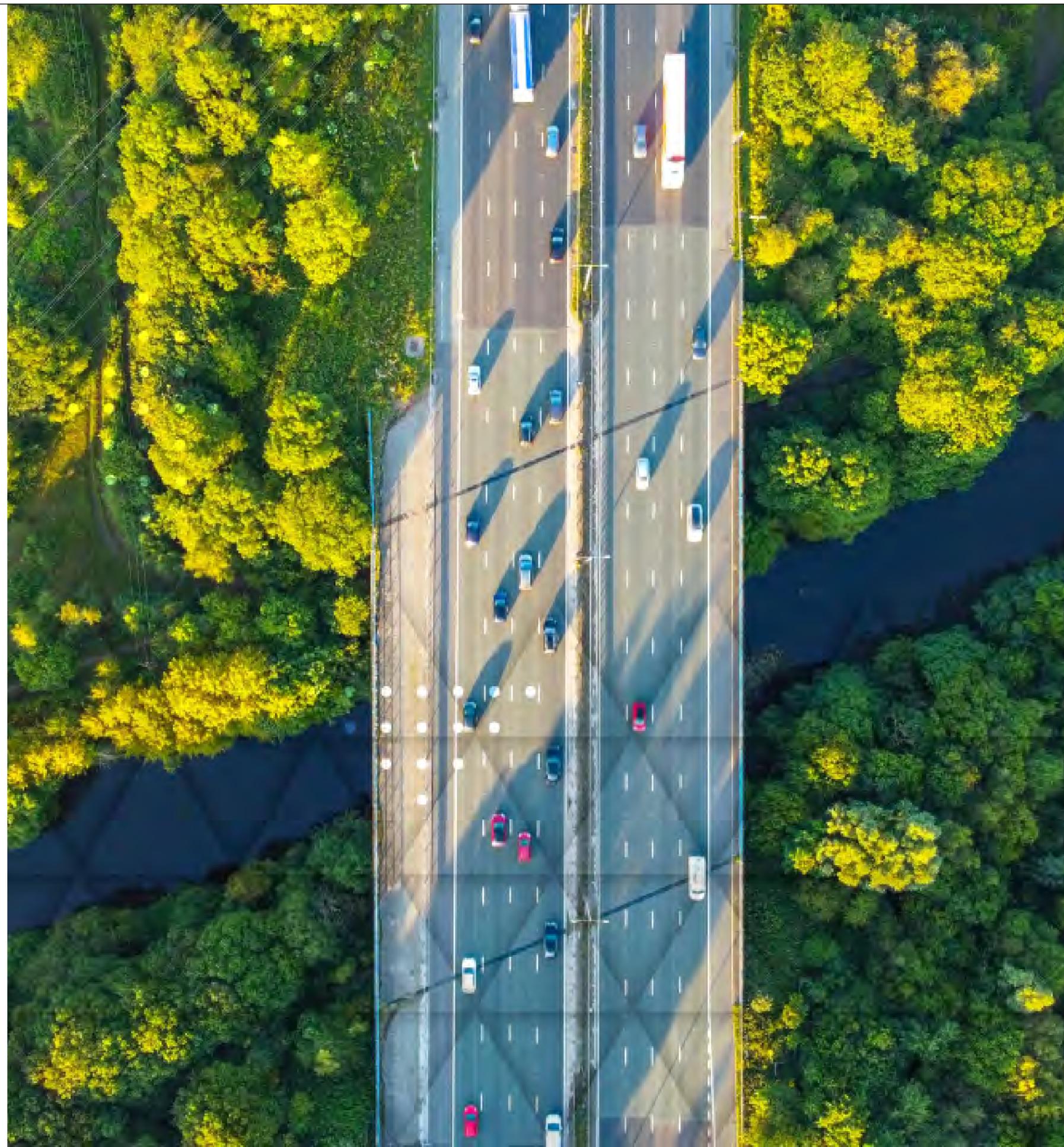
[We Are Tenneco Video](#)

## SKIP TO:

[Tenneco Overview](#)

[Tenneco Values](#)

[2022 Awards and Honors](#)



## Tenneco Overview



**71,000**  
team members



**\$18,854M**  
in revenue



**196**  
manufacturing sites



**28**  
aftermarket  
distribution centers  
and warehouses



**37**  
globally networked  
engineering and  
technical centers



**30+**  
widely known and  
respected brands

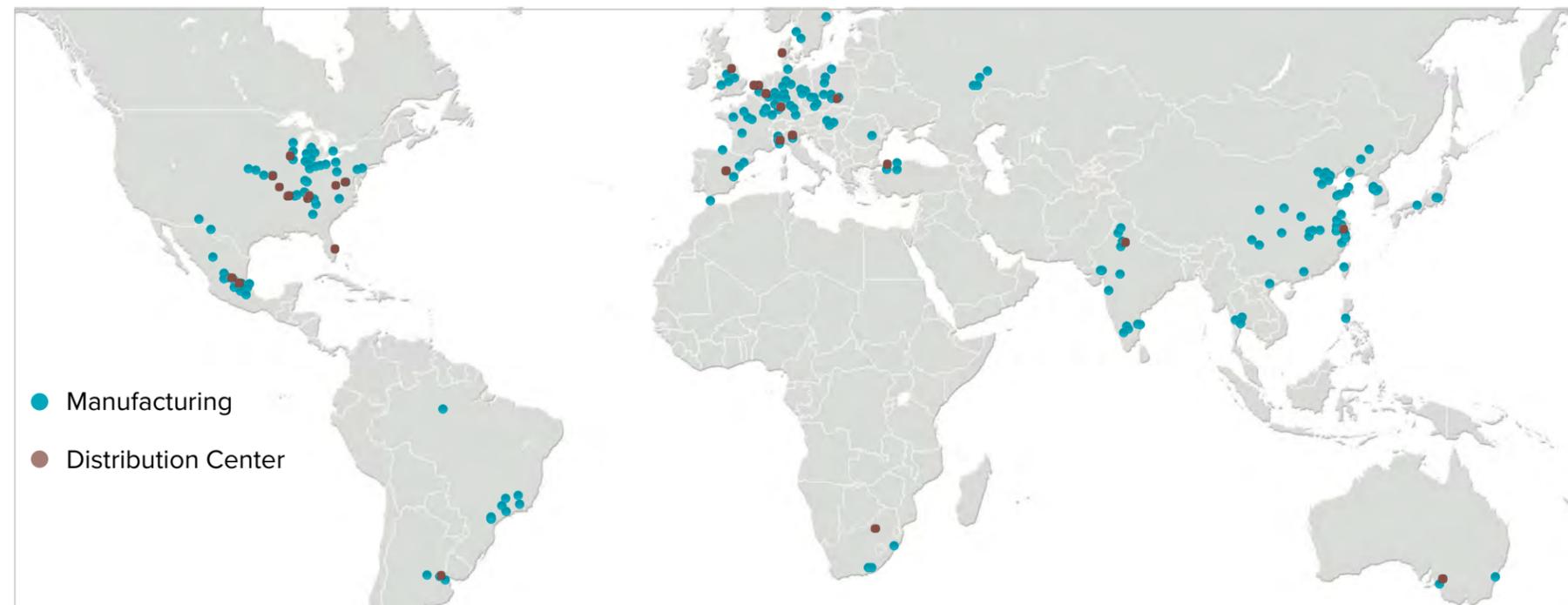
Tenneco Inc., headquartered in Northville, Michigan, United States, is one of the world's leading designers, manufacturers, and marketers of automotive products for original equipment (OE) and aftermarket customers. As a solutions provider that is widely known for "Driving Advancements in Global Mobility," we are committed to supporting the automotive market's transition to cleaner, more eco-friendly vehicles. By delivering automotive parts that provide more efficient and reliable vehicle performance with a lower environmental footprint, we believe that we can be a powerful change agent that contributes to the future of sustainable mobility.

Through our four business segments, DRiV, Performance Solutions, Clean Air, and Powertrain, we drive advancements in the mobility industry by delivering innovative solutions for diversified global markets, including light vehicle, commercial truck, off-highway, industrial, motorsport, and the aftermarket. We maintain our status as a trusted partner and a competitive player in the industry through our advantaged global end-to-end supply chains and a portfolio of more than 30 market-leading brands with our design, engineering, manufacturing, and distribution capabilities.

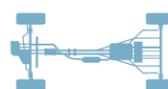
### 2022 APOLLO ACQUISITION

In November 2022, the definitive agreement of Tenneco to be acquired by funds managed by Apollo Global Management, Inc. (NYSE: APO) was officially completed, making Tenneco transition from a publicly-traded business to a privately-held company. We will continue to operate under the Tenneco name and maintain a global presence, and we look forward to our partnership with Apollo to continuously drive the success of our business and pursue sustainability opportunities throughout our value chain.

## OUR GLOBAL PRESENCE



## OUR BUSINESS SEGMENTS



### DRiV

Designs, manufactures, sources, markets, and distributes a broad portfolio of leading brand-name products in the global vehicle aftermarket while also servicing the original equipment service (OES) market.

DRiV products are marketed and sold under industry-leading brands including Monroe®, Champion®, Öhlins®, MOOG®, Walker®, Fel-Pro®, Wagner®, Ferodo®, Rancho®, Thrush®, National®, Sealed Power®, and others.



### Performance Solutions

Designs, manufactures, markets, and distributes a variety of ride performance solutions and systems to an OE and aftermarket customer base.

Provides noise, vibration, and harshness performance materials, advanced suspension technologies, ride control, systems protection, and braking.



### Clean Air

Designs, manufactures, and distributes a variety of products and systems made to reduce pollution and optimize engine performance, acoustic tuning, and weight.

Supports primarily light vehicle, commercial truck, off-highway, and motorcycle customers.



### Powertrain

Designs, manufactures, and distributes a variety of OE powertrain products for light vehicle, commercial truck, off-highway, and industrial applications.

Supports customers in new vehicle production and provides parts for their service and distribution channels.

## Tenneco Values

We cultivate a winning culture based on our core values that guide our thinking, behaviors, and success. We pledge to maintain accountability and preserve our stakeholders' trust as we grow our business. Our values reflect our dedication to leading with Integrity Always, acting as One Team, producing solutions that Make Tomorrow Better, and performing with a Will to Win. Together, we create a stronger Tenneco through our commitment to upholding these values and achieving operational excellence.



### Integrity Always

- Do the right thing the right way
- Speak up
- Own it



### One Team

- Take care of each other
- Embrace our differences
- Succeed together



### Make Tomorrow Better

- Turn problems into solutions
- Create what's next
- Passion to learn



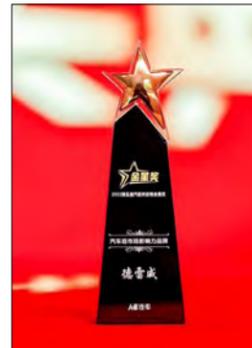
### Will to Win

- Seek flawless execution
- Create customer fans
- Make a difference



## 2022 Awards and Honors

We are proud of the variety of industry and customer awards that we received in 2022. The list below presents a small sample of external recognitions that reflect product quality, business integrity, and sustainability of our organization:



### Company

- **Ethisphere's 2022 World's Most Ethical Companies**—one of the six automotive companies among 136 honorees awarded for business integrity.
- **Newsweek America's Most Responsible Companies**—recognized as one of the top 500 most responsible U.S.-based public companies for two years in a row.
- **2022 Nissan Sustainability Partner**—one of the four suppliers that received Nissan's recognition for achieving high EcoVadis sustainability ratings and demonstrating robust ESG programs.
- **General Motors Supplier Quality Excellence Award**—awarded to five plants across Clean Air, Performance Solutions, and Powertrain that have met or exceeded General Motors' stringent quality performance criteria.

### DRiV

- **AC Auto Automotive Aftermarket Influential Brand**—recognized for contributing to the healthy development of China's automotive aftermarket channels with supply chain quality service and high-performance products and solutions.
- **Pronto Network Partnership Award**—awarded for outstanding technical training services to O'Reilly Auto Parts, one of the largest service providers in the U.S., developing best-in-class offerings for virtual training as well as in-person "live on car" training.

### Performance Solutions

- **PACCAR Quality Achievement Award**—awarded for achieving high quality standards for the fifth time over the last six years.

### Clean Air

- **Safety Production & Safety Culture: Build Model Company by Tianjin, China's Emergency Management Bureau**—one of eight companies among 3,900 businesses awarded for excellent safety production management and a strong safety culture.

### Powertrain

- **General Motors Supplier of the Year Award**—recognized the fourth year in a row for delivering innovative technologies and high-quality solutions that surpass General Motors' requirements for the fourth year in a row.
- **Cummins Global Direct Supplier of the Year Award**—awarded for delivering exemplary services to Cummins along with four other supplier diversity, customer support, sustainability, and corporate responsibility awards.

# OUR PEOPLE

We are committed to conducting our business in a manner that prioritizes a best-in-class workforce, supports our local communities, and fosters long-term business success. Our team members are the source of our leadership and the driving force behind our innovation. The health and safety of our team members remains our top priority, and we are dedicated to maintaining a safe working environment that is free of hazards that may result in life-altering outcomes. As we focus on future growth, we strive to celebrate the value of our diverse team members, highlight available opportunities, and support professional growth and advancement within our organization.

## SKIP TO:

[Occupational Health and Safety](#)

[Talent Attraction and Retention](#)

[Inclusion, Diversity and Equity](#)

[Labor Relations and Human Rights](#)

[Community Involvement](#)

## SUGGESTED LINKS:

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

[Basic Working Conditions Policy](#)

[Tenneco Code of Conduct](#)



## Occupational Health and Safety

The health and safety of our workforce is at the forefront of our business. By implementing a robust, risk-based compliance and hazard management strategy, we continue to drive improvement in our safety records. In 2022, we achieved an incident rate of 0.50 recordable cases per 100 full-time team members, well below the average of 3.3 in the motor vehicle parts manufacturing industry.<sup>6</sup>

### MANAGEMENT SYSTEM

At Tenneco, our commitment to the health and safety of our team members applies to every level of the organization and guides our collective action toward a safety culture. Our Environmental, Health and Safety (EHS) Policy is aligned with our core values and emphasizes our dedication to providing safe work environments while improving operational efficiency. Through a series of management systems, compliance assessment, risk mitigation, and training programs, we maintain health and safety as a major focus in our daily operations.

57% 

of our manufacturing sites were ISO 45001 certified

Our occupational health and safety management systems are aligned with the ISO 45001 standard. Conformance to the standard sets the foundation for our teams to engage in hazard identification, risk management, and preventative and corrective actions. The management systems cover all of our full-time and temporary team members, contractors, and visitors and are audited on a regular cadence to verify compliance with the ISO standard. Our goal is to reach a 100% certification rate for our global manufacturing sites. As of 2022, 57% of our sites were certified to the ISO 45001 framework.

### COMPLIANCE STRATEGY

Regulatory compliance is a cornerstone of our safety strategy. Our approach to ensuring compliance with all applicable legal requirements is supported by our EHS Compliance Assurance process, which guides our self-assessments, compliance monitoring, and annual certification activities. At each site, plant management, EHS managers, and plant controllers are responsible for ensuring compliance with permit and regulatory requirements, maintaining an up-to-date EHS compliance calendar, and supporting internal and external audits.

On an annual basis, our sites are required to complete the compliance assurance process that certifies the plants' execution of self-assessments of EHS legal

requirements and continuously monitor compliance status, including monthly reviews by plant managers and initiation of corrective actions to address any deficiencies. Our compliance audits are conducted with the support from our in-house EHS team and accredited third-party assessors to verify that each site is compliant with applicable national, state, and local regulatory requirements.

### HAZARD IDENTIFICATION AND MITIGATION

We continue to proactively enhance our safety programs with the aim to maintain a safe workplace. We strive for zero work-related injuries and illnesses by encouraging active reporting and executing our High-Risk Activities Program. At each of our locations, we require all safety incidents, including near-miss events, to be promptly reported to ensure that concrete actions are taken to prevent recurrence.

Our High-Risk Activities Program is focused on 10 hazards that can lead to life-changing consequences. Under the program, we enforce stringent requirements for all divisions and sites to properly evaluate their exposure to hazards and implement mitigation actions for each of the 10 high-risk activities. In addition to risk assessments, our sites must ensure conformance with all safety protocols and allocate appropriate resources for ongoing adherence to program requirements.



In 2022, we continued to update the High-Risk Activities Program and published eight new risk management guidelines and materials for all our team members.

The program is designed to hold plant management teams accountable for the delivery of action plans and elimination of safety risks. For each high-risk activity, we clearly define the roles and responsibilities of team members in the risk assessment and safety improvement processes. Our sites use a hierarchy of controls to continuously reduce their risk levels beyond minimum requirements.

### EMPLOYEE TRAINING

We actively invest in thorough safety training programs for our team members to contribute to a safe workplace, prevent injuries, and maintain compliance with our safety standards. Through monthly EHS meetings, we share best practices and provide our team members with ongoing learning opportunities to become active problem-solvers. Across our business segments, we offer new hire and job-specific education as well as refresher training for tasks that pose additional risks, covering our safety culture, procedures, and regulatory requirements. We currently provide 75 training courses through our corporate EHS library to develop and enhance our team members' safety skills and awareness. In 2023, we plan to strengthen our safety practices by initiating daily EHS touchpoints to inform and enhance safety management conversations with our team members.

### CONTRACTOR SAFETY

Through the control mechanisms in our Contractor EHS Management Process, contractors and all other third-party partners working in our workplace with oversight from Tenneco professionals follow the same safety requirements as our team members. Our contractor safety program is established with processes to identify, evaluate, and address safety hazards associated with contractors' work and aims to inform vendors of key regulatory requirements and highlight our safety standards that exceed regulations. In 2022, we launched a contractor safety management toolkit that includes various EHS documents regarding training, site security and safety requirements, and an orientation checklist to enable more effective management and communication of contractor safety.

We continue to monitor safety criteria and require contractors to attend training in order to maintain adherence to our procedures for safe work. Across all stages of our safety management process, we seek opportunities to share best practices of contractor safety on our monthly EHS calls and will continue to highlight this topic as we work to ensure a safe environment for every person working at our locations.

<sup>6</sup>Based on U.S. Bureau of Labor Statistics, 2021 Incidence Rates of Nonfatal Occupational Injuries and Illnesses by industry and case types. Retrieved from <https://www.bls.gov/iif/nonfatal-injuries-and-illnesses-tables/table-1-injury-and-illness-rates-by-industry-2021-national.htm>

## COVID-19 RESPONSE AND HEALTH WELLNESS

Throughout 2022, we remained vigilant in our COVID-19 pandemic response and updated our health support strategy as countries and communities continued to manage the impacts from the global pandemic and transitioned from a state of emergency to a changed world. We continued to follow state and local regulations and provided our team members with up-to-date guidance, vaccination information, testing resources, and emergency supplies while reopening our offices and locations as pandemic protocols were gradually loosened around the world.

Our business functions and the COVID-19 Vaccine Task Force, which was assembled to advise our leadership team on our vaccination strategy, continued to collaborate on the update of our global COVID-19 pandemic guidelines and business continuity plans as well as vaccination policies. Our strategies were informed by and aligned with the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) emergency temporary standard (ETS), which sets forth binding requirements to minimize the risk of contracting the COVID-19 virus in the workplace. As part of our pandemic response strategy, we requested each site to maintain at least 3 weeks of emergency response supplies in preparation of potential disease outbreaks, including hand sanitizers, disposable gloves, surgical masks, and hospital-grade infrared thermometers.

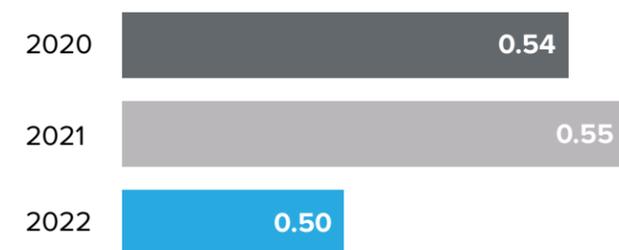
In response to the supply shortage of COVID-19 rapid tests and lockdowns in 2022, we proactively provided supplies to help our global team members maintain their health and wellness. To address the deficiency of testing resources in the U.S., we procured 5,000 COVID-19 test kits for team members who had limited access to local testing providers. During the lockdown period in China, we allocated and distributed living necessities and emergency response supplies to support our team members and ensure their safety.

In 2022, we continued to evolve our Healthy Team, Healthy Tenneco Program—an educational resource that was established to facilitate access to supportive health services in response to the COVID-19 pandemic—into an overall wellness program that provides educational support for building health habits for our teams and their families. We promoted practices such as vaccination and personal hygiene to help protect team members and their communities from infection during the unusually active 2022 respiratory virus season. The program continues to reflect our commitment to maintaining the health and safety of our team members as our number one priority.

## PERFORMANCE

In 2022, we achieved a 25% reduction in our recordable incident rate<sup>7</sup> compared to our 2019 baseline. Our EHS team continued to focus on the implementation of our High-Risk Activities Program to further reduce the number of incidents stemming from high-risk activities and maintain impeccable safety performance.

### Recordable Incident Rate



# 25%



reduction in recordable incident rate compared to the 2019 baseline

For additional data, please refer to [Appendix D](#).

<sup>7</sup> The rate has been calculated as (total number of recordable incidents) x 200,000 / total hours worked company wide.



## Talent Attraction and Retention

Our global workforce is our most important asset—our people drive the success of our business and continuously provide excellent services to our customers. To further enhance the capabilities of our team members, we foster a culture that emphasizes employee engagement, skill development, and career advancement through a variety of feedback collection, coaching, training, and performance and talent management programs. We promote talent attraction and retention through a cross-functional approach that involves our Enterprise Talent Inclusion & Culture and Talent Acquisition team, our Human Resources department, and the leaders of Tenneco.

In 2022, our Center of Excellence (COE) and Talent Directors worked collaboratively to drive positive, outcome-based employee experience in alignment with our talent requirements through centralized training and development initiatives. We engaged coaching, leadership development, and multilingual service providers to create world-class learning experiences for all levels of our global salaried team members, promoting career mobility, and enabling employees to pursue growth opportunities within our company. Our goal is to ensure that the tools and trainings provided by our organization empower our team members to drive their own professional development and equip our leaders with ample resources for providing continuous coaching and timely feedback. Some of the key initiatives we pursued in 2022 include:

- Continued to deploy the On-Ramp Program to train our rising frontline leaders;
- Developed and piloted a Leadership Essentials Program to support professional growth for all current leaders;
- Launched a mentoring network to facilitate knowledge sharing and career growth within our talent base; and
- Invested in new talent development resources, including leadership assessments, job-specific coaching, and language courses.

### ENGAGEMENT

At Tenneco, we value team members' feedback in shaping our engagement initiatives and strategies toward employee experience. We continue to conduct periodic surveys to solicit input regarding team member engagement, which helps us identify target areas for improvement and maintain a thriving work environment. In 2022, we invited all global team members, including hourly and full-time salaried employees, to participate in our employee survey, which was made available in 20 languages. We received an 86% participation rate for the 2022 survey, representing a 3% increase from the prior year. Overall, we achieved a 68% engagement score.

We are dedicated to making continuous progress on employee engagement through meaningful programs. In 2022, we began an engagement action planning

strategy utilizing a streamlined three-pillar framework. Following the identification of key engagement drivers at the enterprise level, our business segments define the areas, actions, and communications that support improvement in team member engagement. Our progress is tracked through a centralized system, and we monitor participation trends to ensure effective team member engagement initiatives and interactions throughout the year.

### TALENT DEVELOPMENT

In addition to our core development programs, we invest in our team members by offering a wide variety of learning and skill-building programs that are aimed at expanding and improving our collective capabilities. Our resources include training on technical skills and content to enable leadership, promote ID&E, manage ergonomics and health, handle transitions at work, support work-life balance, and more. We teach our future leaders with our progressive Learn-Do-Lead approach and provide supervisors with resources for change management, coaching, and team development. In 2022, we focused on creating and enhancing new and existing training programs, including:

- **LinkedIn Learning:** We continued to invest in LinkedIn Learning to provide our 18,000 salaried team members with options to learn and take charge of their own development roadmaps. Where LinkedIn Learning was not available at certain locations, we worked to provide comparable alternative resources.
- **Individual Development:** In 2022, we enhanced team members' development resources in collaboration with an external partner and our leadership. We launched a coaching program administered by a third party that was targeted at high-performing individuals to provide education on job-specific responsibilities. To support team members' development, we rolled out our Individual Development Plan training and hosted hands-on workshops with leaders within business units to enable and equip managers with the right tools to provide guidance and build high-performing teams.
- **Leadership Training:** We continued to implement our On-Ramp Program to develop rising leaders and piloted a newly developed Tenneco Leadership Essentials Program to support the professional growth of our current leadership. The Leadership Essentials Program is a self-paced, online learning resource that is designed to facilitate the advancement of leadership skills and sharing of in-depth knowledge of our culture, values, and talent model that are vital to support our teams and business.
- **Mentorship Resources:** We continued to explore opportunities to help build connections across all levels of the organization to support personal and professional growth. In 2022, we trialed an internal mentoring network, from which findings and outcomes were used to improve the program before the formal rollout in 2023.

- **Language Proficiency:** In 2022, we engaged an English education institution to develop English proficiency of team members who were non-native English speakers, allowing them to pursue growth opportunities within our global operations with the goal of promoting career mobility.
- **Process Optimization:** Our Talent team worked relentlessly to streamline our performance management and development process in accordance with our clearly defined talent management purposes and goals. We will continue to pursue optimization opportunities in our programs and continue to execute effective talent strategies in alignment with our business needs.



### THE ROAD TO MAKING TOMORROW BETTER

#### Training Our Leaders

The On-Ramp is our leadership program that is designed to develop rising leaders and improve collaboration across the company. Through a series of training that spans 8 weeks, participants learn directly from experienced professionals of different business functions on leadership development techniques. The program is deployed in five regions including North America, Latin America, EMEA, China, and India and is available in English, Spanish, Portuguese, and Chinese. Throughout the training process, we promote productive discussions and team member interactions covering important leadership development elements such as ethical decision-making, leadership in values, and compliance. In 2022, we focused on updating our training content to reflect critical directional business changes and encourage Values in Action, our performance management philosophy that rewards integrity in our workplace.

Since the inception of the program, we have trained over 860 professionals globally, including 550 frontline leaders in 2022 alone. Our key achievements in 2022 included:

- 90% of the On-Ramp participants were more motivated to apply new skills;
- 80% of the participants strongly agreed or agreed that the program had resulted in increased team productivity; and
- 90% of the participants indicated that this program increased their engagement in being a leader in the organization.

In 2023, we plan to expand the program by training over 600 leaders. As we develop our leaders, we will continue to strengthen the On-Ramp program along with other leadership development resources.

## Talent Attraction and Retention (cont'd)

### TALENT RECRUITMENT AND INTEGRATION

In addition to our global hiring processes and career postings, we advertise positions to over 17,500 community-based organizations that promote diversity in recruitment. After selecting qualified candidates, we implement a robust orientation program to onboard our new hires and welcome them to the Tenneco team. Onboarding trainings include topics such as our vision and values, Code of Conduct, and corporate policies which support employee engagement, accountability, and ethical behavior. For more information about our diversity recruiting strategy, please refer to the [Inclusion, Diversity and Equity](#) section of this report.

### SUCCESSION PLANNING

Our succession planning strategy is informed by our talent review process that captures the potential growth of team members and any talent gaps. We conduct annual talent reviews for our salaried workforce and assess development plans to identify high-potential talent for career development opportunities and roles with greater responsibility. In support of these efforts, we establish succession plans for critical leadership positions within our company, and we aim to increase retention by developing and promoting our team members. In 2022, we were focused on streamlining our planning process with a continued emphasis on the diversity of our talent pipeline, differentiated development, and promotion within our organization.

We have established tools to evaluate team members based on modern behavioral science principles. Our analyses are focused on team members' ability to learn and grow, their emotional intelligence, and their motivation to contribute beyond their required responsibilities. In 2022, we further engaged a service provider to explore talent assessment technologies that support leadership identification, selection, and coaching.

### PERFORMANCE REVIEWS

To provide continuous guidance and support for talent growth, we have a target to complete performance reviews for 100% of our salaried team members. Through these assessments, we enable ongoing mentoring and identify opportunities for professional development for our talent base. The reviews allow us to establish strategic performance objectives and continually refine our process to promote a high level of performance. As part of the review process, we honor and recognize our team with a Pay for Performance philosophy, where team members are measured on what they deliver to contribute to our strategic business goals. We believe that the process by which team members achieve results matters as much as what they accomplish, and we assess them according to our Values in Action principle by evaluating and rewarding team members who work ethically in addition to recognizing their contributions.

### COMPENSATION AND BENEFITS

Our approach to compensation supports our efforts in talent attraction and retention. In addition to fair compensation, we offer both benefit and retirement plans to which Tenneco contributes on behalf of plan participants. As part of our Annual Incentive Plan, eligible team members are entitled to an annual cash incentive based on the overall performance of the company. Team members may earn their incentives based on individual achievements or the performance of their business units.

All full-time, non-union team members in the U.S. are eligible for 401(k), life insurance, health care, and short- and long-term disability benefits. In 2022, we offered new voluntary benefits for identity theft protection and pet insurance discounts. We will continue to review and provide benefits that reflect our commitment to the well-being of our team members. In 2023, we plan to finalize and execute our policies for paid parental leave, adoption assistance, and surrogacy support for full-time, non-union U.S. team members.

### CONTRACTORS

We use non-employee workers occasionally to flex our manufacturing workforce for meeting non-permanent increases in customer demand. However, we do not see this as a noteworthy portion of our workforce and do not experience significant variation in employee numbers due to seasonal employment.

### PERFORMANCE

In 2022, our salaried team members received an average of 10 hours of training. The decrease in training hours compared to prior years reflects a loss of accessible, third-party online professional development tools in Asia and a slowdown in certain trainings that were being phased out. We continuously explore best learning resources for our team members and will work to ensure that our training program continues to support the talent development needs of our workforce and our organization.

#### Average Annual Training Hours Per Salaried Team Member



For additional data, please refer to [Appendix D](#).



## Inclusion, Diversity and Equity

As a global company, we recognize the diversity of the communities where we operate and we understand the importance of inclusivity. Our geographical markets have unique talent requirements, and we continue to leverage the experiences and insights of our team members to meet our talent needs and differentiate Tenneco as an industry leader in driving workplace diversity. We believe that a commitment to inclusion, diversity and equity (ID&E) is not only a right thing to do, but also a business imperative, that enables us to:

- Become an employer of choice who can attract, develop, and retain the best talent;
- Drive innovation and meaningful results through high-performing, diverse teams that deliver an unmatched customer experience;
- Develop leaders that champion a culture of inclusion and engagement; and
- Help strengthen the communities where we live and work.

We work to integrate ID&E in every part of our business through a variety of learning and development, team member engagement, awareness building, and cultural celebration activities in collaboration with our business resource groups (BRGs). To ensure that our programs are aligned with our values and support an inclusive culture, we have added ID&E questions to our engagement surveys to seek input from team members. Through benchmarking exercises, we continue to maintain and ensure ID&E competency within our organization.

In 2022, the majority of our efforts were focused on growing our BRGs, implementing our ID&E education program, and highlighting Inclusion Champions within our diverse teams that aligned with our five-year roadmap toward our 2030 diversity goals. As a result of our robust ID&E strategy, we have achieved a 21% global female workforce and U.S. minority representation at the management level and above and are on track to achieve our 2030 targets of one-third racial and gender diversity.

Goal	2022 Progress
 Increase gender diversity to one-third females globally at manager level and above by 2030.	21% females globally.
Increase U.S. minority group representation to one-third at manager level and above by 2030.	21% minority group representation in the U.S.

### ID&E POLICY

We are committed to promoting a welcoming environment and celebrating the diverse backgrounds of our team members in accordance with our Global Inclusion, Diversity and Equity Policy. In 2022, we updated the policy to strengthen the inclusion and equity elements in an effort to foster a culture that every team member is valued and respected. To create an environment that everyone can thrive, we strictly follow our Equal Employment Opportunity and Harassment-Free Workplace policies that describe how we protect the rights of our team members and create a workplace that is free of violence, intimidation, and discrimination.

### ID&E LEADERSHIP

Our ID&E strategy is supported by our people leaders, the Human Resources team, and our Inclusion, Diversity, Equity, Action (IDEA) Board. Our Vice President of Global Talent, Inclusion & Culture reports to the Chief Human Resources Officer and leads our efforts to attract and develop diverse talent, improve engagement, foster inclusion, and support careers of all team members. The mission of our IDEA Board is to guide and drive our efforts to strengthen our ID&E culture, empowering our global team to use that collective momentum to make tomorrow better. The IDEA Board is led by our Vice President and Chief Counsel of Finance & Transactions, who coordinates our teams in the development, implementation, management, and goal-setting for our ID&E strategy. The IDEA Board consists of a team of high-performing, influential leaders that reflect the geographic, business, gender, ethnic, and racial diversity of our organization.



**Deb Sinta**

*Vice President of Global Talent, Inclusion & Culture*

"I am proud of the progress we made in 2022, not only towards our representation goals of 33% diversity by 2030 but also in our pursuit of creating the right environment where diverse teams can contribute and thrive. Much of the communication and education we had done in 2022 had enabled our people leaders to drive a culture of inclusion."

### DIVERSITY RECRUITING

At Tenneco, we value our talent of all backgrounds and experiences in driving innovation and cultivating an inclusive workplace. We work with community-based organizations to source candidates from underrepresented groups, including but not limited to, veterans, people of color, women, LGBTQ+, and people with disability. As part of our diversity recruiting strategy, we post all of our positions on job boards that are targeted to diverse individuals to ensure minority candidates are considered and represented in our recruiting process.



## Inclusion, Diversity and Equity (cont'd)

### BUSINESS RESOURCE GROUPS

Our BRGs are affinity-based groups to assist underrepresented professionals in thriving in our workplace and drive engagement, promote team member development, create opportunities, and provide diverse perspectives. Created by team members and for team members, the BRGs are championed, visibly leveraged, and supported by executive leaders.

In 2022, our BRGs were focused on hosting their inaugural educational and engagement events featuring internal and external diversity experts. As a result of a series of successful initiatives, our BRG membership has expanded to approximately 1,000 team members.



The mission of the Women's BRG is to promote an environment where women succeed at all levels of our company by providing resources, connections, and development opportunities. In addition to training, mentoring, and networking opportunities

for members, this BRG engages with business leaders around topics including talent attraction and engagement, leadership, and policy development. In 2022, the Women's BRG launched a new "Women at Tenneco" interview series designed to feature and share the stories and experiences of 10 successful women team members within our organization. By sharing insights and advice from our female colleagues, the program aims to help women across our company advance their careers and create male advocates in our workplace.



The mission of the Black/African Heritage BRG is to promote awareness and create a safe and constructive environment for all team members of African heritage and their allies. Participants of the BRG are provided with resources to develop

professional skills and connections to the community through educational programs and networking and cultural events. This BRG engages with our functional leaders around issues including diversity recruiting, social justice, and demographic and cultural differences.



The mission of the Gen T Young Professional's BRG is to provide team members who are early in their career, regardless of actual working years, with the opportunity to build a strong network with their global peers. Through a variety of professional development, social, and community activities, the BRG offers education on the necessary workplace skills for participants to achieve their career and business goals. This BRG engages with our business leaders on topics concerning technology, innovation, and team building. In collaboration with our EHS and ESG teams, the BRG supported our 2022 Earth Day celebration activities, including a panel discussion that helped communicate and strengthen our team members' understanding of our roadmap to sustainability.

The mission of the Gen T Young Professional's BRG is to provide team members who are early in their career, regardless of actual working years, with the opportunity to build a strong network with their global peers. Through a variety of professional development, social, and community activities, the BRG



#### THE ROAD TO MAKING TOMORROW BETTER

##### Diversity Speaker Event

In 2022, our three BRGs collaborated on a virtual speaker event with an external diversity expert and strategist. The live session received participation from nearly 1,200 global team members, highlighting ID&E as a major focus in our organization. The event inspired our team members to continue to foster a diverse, inclusive workplace and encourage every individual to exercise their creative power and potential to drive innovation and actions toward ID&E competency within our organization.



#### THE ROAD TO MAKING TOMORROW BETTER

##### International Women's Day Celebration

In 2022, we continued to celebrate International Women's Day (IWD) across our locations by acknowledging and honoring women team members globally for their contributions and efforts toward the success of our company. As part of the IWD events, members across our enterprise tuned in to view our town hall meetings that featured panel discussions on women leadership within our organization and how we can help promote inclusion and diversity in all aspects of our business. Thousands of members participated in our IWD celebration in support of its 2022 theme, #BreakTheBias, a global call to action on the elimination of conscious and unconscious bias to help drive a positive change for women worldwide.

### GLOBAL DIVERSITY AWARENESS MONTH

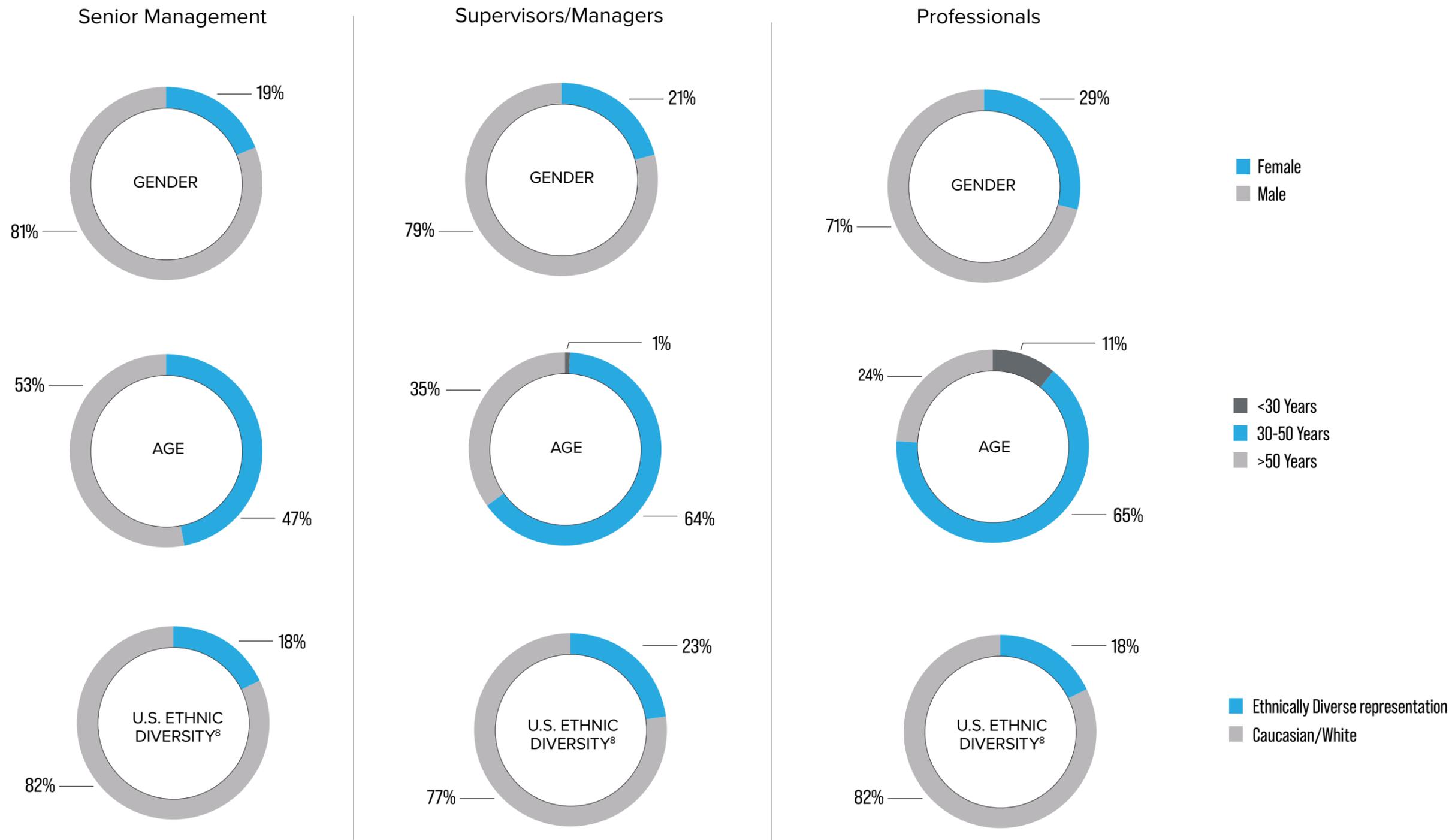
In October 2022, we recognized Global Diversity Awareness Month—an annual worldwide celebration focusing on understanding the value and differences of all human beings regardless of their nationality, ethnicity, gender, ability, and other characteristics. We celebrated the month with our three BRGs and five Local Action Teams (LATs), which are responsible for delivering the IDEA Board's mission and vision regionally through impactful programs. The initiatives we had during the month encompassed various ID&E training and communications, including:

- **North America LAT:** Developed a concise, informative ID&E one-pager to help leaders better communicate ID&E concepts with their teams and provide easily accessible information for all sites.
- **South America LAT:** Finalized ID&E training for all salaried team members and held information sessions to share our programs during family days and student visits.
- **EMEA LAT:** Continued to recruit Country Champions across our business segments and locations to help further disseminate ID&E communications.



## PERFORMANCE

### Diversity of Team Members



For additional data, please refer to [Appendix D](#).

<sup>8</sup> Ethnic diverse groups include Native Hawaiian or other Pacific Islander, Asian, Hispanic or Latino, American Indian or Alaska Native, Black or African American, and two or more races.

## Labor Relations and Human Rights

As a global business, we remain committed to sound labor practices and respecting human rights in every region where we operate. Our Code of Conduct sets the standards for our behavior and highlights our commitment to preserving fair working conditions. Our standards apply to our suppliers and partners, and we expect human rights to be upheld across our entire value chain. For additional information about our strategies to protect human rights in our supply chain, please refer to the [Supply Chain Management](#) section of this report.

In support of the wellness of our people and our communities, we foster collaborative relationships with our unionized workforces, promote open communication, and respect their rights. We strive to mitigate work disruptions by complying with labor standards and proactively engaging in discussions with our team members to address any concerns regarding working conditions.

### LABOR STANDARD AND COLLECTIVE BARGAINING

# 63%



team members covered by collective bargaining agreements globally

Our [Basic Working Conditions Policy](#) outlines our commitment to upholding the rights of workers and respecting their freedom of association. An estimated 63% of our global team members and 11 % of U.S.-based employees are covered by collective bargaining agreements. In the U.S., our sites are subject to compliance requirements under the National Labor Relations Act (NLRA), which gives team members the right to

consider a third party to represent them in negotiating working conditions. We post information at all U.S. sites to remind team members of their rights under the NLRA. In 2022, there were no NLRA violations in our operations. For additional data, please refer to [Appendix D](#).

As our policy states, we vet a team member's age and work eligibility during our hiring process to prohibit child labor or forced labor, and we pledge to provide fair and safe working environments. We apply a unified approach to interacting with team members in all locations where we operate. Our principles are compatible with and are informed by the following frameworks:

- The United Nations Universal Declaration of Human Rights;
- The United Nations Global Compact;
- The Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises; and
- The Global Sullivan Principles of Social Responsibility.

### COMMUNICATION MECHANISMS

We have multiple communication channels to promote transparency in our business and collect feedback from our team members. All team members are invited to participate in our global webcasts and town hall meetings to discuss specific business topics or initiatives, and we share important company announcements, messages from leadership, stories, and news articles through email communication and our intranet. At the site level, each manufacturing plant manager convenes meetings with team members on a regular cadence to provide business updates and discuss performance issues through proactive communication. At the start of each shift, manufacturing plants hold line meetings with team members to review approaches to safety, quality, efficiency, and other topics relevant to our operations.

We maintain an open-door policy that allows team members to immediately raise any concerns or questions to their supervisors. Our team members are encouraged to report any incidents or violations of laws or corporate policies through our Tenneco hotline, which is operated by a third party and available 24/7 in multiple languages, anonymously, where permitted.



## Community Involvement

We strengthen our local communities by devoting our time and resources to philanthropic, educational, and volunteering initiatives. In 2022, we finalized and introduced our One Team for a Better Tomorrow Policy, which is available in more than 20 languages and provides global team members with 16 hours of paid time off per year to volunteer with nonprofit organizations as a team for causes that align with our strategic pillars for community engagements, including:

- Advancing science, technology, engineering, and mathematics (STEM) education;
- Training diverse and need-based candidates in our talent pool;
- Increasing food access;
- Supporting mental and physical health; and
- Improving environmental sustainability.

To support the implementation of this policy, we have assigned a Volunteer Site Coordinator for each location who is responsible for assisting with coordination, ensuring alignment with our focused engagement pillars, and tracking and reporting volunteerism of our community activities. Building upon the successes we have achieved, the policy continues to elevate our volunteering efforts and drive valuable contributions throughout our communities. In 2022, our Powertrain business segment received the Cummins Global Corporate Responsibility Award for demonstrating strong community partnership and stakeholder engagement.

### INVESTMENT IN COMMUNITIES

Making Tomorrow Better, our core value that fuels our commitment of generating positive impacts, shapes our interaction with the environment, our people, and our stakeholders with the goal of helping to create a thriving world for our communities and future generations. We regularly engage organizations that enhance opportunities for children, such as Starfish Family Services, Winning Futures, and United Way. Since 2008, we have raised over \$1.6 million for United Way of Southeastern Michigan to support their mission of deconstructing systematic racism, supporting basic household needs, and providing quality childcare and educational assistance.

As part of our endeavor to unite our operations and combine legacy efforts, we implement our Ten10 Employee Recognition Program, which rewards outstanding achievements and includes a peer nomination process for team members who live our core values of Integrity Always, One Team, Make Tomorrow Better, and Will to Win. In addition to providing monetary rewards and a recognition ceremony, we donate \$10,000 on behalf of each Ten10 winner to their selected charity.

Through the annual Garage Gurus Scholarship Program, we award students \$2,500 toward their automotive education. Eligible recipients are students who have been accepted or are currently enrolled in accredited, U.S.-based automotive technical schools, colleges, and universities or full-time U.S. high school students. The Garage Gurus Scholarship Program was established in 2015 to address the shortage of automotive professionals and technicians throughout the industry and serve as an investment in talent. Now entering its ninth year, the program has committed more than \$240,000 in tuition support to future automotive service professionals.

In 2022, we continued to provide community services that were focused on promoting education, human health, and sustainability in the neighborhoods we serve. Below is a small sample of the impactful initiatives we had throughout the year:

### EDUCATION & INNOVATION

- **Formula SAE Unicamp Sponsorship in Brazil:** In an effort to support student education and innovation, our Powertrain and Clean Air engine labs in Brazil partnered on a sponsorship to the State University of Campinas's Unicamp team for the Formula SAE, a worldwide automotive competition for students to demonstrate innovative design and build of formula-style racing vehicles. Unicamp is one of the most successful Brazilian Formula SAE teams that has demonstrated academic excellence and been a champion in multiple automotive innovation contests. By providing technical assistance with the engine and exhaust system and our testing and 3D printing capabilities, our sponsorship facilitates students in pursuing their interests in combustion engines, developing a holistic understanding of vehicle development, and turning creative ideas into real-world innovations.



- **Tenneco Scholarship Program:** We offer scholarships to high school seniors of our salaried team members in the U.S., Canada, and Mexico that are aimed at helping parents ease the financial burden of their children's post-secondary education. In North America, students are awarded \$2,000 per school year and up to a maximum of \$8,000 toward their university degree or a one-time payment of \$1,000 for education in skilled trades that can be used to cover reasonable education expenses. In 2022, 45 scholarship recipients were chosen from a pool of 138 applicants for demonstrating outstanding academic performance and extracurricular involvement. We look forward to continuing our financial assistance and support for higher education.
- **Youth Innovation Contest in the U.S.:** In celebrating World Intellectual Property Day and its 2022 theme—IP and Youth: Innovating for a Better Future—our U.S. team sponsored a Youth Innovation Contest to recognize and honor the innovative, energetic, and creative minds of youth in our extended Tenneco family. The contest is open to all extended family members of our U.S.-based workforce, including children, grandchildren, and school-aged siblings of active hourly and salaried team members. Innovation is the foundation for much of what we do at Tenneco—today we have more than 6,000 active patents—and we want to recognize innovative solutions from our next generation to challenges our world is facing. Through the contest, we select one winner per each age category by evaluating their inventions on factors concerning the creativity and the inventiveness relative to existing solutions. Each winner is rewarded with our support on a U.S. patent application filed for their invention at no cost—a value of more than \$10,000—and has a chance to experience the application process from the filing to granting of the patent. By encouraging creativity and problem-solving, we continue to invest in the youth generation for driving innovation toward a sustainable, prosperous future.



## Community Involvement (cont'd)

### HUMAN HEALTH & WELLNESS

- Remedial Education and Counseling Support in India:** In India, our Ride Control team sponsored mental health counseling and remedial education for over 1,880 children through the Shikshaantra Plus project at the Government Model Senior Secondary School. The local Corporate Social and Responsibility team partnered with KHUSHII, an Indian non-governmental organization (NGO), to execute the project that was focused on providing academic and psychological support and bringing health and hygiene awareness to students. Our sponsorship supported these children, the majority of whom were from underdeveloped communities, to help close the education gap and provide a safe platform to address mental illness derived from child abuse and neglect. Throughout the project, our team weekly monitored students' progress with our NGO partner and engaged students on-site to ensure effective teaching techniques and counseling services were deployed to support children's education and wellness.



- Fundraising for Ukraine:** In living our cultural value of Making Tomorrow Better, we launched Standing Together in April 2022, a fundraising campaign to help address the humanitarian crisis in Ukraine and neighboring countries resulting from the Russo-Ukrainian war. We refreshed our community giving portal with the Europe-based campaign, allowing our team members to contribute in their local currency and select the charity of their choice among:
  - » The United Nations Refugee Agency (UNHCR);
  - » The United Nations International Children's Emergency Fund (UNICEF); and
  - » Doctors without Borders (Médecins Sans Frontières).



The donation webpage is accessible to all global team members and their families and friends who wish to contribute to the cause. As of 2022, we successfully raised over \$250,000 to support Ukrainian refugees.

- Breast Cancer Awareness Challenge:** In October 2022, our Women's BRG hosted our first global, virtual walk challenge to contribute to the Susan G. Komen® More than Pink Walk campaign and raise awareness of breast cancer. Susan G. Komen is a leading breast cancer organization whose mission is to support the critical needs of patient communities and invest in preventative and curative solutions to breast cancer. By participating in the challenge, nearly 320 team members helped raise over \$20,000 for the steps they walked, making Tenneco the number four fundraiser among all participating companies.

### SUSTAINABILITY & COMMUNITY WELL-BEING

- Reforestation Projects in Mexico:** As good corporate citizens, we are dedicated to making our environment a better place to live by preserving and replenishing the forests. In Mexico, hundreds of team members and their communities volunteered in reforestation activities that showcased our dedication to sustainability. In Celaya, our team adopted 1 hectare of land in the Guanajuato mountains for reforestation in collaboration with Reforestamos Mexico, an NGO that takes action to restore and conserve forest ecosystems. Over 50 team members worked together to plant 100 trees, and the team would continue to provide ongoing maintenance and watering to upkeep and support forest growth. In Tepetzotlán, over 200 team members joined a reforestation campaign with their families and communities in planting 1,200 trees surrounding our braking facility. "Change begins today. Committing ourselves here to our families to sow a life will transcend our time in this world," said Edgar Rodriguez, Plant Manager.
- Cleaning up the Great Lakes Regions in the U.S.:** In summer 2022, team members from DRiV's Rancho brand joined forces with Tread Lightly! To organize a clean-up on Drummond Island in Michigan's Upper Peninsula. Tread Lightly! is a national nonprofit with a mission to promote responsible recreation through stewardship programs and outdoor ethics education. A team of over 30 volunteers from DRiV and partner organizations cleaned up over 250 pounds of trash from the South Marblehead Loop area, beautifying 25 miles of trail.
- Global Week of Service:** During our global Week of Service in late March 2022, our Systems Protection team members were invited to join local service activities for the communities in which they work and live. Within the week, approximately 600 team members across 12 countries volunteered with over 30 community organizations and devoted over 700 hours to strengthening neighborhoods and helping children and others in need. The causes we supported include:
  - » Providing childcare supplies, vaccination, and education support;
  - » Increasing food access for local residents in need; and
  - » Ensuring environmental stewardship of urban and rural areas.

# OUR PLANET

To minimize our impact on the planet, we strive to achieve operational eco-efficiency and secure renewable resources in alignment with a low-carbon future. As part of our commitment to responsible production, we are focused on efficiently managing our energy consumption, emissions, operational waste, and water usage as we continue to mitigate our environmental footprint.

## SKIP TO:

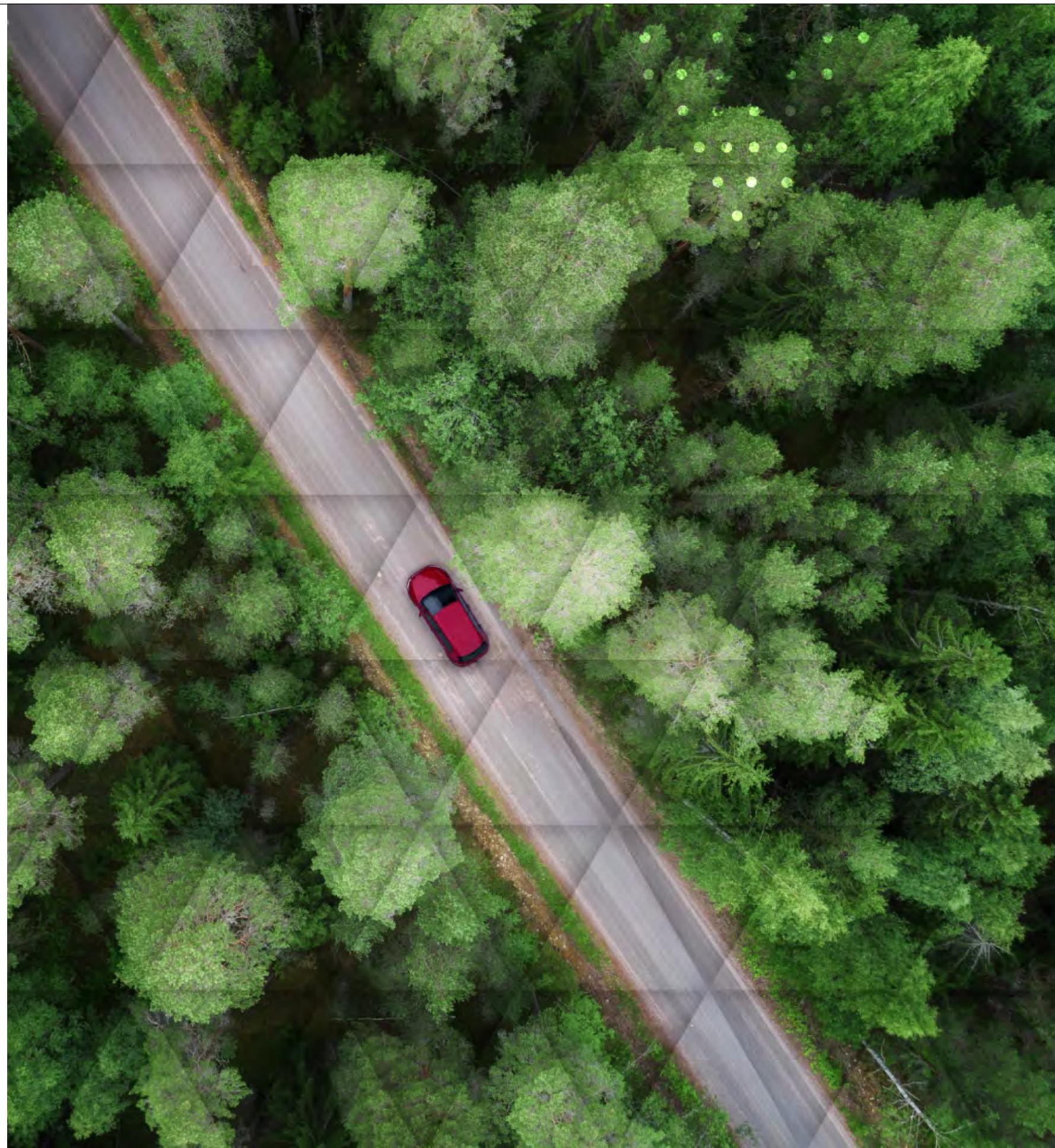
[Energy and Greenhouse Gas Emissions](#)

[Operational Waste and Water](#)

## SUGGESTED LINKS:

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

[2022 CDP Climate Change Response](#)



# Energy and Greenhouse Gas Emissions

At Tenneco, we recognize our responsibility to take concrete action to address climate change, and we continue to assess and manage climate-related risks and opportunities for our business and value chain. As a global business with a significant operational footprint from our manufacturing processes, we are focused on limiting GHG emissions at our sites and contributing to sector-wide climate actions. In 2022, we continued to make progress toward carbon and energy intensity improvement in our operations, in line with our sustainability goals:

Goal	2022 Progress
Reduce Scope 1 and Scope 2 GHG emissions intensity by 30% by 2030 from a 2019 baseline.	Achieved a 21% reduction compared to the 2019 baseline.
Decrease operational energy demand by 10% by 2030 from a 2019 baseline.	Achieved the goal and reduced energy consumption by 11% compared to the 2019 baseline.
Source 15% more renewable energy by 2030.	Approximately 6% of 2022 energy consumption was from renewables. <sup>9</sup>

Through industry partnerships and collective actions, we aim to amplify our contribution to global decarbonization efforts for sustainable development. In 2022, we participated in The Association for Sustainable Manufacturing, a division of the Motor and Equipment Manufacturers Association (MEMA), and collectively developed a comment letter in response to the U.S. Securities and Exchange Commission's (SEC's) proposed climate disclosure rule. Our engagement supports the division's mission to contribute to the energy and environmental policy agenda in the U.S. by providing the perspectives from MEMA, which represents over 1,000 automotive parts and systems manufacturers for the OE and aftermarket segments in the light and heavy-duty vehicle industries.

Climate change and energy management are a collective responsibility of all levels of management and our team members. Our approaches are integrated into our compliance programs, incentive schemes, working group initiatives, and management systems. By actively exploring emissions abatement technologies and carbon allowance procurement opportunities, we are prepared to comply with emissions-limiting and reporting regulations that have an impact on our business, including those within the European Union.

<sup>9</sup>The decline in the percentage of renewable energy consumption compared to our 2021 baseline was mainly driven by the 2022 energy crisis in Europe. Our team is continuously exploring renewable sourcing opportunities.

## MANAGEMENT APPROACH

Our Executive Leadership Team holds the ultimate responsibility for climate-related issues within their oversight of ESG across our business segments and support systems. Within the Executive Leadership Team, the Executive Vice President and General Counsel takes additional responsibility for driving our climate-related response and providing quarterly ESG updates to our Board, which includes climate change matters. To achieve our goals for energy management and emissions reduction, our business functions across the company collaborate closely to develop and implement our strategies. At the front line, global operation teams and plant managers are responsible for administering energy management programs and supporting energy efficiency improvement. To accelerate meaningful actions, energy and GHG emissions targets are integrated into the performance goals of our team members across the business. We honor and incentivize the attainment of performance targets through various strategies, including career progression and enhanced financial rewards.

## ENERGY COUNCIL AND WORKING GROUPS

With oversight from our Energy Council, our energy efficiency and renewable energy procurement working groups drive our business' transition toward green energy and operational efficiency in alignment with our energy goals. Initiatives led by these working groups not only support our progress toward our sustainability goals but also prepare ourselves for other long-term decarbonization targets that we are exploring. In 2022, we completed energy assessments piloted at 13 of our facilities. The results of the evaluations were consolidated and formalized into an energy efficiency playbook that was shared across the enterprise. Our facilities were encouraged to implement energy efficiency improvements in 2022 and include relevant tactics as part of their 2023 annual operating plans. Additionally, we completed an enterprise-wide renewable energy roadmap that will help inform our strategy for green energy procurement.

## ENVIRONMENTAL AND ENERGY MANAGEMENT SYSTEMS

To align with best practices, we manage our global manufacturing sites in accordance with the ISO 14001 Environmental Management System and ISO 50001 Energy Management System standards. These frameworks provide guidance to improve our environmental performance and validate our approach through certifications.

Our long-term vision is that all our manufacturing sites are certified to these or similar external standards. As of 2022, 86% of our global manufacturing sites were certified to the ISO 14001 standard and 12% of our global manufacturing sites were ISO 50001 certified.

**86%** 

of our manufacturing sites were certified to the ISO 14001 standard

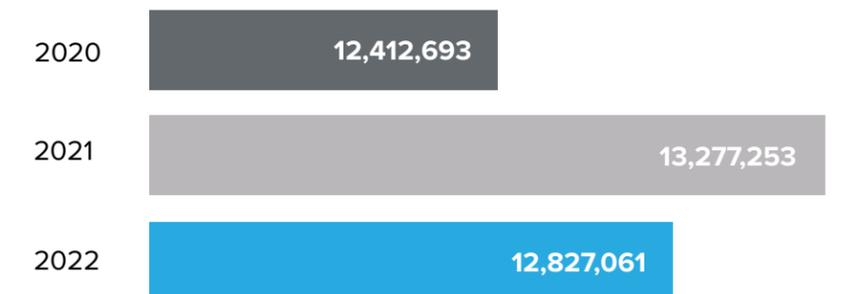
## PERFORMANCE

We report energy consumption and GHG emissions through the CDP Climate Change questionnaire and measure our progress using multiple indicators to inform our strategies. In 2022, we achieved a 21% reduction in our Scope 1 and Scope 2 emissions intensity and lowered our energy demand by 11% compared to our 2019 baselines, a strong reflection of our continuous improvement in our carbon footprint.

### Scope 1 and Scope 2 GHG Emissions Intensity (Metric Tons CO<sub>2</sub>e/Million USD Revenue)



### Energy Demand (Gigajoules)



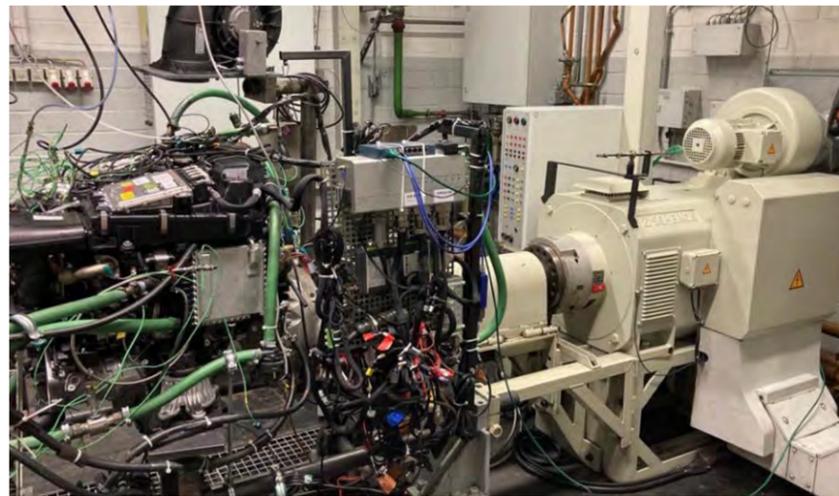
For additional data, please refer to [Appendix D](#).

## Energy and Greenhouse Gas Emissions (cont'd)

### THE ROAD TO MAKING TOMORROW BETTER

#### Energy Recovery in Burscheid, Germany

To recover energy from the locally run engine test facilities used for internal combustion engines (ICEs) development and component testing, our Powertrain's Rings plant in Burscheid, Germany, has equipped six of the test rigs with generators. When tests are conducted, these generators convert the kinetic energy of running combustion engines into electrical energy that is fed into an internal power grid. This system enables the Burscheid site to generate over 210 megawatt-hours (MWh) of electrical energy per year, representing a total of €60,000 annual savings from on-site energy generation and benefits of tax-deductible fuel that is used for power generators. The site is installing its 7th generator to continue to recover energy from its testing procedures.

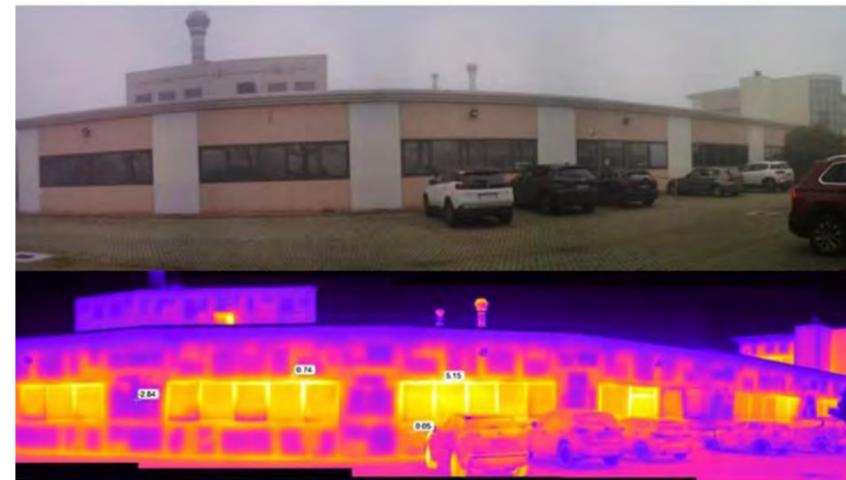


### THE ROAD TO MAKING TOMORROW BETTER

#### Reducing Energy Consumption in Chivasso, Italy

To systematically and accurately capture energy efficiency opportunities, our Powertrain's Sealing team in Chivasso, Italy, kicked off an energy assessment project to measure energy demand and heat waste in the plant through a thermography technology. By using a special infrared camera, the team completed an energy mapping exercise for each machine in the plant that detects heat patterns and identifies heat loss in our sealing operations.

The mapping results are integrated into a strategic plan to address heat loss issues and have already begun to inform energy conservation actions that led to lower energy costs. The project is one of the examples that our teams are working toward our commitment, Make Tomorrow Better, by reducing energy demands and improving energy efficiency in our operations.



### THE ROAD TO MAKING TOMORROW BETTER

#### Energy Management at Napoleon, Ohio

At Tenneco, the spirit of continuous improvement is vital to our success, and we remain focused on investing our resources in opportunities that increase our manufacturing productivity and reduce our environmental impacts. Our plant in Napoleon, Ohio, has worked with the City of Napoleon and a third-party consultancy on a program that helps businesses use less energy and save money through energy efficiency strategies. Since the inception of the program, the plant has implemented 11 projects that are aimed at optimizing energy use, one of which being installing a variable frequency drive that doubles a machine's productivity while reducing overall energy consumption.

Through the program, the plant has achieved a 30% reduction in energy use, including a 32% lower peak energy demand, and culminated in \$2.5 million of total savings over the lifetime of the new and upgraded equipment from energy efficiency projects.

# Operational Waste and Water

## WASTE MANAGEMENT

We strive to be responsible stewards of our environment by reducing our materials consumption and waste generation. To mitigate the risks of pollution, landfill runoff, and other negative impacts from waste disposals, we have established processes to eliminate or streamline our waste streams and improve our resource recovery efforts across our business units.

Through our environmental management system, we closely track our diverse waste streams in support of the identification of opportunities to reduce resource consumption, reuse materials, and increase recycling activities that provide tangible benefits toward our waste management goal. In 2022, we achieved a 19% reduction in the amount of waste sent to landfills, reflecting the effectiveness of our strategy toward process efficiency.

Goal	2022 Progress
 Reduce waste to landfill by 20% by 2030 from a 2021 baseline.	Achieved a 19% reduction compared to the 2021 baseline.

## THE ROAD TO MAKING TOMORROW BETTER

### Earth Day Celebration

In 2022, we celebrated Earth Day with a virtual panel discussion on our sustainability framework, The Road to Making Tomorrow Better, that was led by members of our leadership team and a challenge to our 260 sites around the world—encouraging each to develop and volunteer for an Earth Day project at their location in alignment with our three focus areas: community service, plant challenge, and facility improvement. The projects were aimed at promoting environmental awareness, fostering teamwork, building engagement and, most importantly, positively impacting our environment. The celebration was a collaborative effort made by the Gen T Young Professional's BRG and the EHS and ESG teams.

The winner of the Earth Day challenge was announced and shared on our global panel discussion that showcased our efforts in Making Tomorrow Better. Our Juarez, Mexico, lighting plant won the challenge by implementing a recycling program. The team was able to collect 165 kilograms of used clothes for donation, 80 kilograms of used electronics, 55 kilograms of plastic and paper, 25 kilograms of expired medicine, 18 kilograms of used oil, 18 kilograms of used batteries, and 11 tires. All of these materials were diverted from the landfill.

## THE ROAD TO MAKING TOMORROW BETTER

### Waste Separation and Oil Recovery in Burscheid, Germany

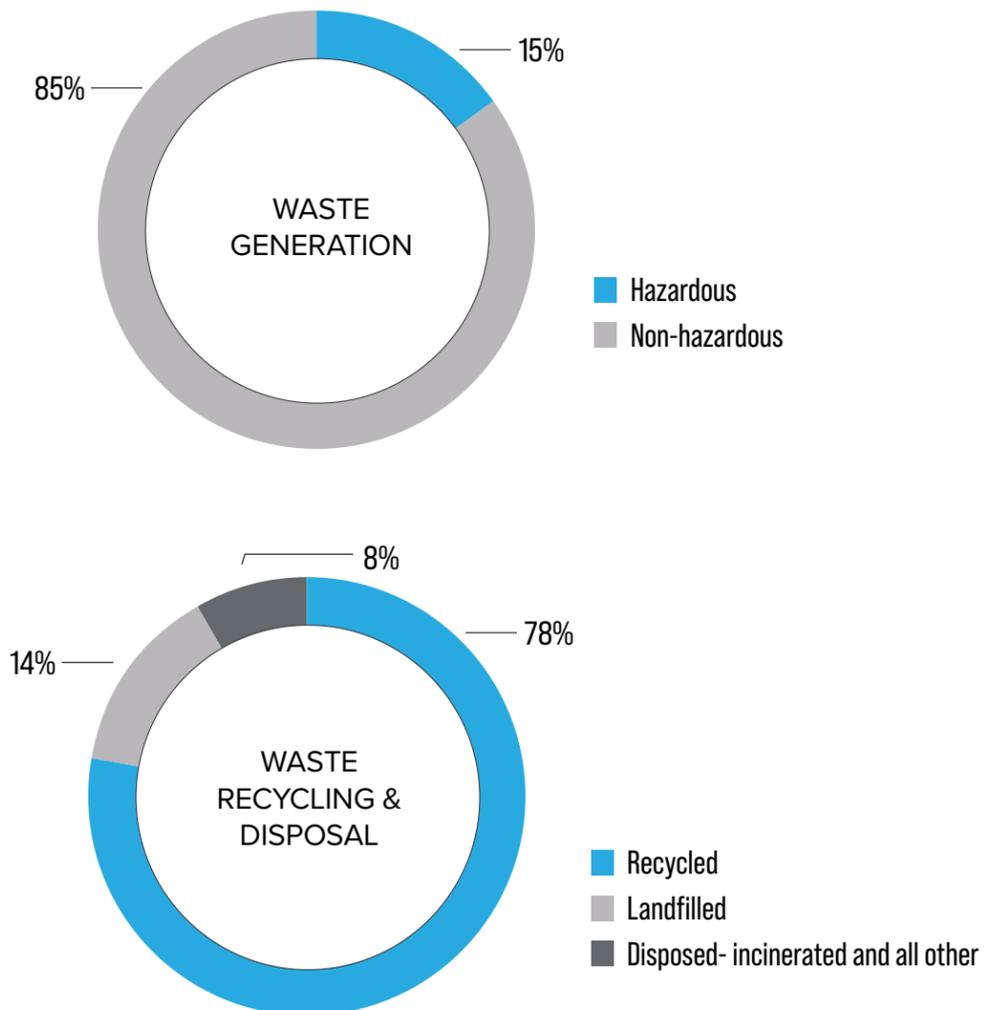
Our Powertrain's Rings plant in Burscheid, Germany, has successfully introduced a waste separation system in collaboration with its disposal partner, leading to a 95% recycling rate at the site. To separate waste that arises in production, 15 waste collection centers have been established at the plant. Each center contains dedicated bins for oil-polluted waste, paper, plastics, and safety gloves. Through consistent collection and classification of waste at the point of origin that enabled more efficient waste recycling and recovery processes, the site successfully helped avoid 334 tons of raw materials from production, 2 gigawatt-hours (GWh) of energy consumption, and 268 tons of CO<sub>2e</sub> in one year.

Due to rising waste disposal costs as well as oil prices, the Burscheid team has further embarked on a project for recovering oily grinding sludge. The team plans to install a treatment facility that is capable of separating oil from solid sludge components, which can lead to approximately 28% of used oil being recovered and returned to production. With reduced disposal costs from using recovered oil, the annual saving is expected to reach €640,000.



## PERFORMANCE

In 2022, approximately 78% of our waste was recycled.<sup>10</sup> We are dedicated to continuing to refine our waste management strategy and further reducing waste generation from our manufacturing processes and operations.



For additional data, please refer to [Appendix D](#)

<sup>10</sup> Waste data represents approximately 80% of manufacturing sites.

## Operational Waste and Water (cont'd)

### WATER STEWARDSHIP

Water is important to our business and integral to a sustainable future. Throughout our manufacturing processes, we utilize fresh water for cooling, machining, plating, and painting; for sanitation and hygiene practices; and for cleaning our facilities and equipment. We aim to be responsible consumers of water by factoring water-related considerations into our overarching sustainability strategy and taking actions that address water scarcity in high water stress areas. To optimize our overall water footprint, we remain focused on reducing water consumption, increasing the circularity and efficiency of wastewater treatment, and promoting best practices throughout the organization.

In 2022, we implemented a new environmental High-Risk Activity management procedure that covers a variety of health and safety and sustainability aspects within our operations, including the prevention of water and wastewater incidents. Water-related management processes are administered by our newly established Core Competency Team (CCT). The team consists of our Vice President of EHS, members of the EHS Senior Leadership Committee, and professionals from all our regions and business units, including water and wastewater specialists from our Advanced Manufacturing Engineering (AME) department that drives process improvement to reduce our operational footprints and impacts. The CCT is delegated with responsibilities of strategic planning, program implementation, and communication of water-related topics within our organization, which are primarily focused on:

- Defining a global framework to reduce water consumption in our processes;
- Enhancing wastewater treatment efficiencies and water circularity;
- Decreasing pollution load by optimizing chemical usage;
- Disseminating water best practices on our global platform;
- Educating responsible water management at a local scale; and
- Promoting water conversations and awareness through monthly webinars.

In 2022, we continued to implement ongoing projects that promote water efficiency. These initiatives include implementing controllers to reduce water flow during idle times, improving processes to support effective wastewater treatment and reuse, installing technologies to monitor water consumption and quality, and providing efficient water faucets. Our CCT supports water reclamation in our operations through a zero liquid discharge (ZLD) oriented wastewater treatment strategy. All our wastewater treatment plants (WWTPs) installed after 2018 are capable of treating over 50% of wastewater against its local discharge limits that meet the wastewater quality standards we follow. Additionally, we have installed standardized laboratory equipment in key WWTPs that enables waste discharge monitoring and compliance by tracking 10 to 15 standard water parameters. In 2022, we invested in four more

laboratories and a centralized data tracking system that serves as a repository for water performance and compliance records, and we continued to pursue WWTPs in South Africa, Spain, and India with the goal of increasing water circularity and addressing impacts of water shortages in water-stressed areas.



### THE ROAD TO MAKING TOMORROW BETTER

#### Water Management at Gliwice, Poland

We proactively address water reduction and wastewater treatment through facility upgrade and optimization programs. Our Ride Control team in Gliwice, Poland has successfully developed and installed a highly-advanced wastewater treatment facility—the first of its kind in our operations. The Zero Liquid Discharge (ZLD) Wastewater Treatment Plant (WWTP) enables the site to reuse more than 95% of the treated wastewater, leading to significant water savings and demonstrating our commitment to operating with respect for the environment.

Gliwice's ZLD-WWTP purifies wastewater from several sources within its operation, including chrome plating, painting, and washers. The treated water complies with the drinkable water directive in Germany, one of the highest drinking water quality standards in Europe by applying four different treatment processes: physical-chemical, biological, reverse osmosis, and ultra-polishing by means of evaporation and crystallization.

In 2022, the system treated and reused around 8,000 cubic meters (m<sup>3</sup>) of water, representing a 91% increase in recovered water compared to 2021 and an avoidance of 8,000 m<sup>3</sup> wastewater released into the city's sewer system and intake of municipal water. As we optimize our operations, we will continue to evaluate feasible technologies and strategies that help us reduce our water footprint.



### PERFORMANCE

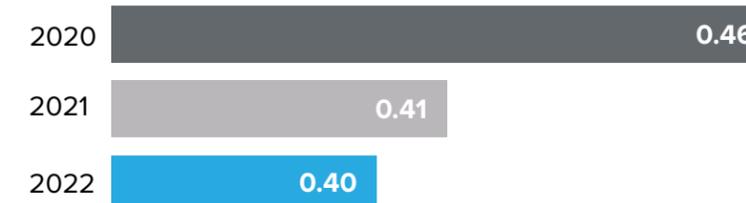
In 2022, we continued to pursue opportunities to improve water efficiency in our operations. We achieved a 13% reduction in our water withdrawal volume compared to the 2019 baseline, representing a 19% reduction in our water intensity.

# 19%



reduction in water intensity  
compared to the 2019 baseline

#### Water Intensity (Megaliters/Million USD Revenue)

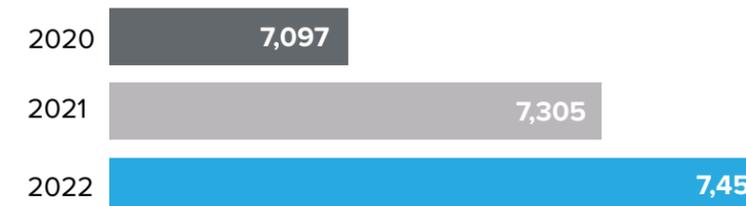


# 13%



reduction in water withdrawal  
compared to the 2019 baseline

#### Water Withdrawal (Megaliters)



For additional data, please refer to [Appendix D](#).

# OUR PRODUCTS

At Tenneco, we strive to positively contribute to the environment and society through our industry-leading solutions. Our extensive product portfolio reflects our culture of innovation and commitment to safe, efficient, and high-quality components that support global mobility markets. As a global leader in the automotive parts industry, we are committed to developing sustainable processes and products that contribute to GHG emissions reductions and fuel efficiency. Our emission control technologies reduce harmful pollutants and enable our customers to comply with the latest emissions regulations.

We manufacture OE products for ride performance, emission systems, and powertrains for nearly all original equipment manufacturers (OEMs) worldwide. Our world-leading brands supply our customers with impeccable, innovative products, including brands that have successfully delivered solutions for more than 100 years. As our business continues to evolve, we will drive our growth through our DRiV and Performance Solutions business segments as well as our commercial truck, off-highway, and industrial offerings.

## SKIP TO:

[Product Safety and Quality](#)

[Product Efficiency](#)

[Product Innovation](#)

## SUGGESTED LINKS:

[Product Compliance and Quality Policy](#)



## Product Safety and Quality

We succeed within the automotive parts industry by ensuring high product quality and customer satisfaction. Maintaining reliable product performance and delivering components that are free of safety concerns are how we establish our reputation as a trusted partner. To protect the health and safety of our customers, we implement rigorous quality management processes and leverage opportunities for continuous improvement in delivering superior products and meeting or exceeding compliance requirements.

Goal	2022 Progress
 Achieve 100% certification with IATF 16949, ISO 9001, or other applicable quality management standards for manufacturing sites based on customer requirements by the end of 2025 to standardize quality governance.	99% of manufacturing sites were certified.

### QUALITY MANAGEMENT

Safety and quality remain our top priorities throughout the life cycle of our products. From design and development to the production and testing phases of our solutions, we remain diligent in adhering to the highest product safety standards as guided by our [Product Compliance and Quality Policy](#) and with oversight from our Global Product Council.

Our business segments perform regular product analyses to identify health risks in our solutions and implement controls to reduce the probability of safety hazards associated with our products. We conduct safety assessments at each stage of our quality management process to maintain compliance with regulatory and our quality standards. Once we launch our solutions, we collect and incorporate customer feedback to continuously improve product performance. This cycle of ongoing evaluation enables our thorough approach to ensuring the quality and delivery of reliable automotive components. In 2022, our team in India received the Quality Excellence Award from the Volvo Eicher Commercial Vehicles (VECV), and our Systems Protection plant in Texas, U.S., was recognized for outstanding product quality by Daimler Truck North America with a Master of Quality Award, showcasing our successes in meeting our unwavering commitment to product excellence.

### GLOBAL PRODUCT COUNCIL

In 2022, we established a new Global Product Council to drive effective and proactive customer warranty performance management. The Council serves as a replacement for the Global Warranty Committee, whose main focus was to incorporate lessons learned from reacting to quality issues into our product quality

strategy. Led by our Vice President of Quality for Performance Solutions, the Council consists of leaders from our Engineering, Quality, Legal, and Finance teams from our four business segments and corporate functions. The mission of the Council is to develop a strong product governance and safety culture and empower team members with tools to perform proactive risk management and communication. Under the charter of the Council, it seeks to:

- Promote best practices and further embed product quality in our culture;
- Drive effective problem-solving for issues resolution and recurrence prevention;
- Enable streamlined incident management processes for severity assessment and risk mitigation and elimination; and
- Ensure proper process controls for accurate accruals of business impacts and timely reporting.

We have established a systematic approach to defining and assigning quality risk monitoring, management, and escalation responsibilities within our business segments to our leadership team based on the scale of impacts and severity of incidents. Moving forward, we are taking concrete steps to strengthen our product quality toolbox and promote proactive risk management toward product excellence.



### THE ROAD TO MAKING TOMORROW BETTER



#### World Quality Week Celebration

In November 2022, our global team members celebrated the World Quality Week with a series of events that were designed to emphasize the importance of quality in everything we do. In alignment with the 2022

theme of the Quality Week—Quality Conscience—we offered a variety of educational resources, communication materials, and awareness building programs that aimed to enhance our team members' knowledge about our quality strategies, to recognize contributions of our quality professionals, and to celebrate our achievements. The events and activities we had in 2022 that highlight our quality conscience culture include:

- Created a Quality Tribute video that featured team members across the organization in discussing the importance of quality to our business;
- Offered a series of webinars through the Chartered Quality Institute (CQI) to strengthen team members' awareness and knowledge of the connections among quality, customer satisfaction, and positive sustainability impacts;
- Communicated the requirements and standards in our Product Compliance and Quality Policy; and
- Highlighted Quality Heroes who went above and beyond to ensure the highest level of quality in our procedures and served as role models that inspired team members in the pursuit of quality excellence.

## Product Safety and Quality (cont'd)

### QUALITY COMPLIANCE

We remain vigilant in tracking the evolution of global regulations and quality standards that are applicable to the automotive industry, including the United Nations Economic Commission for Europe (UNECE) Global Technical Regulations (UN GTRs). In 2022, we were focused on the development of our process for fulfilling UN GTR requirements for brake dust emission and testing. To achieve a GTR-compliant test rig, we are investing in new brake housing, improving air guidance, adjusting measurement instrumentation, and more for the new testing methodology and equipment.

### QUALITY SYSTEM STANDARDS

Our quality management system is aligned with multiple industry standards, including ISO 9001, International Automotive Task Force (IATF) 16949 for automotive business, AS9100 for aerospace business, ISO/TS 22163 for railway applications, and VDA 6.3 for European OEMs. These frameworks outline systemic, effective, and widely-recognized procedures that direct our quality management approach. In 2022, 99% of our manufacturing sites were certified to either the IATF 16949 or ISO 9001 standard.

In support of pursuing and maintaining our certification in ISO 9001 and IATF 16949 standards, we conduct third-party audits at our manufacturing sites. To ensure proper quality controls throughout our value chain, we expect direct material suppliers to certify their quality management systems to ISO 9001 standards. During the supplier approval process, we audit new direct material suppliers on quality management as well as conformance with our Supplier Code of Conduct. For additional information about our supplier quality management strategy, please refer to our [Supplier Requirements Manual](#).

We strive to ensure transparency in the materials we use and actively manage restricted substances to mitigate any environmental or health and safety concerns of our products. In compliance with the quality requirements for our components and systems, we report on the raw materials contained in our components to the International Material Data System (IMDS), the automotive industry's material data system. We inform all of our suppliers of the hazardous substances that must be excluded from our products through our Restricted Substance Management Standard (RSMS) which supports our commitment to fully comply with applicable regulatory and customer standards for product safety.

### CUSTOMER SATISFACTION

At Tenneco, we strive to surpass customer expectations by continuing to meet their needs with reliable, high-performing products, and we pride ourselves on being a company that is highly recognized for our excellent customer service, product quality, and our ability to create strong partnerships. The satisfaction of our customers is managed throughout the product realization process. From project inception to every end-product shipment, we work closely with our customers to better understand their engineering challenges and product requirements and ensure that our technologies, solutions, processes, and quality standards meet their specific expectations.

Frequent communication with our customers throughout all functions of our organization enables us to accurately capture current levels of satisfaction and to make adjustments where needed to maintain healthy, long-lasting customer relationships. We closely track and monitor customer scorecards, which allow us to develop and execute actions to improve sub-optimal scores and increase customer satisfaction levels.

### PERFORMANCE

We continually optimize our quality management process to uphold our standards and reduce the risk of malfunction. In 2022, we had zero non-compliance incidents regarding the health and safety of products but initiated a recall of 15,200 ball joint units to further improve their durability and quality.<sup>11</sup> No fatalities or litigation were involved, and there were no reports of accidents or injuries related to the recalled component.



**non-compliance incidents concerning the health and safety impacts of products and services**

For additional data, please refer to [Appendix D](#).

<sup>11</sup> Data represents NHTSA recalls in the U.S. and any equivalent recalls in other countries. Tenneco is not aware of additional recalls. The 2022 recall was related to the National Highway Traffic Safety Administration (NHTSA) Recall No. 22E002 that resulted in 15,200 recalled units (MOOG Ball Joint, Part No. K80521 and K80522; NAPA Ball Joint, Part No. NCP2601633 and NCP2601634; and ACDelco Ball Joint, Part No. 45D2344 and 45D2345) due to inadequate induction hardening on the ball joint housing (on some units), which may lead to accelerated wear and premature failure.



## Product Efficiency

Our ability to consistently deliver products that meet both efficiency and performance standards is core to our success as a leading auto parts supplier. We facilitate the transition to electric mobility and fuel-efficient vehicles within the automotive market through our diverse and industry-leading engineering, development, testing, and manufacturing capabilities.

# 40%



revenue from products that contribute to fuel efficiency and/or emissions reduction

Our products help drive advancements and contribute to efficiencies across a wide spectrum of vehicles and components, including the next generation of hybrid and electric automobiles and high-performing ICEs. Through continuous expansion and optimization of our processes as well as collaboration with our customers, we apply our extensive experience in vehicle development and ICEs to develop solutions that comply with increasingly stringent vehicle emissions and environmental regulations and provide a better drive experience. We work to ensure that our products meet or exceed regulatory requirements and that efficiency is incorporated throughout our prototype development and testing processes.

### EFFICIENCY-FOCUSED TECHNOLOGY

Our approach to efficiency is focused on pursuing GHG emissions reduction opportunities across the vehicle lifecycle and optimizing propulsion performance while providing fuel-agnostic components, as applicable. Across our business segments, many of our products contribute to reductions in vehicle mass and emissions, support the increasing demand for electric and hybrid models, and enable customers to meet fuel economy regulations and emissions targets for all types of light-duty and off-road vehicles and commercial trucks. Our technology advancements that support vehicle efficiency include:

- Supplying parts for all vehicle types, including hybrids, battery electric vehicles, and hydrogen combustion engines;
- Reducing noise and vibration for quieter engines;
- Increasing engine efficiencies for commercial truck and off-highway segments;
- Reducing product mass;
- Recovering exhaust heat energy;

- Reducing copper usage and limiting friction in brakes; and
- Preventing vehicle deterioration and waste.

We design specialized coatings and components that reduce mass and friction and improve thermal and mechanical resistance, which support OEMs in reaching their goals for engine enhancements. Our light vehicle diesel steel pistons offer proven carbon emissions reduction benefits, and our IROX 2 polymer bearing coatings provide increased reliability to support higher-density, more efficient engines.

Our products enable continued evolution of ICEs. These solutions contribute to the transition to a low-carbon economy by recovering energy waste, reducing mass and backpressure, and improving fuel efficiency of ICEs. We support long-lasting operating conditions that prevent fluid leakage or vehicle deterioration, which maintain vehicle lifespans and keep them out of landfills. Together, our products enable cleaner transportation and valuable efficiency increases from multiple angles of vehicle improvement.

### COLLABORATION ON EFFICIENCY

Through our Tenneco Product Launch System, we identify regulatory and other risks and opportunities in our product development, optimization, and launch processes. The system supports us in partnering with customers to develop efficient products and guide our internal innovation to continuously reduce resource intensity and improve manufacturing efficiency for our own products. Dependent on the characteristics of the projects, our customers may remain involved in product testing, certification, or durability tests to ensure extended regulatory compliance in the use phase, and we deploy continuous checkpoints throughout our development process to maintain product quality and integrity.

As part of our commitment to supporting sustainable mobility and maintaining regulatory compliance, we work with OEMs to meet UN GTR's emission requirement for brake dust. To develop low dust-emission products, we collaborate with OEM partners to explore modified rotor and friction materials, such as hard-coated rotors, in order to reduce particle emissions from brakes for meeting the emission requirements within the European Union.

### PROTOTYPE DEVELOPMENT

We use 3D printing technology and design software to efficiently develop prototype parts. Our Powertrain segment uses 3D printing to create casting dies for aluminum pistons, and our Clean Air business segment utilizes design automation software to accumulate design and manufacturing rules and incorporate them into the computer-aided design (CAD) environment. This process empowers our engineers with the resources to independently produce 3D geometry, substantially reducing the time required to generate product designs and eliminate errors.



## THE ROAD TO MAKING TOMORROW BETTER

### Supporting Carbon Capture in Commercial Fleets

In alignment with our commitment to supporting decarbonization in the transportation sector, in 2022, our Clean Air team embarked on a new project with Remora Carbon, a start-up that develops technology to capture CO<sub>2</sub> from commercial truck fleets in service. This collaboration supports the industrialization and introduction of the carbon capture solution into the commercial truck market. We continue to be instrumental in the development of GHG emissions reduction technologies and support innovation and market opportunities in sustainable transportation.

In the partnership, our team provides the hardware and welding expertise and acts as a technical advisor to support Remora with the design of the zeolite canisters to collect and house CO<sub>2</sub> and with the integration of e-valves into the carbon capture system that is directly connected to the tailpipe and can effectively remove up to 80% of CO<sub>2</sub> from the gas stream. The system creates circularity of CO<sub>2</sub> and the potential to achieve carbon neutrality when driving a truck retrofitted with this device in combination with renewable or other clean fuels.



## Product Efficiency (cont'd)



### THE ROAD TO MAKING TOMORROW BETTER

#### Reducing Rare Metal Use without Compromising Quality

A team of our buyers, technicians, and engineers worked together to minimize the use of iridium, a precious, expensive metal that is used to improve the service life of our premium spark plugs. In response to the inflation in the past two years, the team collaboratively found solutions to reduce the use of costly metal by designing lighter iridium rings and optimizing manufacturing processes with precious-metal manufacturers.

Through a series of field testing and laboratory analyses, the team successfully developed less resource-intensive iridium rings while maintaining the same level of performance. The benefit of reducing iridium content in our spark plugs is tremendous – leading to a \$1 million saving in spend per year and contributing to the avoidance of exploitation of natural resources.

We started to produce these new spark plugs with the lighter iridium rings in mid-2022. To recognize this outstanding achievement, we made a donation on behalf of the team that reinforced our value—Make Tomorrow Better.



### THE ROAD TO MAKING TOMORROW BETTER

#### Developing World's First Zero-emission Motorcycle Suspension System

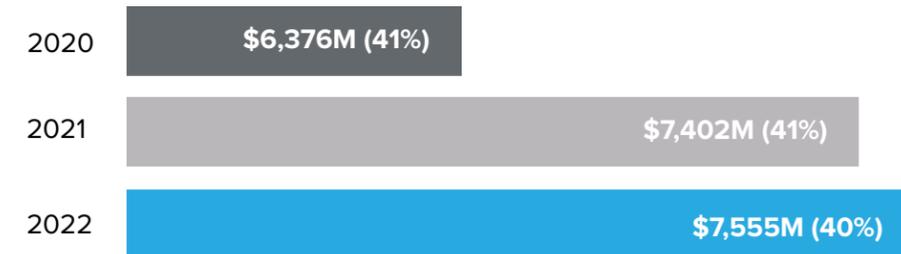
Our Öhlins® Racing brand within the Advanced Suspension Technologies (AST) business unit is taking steps toward decarbonizing its production chain and producing the world's first zero-emissions motorcycle suspension system. "Since Öhlins was founded, we've been passionate about developing and innovating the technologies used in our products. For us to build on this legacy and stay competitive in the future, we need to learn more about solutions and developments that will enable us to meet the climate challenges of today and in the future," said Henrik Johansson, Managing Director of Öhlins Racing.

Through the Cleanest Dirt Bike Ever project, an initiative started by the Swedish electric motorcycle manufacturer, CAKE, together with European energy company, Vattenfall, Öhlins works with partners toward a goal of producing the cleanest motorcycle possible by 2025 that will also shed light on the hidden carbon costs in electric vehicle production. One of the first steps Öhlins has taken is to work with the Stockholm's Royal Institute of Technology (KTH) to complete a lifecycle assessment (LCA), which will provide insights into emissions hotspots in vehicle development. Utilizing LCA results, Öhlins is prepared to support the design and production of CAKE and Vattenfall's Cleanest Dirt Bike Ever, which will be a decarbonized version of CAKE's Kalk OR model, and to accelerate innovation within the industry and push carbon emissions to a minimum in Öhlins' production chain.

## PERFORMANCE

Our solutions contribute to fuel efficiency and emissions reduction during their use phase. We annually track the percentage of our products that support cleaner transportation, and we will continue to pursue opportunities to provide efficient solutions.<sup>12</sup>

### Revenue From Products That Contribute To Fuel Efficiency And/Or Emissions Reduction (USD, Percentage Revenue)



For additional data, please refer to [Appendix D](#).

<sup>12</sup> Data presented covers Clear Air and Powertrain segments only.

## Product Innovation

In line with our value, Make Tomorrow Better, we continue to explore pragmatic approaches and complementary technologies to achieve climate-neutral transportation across all sectors. Our cutting-edge solutions, high-performing products, and investment in research and development differentiate our business as a champion in supporting smart and sustainable mobility. We continue to showcase a wide range of our capabilities and supply new technologies to enable market transition as we incorporate modern advancements that support vehicle electrification, alternative fuels, and hydrogen engines. By anticipating market needs, we drive innovations and bring value to our stakeholders while maintaining leadership in this transforming industry.

### INNOVATION STRATEGY

We measure the success of our innovation by the benefits provided to our customers in relation to user satisfaction, costs, and sustainability performance. These include product cost leadership; superior functionality; advancement of technology; vehicle dynamics/integrated systems expertise; noise, vibration, and harshness (NVH) solutions; and offering of leading aftermarket brands. Our business units take a cross-functional approach to overseeing product innovation by driving collaboration between sales, manufacturing, and multiple design and development teams, including customer applications, product, and process engineering. Our teams strategically identify future market demand, generate ideas for new products, solve problems through our designs, and manufacture solutions for analysis.

To encourage innovation across the organization, we honor innovative accomplishments of individuals and teams with yearly innovation award events and patent award celebrations. As we explore market opportunities, we are focused on exploring innovation in our products, our processes, and our customer service. We

strive to enhance function and product modularity, and we encourage innovations and alternative options for a wide range of products and vehicle parts, including ICEs and fuel cells.

We are focused on process engineering innovations to deliver cost-saving benefits. By providing exceptional customer service with short development times and streamlined delivery to the market, our product innovation and development process enables quicker solution integration that strengthens customer experience.



### THE ROAD TO MAKING TOMORROW BETTER

#### Advanced Hybrid Friction Material for OE Brake Pads

In 2022, our Braking team introduced advanced hybrid friction material composites for OE customers to meet changing powertrain requirements in the market. The innovative composite material simultaneously serves braking performance and comfort requirements in both ICEs and electric vehicles as it combines the advantages of low steel and non-asbestos-organic composites in one concept for brake pads. Through the combination of materials, the composite is equipped with the unique ability to remove disc corrosion and enable outstanding NVH performance and low brake dust contamination.

The newly developed, unique composite material is expected to cover a variety of different market demands in one approach and is particularly suited for the growing range of electric and electrified vehicles. The hybrid friction material has entered series production in China, while several projects are in the testing and evaluation phase in Europe.

### APPROACH TO CLIMATE-NEUTRAL MOBILITY

We continue to advance solutions for more efficient vehicle technologies, and our overall business still benefits from the market transitions because of the wide range of our capabilities. As we support the transition to electric mobility by supplying components for light electric vehicles, we have the flexibility to continue improving the efficiency of ICEs in the commercial truck and off-highway segment, which may not become electrified as quickly as the light vehicle sector and is a growing portion of our business.

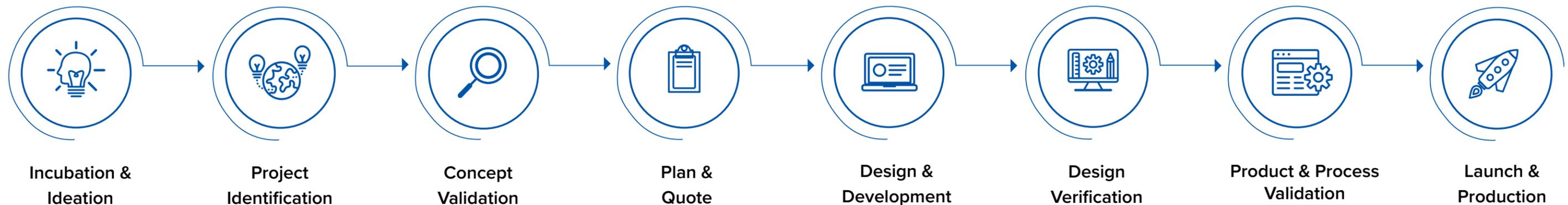
In our global technology centers, we operate numerous state-of-the-art engine test benches for all kinds of light vehicles and heavy-duty engines. We constantly improve our equipment and know-how, including hydrogen engine test capabilities, inline oil consumption, and particulate emission measurement technologies to collect data for vehicle development and identify innovation opportunities toward low-carbon mobility.

### ELECTRIC VEHICLES

We are a leader in the market transition to alternative fuels and electric automobiles, and our organization is well-positioned to align our business with this global change. Most of the products within our Performance Solutions and DRiV business units are fuel-agnostic and therefore can be used in hybrid and battery-electric vehicles. By contributing fuel-agnostic components to these vehicles, we integrate our business with advanced technology and continue to drive improvements in efficiency across the automotive industry. In 2022, over half of our value-add revenue is agnostic to the OE light vehicle ICEs.

In an effort to address the more evident noise of vehicle parts with quieter electric engines, we provide technologies that reduce harsh vibrations for electric

### OUR DEVELOPMENT PROCESS



## Product Innovation (cont'd)

automobiles. Our customers use our advanced solutions to build noiseless, all-electric vehicles, which present different engineering challenges compared to vehicles with ICEs. By leveraging expertise in suspension bushings, subframes, and mounts, our Performance Solutions segment helps achieve reductions in noise and vibration that support better ride experience of electric vehicles.

Aside from suspension technologies, Tenneco Braking is working on a joint project with a manufacturing partner for an innovative “Pad for Future” solution targeting autonomous battery electric vehicles. With this innovative technology, we improve friction properties to provide best driver comfort and performance of battery electric vehicles.



### THE ROAD TO MAKING TOMORROW BETTER

#### Suspension Solutions for Rivian’s First Passenger EVs

We are proud that we have been selected to provide intelligent suspension and anti-vibration performance materials and solutions for Rivian Automotive, a U.S.-based leading electric vehicle manufacturer. Our CVSA2/Kinetic® H2 semi-active suspension technology, which is part of the Monroe Intelligent Suspension product portfolio, and NVH performance materials of Clevite® elastomers, will be featured in the all-electric Rivian R1T five-passenger pickup and R1S seven-passenger sport utility vehicle.

The CVSA2/Kinetic H2 solution will be integrated with Rivian's "skateboard" chassis, which also houses the vehicle's quad-motors, battery management system, and other components, to provide continuously controlled damping, offering the driver excellent handling agility and exceptional off-road performance. By eliminating the need for conventional sway bars, the technology helps reduce vehicle weight and decouples single wheel disturbances that provide better contact to the road. The Kinetic interlinkage concept consumes very little energy compared to other damping and roll control systems, thereby helping to extend battery vehicle range.

Rivian’s R1T and R1S models also are equipped with Clevite Elastomers’ front and rear suspension bushings, top mounts, and other parts that will contribute to the vehicles' smooth, quiet, comfortable ride dynamics. By dramatically reducing NVH, these innovative elastomeric formulations and components help our customers provide clearly differentiated ride quality and cabin comfort. For additional information, please see our [press release](#).

### HYDROGEN

Green hydrogen, which is produced with renewable energy and can be used to fuel combustion engines and in fuel cells, can be a viable solution to achieve climate-neutral mobility. The use of hydrogen is gaining strong interest due to its potential for cleaner transportation, especially in sectors that are hard to be electrified, such as heavy-duty commercial vehicles, on- and off-highway applications, and the industrial and marine sectors.

As a leading supplier of engine components, we continue to leverage our comprehensive expertise in ICEs in our partnerships with OE and vehicle manufacturers on various hydrogen projects. Utilizing our technological competencies and testing capabilities, our Powertrain segment is engaged in multiple projects to optimize the hydrogen usage in the powertrain and exhaust aftertreatment components, helping our customers develop efficient and robust hydrogen combustion engines.

In 2022, we established two new testing facilities for hydrogen-powered ICEs (H<sub>2</sub> ICEs) at our Powertrain test centers in Germany and the U.S. The new facilities are dedicated to H<sub>2</sub> ICEs in an effort to enhance our globally integrated test capabilities. By adding H<sub>2</sub> ICE testing capability, we are well-positioned to provide solutions that can help to accelerate the reduction of carbon emissions of future combustion engine generations. Our facilities are designed to support OE engine and vehicle manufacturers’ in testing their H<sub>2</sub> ICE concepts, including prototype engines and components, for durability, wear, emissions, fuel efficiency, and performance, that can ultimately contribute toward the adoption of low-carbon hydrogen engines for sector-wide decarbonization and global climate actions.

### SYNTHETIC FUELS

Synthetic fuels can play an important role in achieving near-zero emissions mobility by using renewable energy sources to create a closed CO<sub>2</sub> cycle from a holistic well-to-wheel perspective. Developing a carbon-neutral alternative to petroleum-based fuels allows our Clean Air experts to better address remaining pollutants in the aftertreatment process while offering the potential for reducing overall emissions from engine combustion.

Synthetically produced, climate-neutral synthetic fuels (e-fuels) are particularly suitable for vehicles with traditional ICEs as well as alternative or hybrid powertrains. The e-fuels can be made available to consumers by using mostly existing, well-developed fuel distribution and filling station infrastructure with only minor adjustments, making the alternative fuel even more appealing as a near-term, fast-to-market solution to address climate change.



### THE ROAD TO MAKING TOMORROW BETTER

#### Synthetic Fuels Solutions and Efficiency

As part of the NAMOSYN—Sustainable Mobility with Synthetic Fuels project, our Powertrain team has investigated innovative piston ring designs with synthetic fuels and supported the testing of emissions from synthetic fuels to reduce emissions from combustion engines. Sponsored by the German Federal Ministry of Education and Research, the NAMOSYN project is represented by a consortium of automotive suppliers, vehicle and fuel manufacturers, chemical companies, and research institutes and universities to develop and test cost-effective synthetic fuels and energy-efficient manufacturing processes with the goal to achieve sustainable mobility.

To support quick introduction of e-fuels to consumers, our Powertrain team tested mixtures or blends of conventional fuels and e-fuels under real-world conditions on our engine test benches to capture the performance of synthetic fuels in combustion engines. Based on testing results, our team proved that using synthetic fuels could lead to a 50% reduction or more in overall emissions of engines, including nitrogen oxide, carbon monoxide, and particulate matters. This investigation supports NAMOSYN in promoting global implementation of alternative fuel solutions that can drastically reduce carbon footprints in all light- and heavy-duty vehicle sectors.

### PERFORMANCE

In 2022, approximately 85% of our products were recyclable. We look forward to continuing to supply our customers and the automotive market with innovative solutions that support a circular, low-carbon economy.

# 85%



of products were recyclable

For additional data, please refer to [Appendix D](#).

# OUR GOVERNANCE

Our foundation of strong governance and ethics complements our steadfast commitment to accountability, integrity, and compliance throughout every part of our business. Our Board is responsible for overseeing management and ensuring that we serve the long-term interests of our stakeholders. We recognize that sound principles of corporate governance are essential to obtain and retain trust of our internal and external stakeholders, and we follow multiple internal policies to prevent unethical behaviors that could deteriorate our brand and reputation.

Environmental sustainability and human rights are strictly monitored within our operations and supply chain in alignment with our mission to Make Tomorrow Better. Through continuous enhancements in our cybersecurity system, we work to preserve data privacy for our team members and our customers in accordance with industry-leading security standards. As we continue to strengthen our governance mechanisms, we collaborate as One Team to achieve alignment across the whole enterprise and incorporate our values throughout our operations.

## SKIP TO:

- [Corporate Governance](#)
- [Ethics and Compliance](#)
- [Cybersecurity and Data Privacy](#)
- [Supply Chain Management](#)
- [Conflict Minerals](#)

## SUGGESTED LINKS:

- [Code of Conduct](#)
- [Ethics & Compliance Hotline](#)
- [Basic Working Conditions Policy](#)
- [Supplier Code of Conduct](#)
- [Global Supplier Manual](#)
- [Conflict Minerals Statement](#)



## Corporate Governance

Our approach to corporate governance reflects our mission, values, and culture. We integrate responsibility and accountability into our governance structure to maintain proper leadership oversight of our material business and sustainability topics. To ensure sound corporate governance, we outline roles and expectations, set high ethical standards of professional and personal conduct, incorporate stakeholder interests and well-being into our strategies, and monitor compliance with our governance responsibilities and objectives.

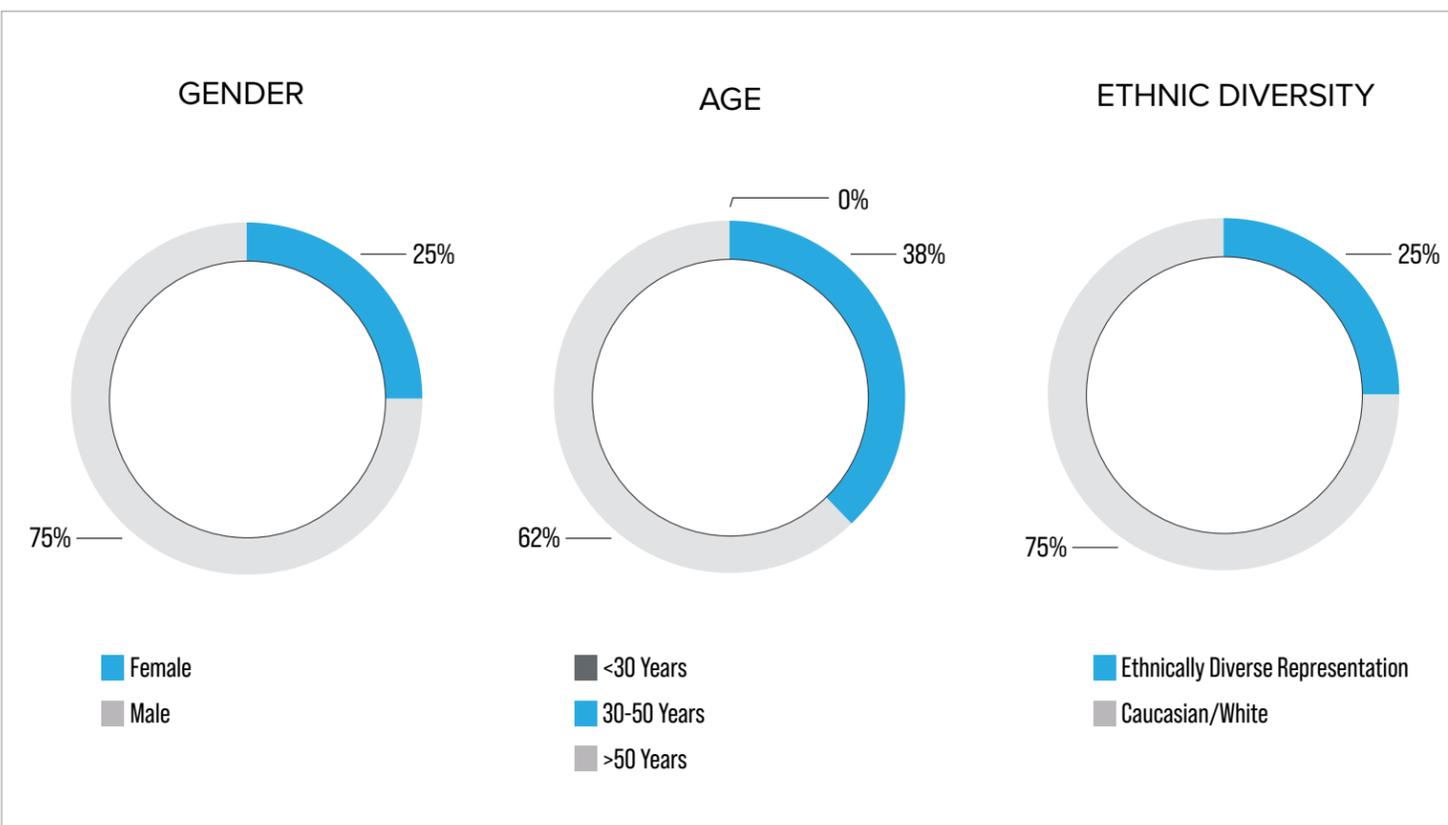
### MANAGEMENT STRUCTURE

Our experienced Board, led by our Chief Executive Officer (CEO), is well-positioned to provide appropriate oversight with respect to our policies, direction, strategy, and performance. Following Apollo's acquisition of our company in 2022, we began a process of realigning our management structure to a new operating model, goals, and objectives that are better suited for a privately-held company. As of 2022, our Board comprised eight members, and three of whom were independent.

### BOARD DIVERSITY

We believe that a diverse Board composition provides tremendous benefits to the company in driving innovation, inclusivity, and better business decisions. In 2022, 50% of our Board members were gender or ethnically diverse.<sup>13</sup>

<sup>13</sup> Ethnic diverse groups include Native Hawaiian or other Pacific Islander, Asian, Hispanic or Latino, American Indian or Alaska Native, Black or African American, and two or more races.



### RISK MANAGEMENT

Our Board plays a critical role in risk oversight, including the identification and management of risk, and works closely with the leadership teams to fulfill the responsibility of risk management. Throughout the year, senior leaders of our business units and functional groups present to the Board regarding specific risks that the company faces. On an annual basis, our management provides a comprehensive strategic review to the Board that includes discussions of major risks and management strategies, including economic, environmental, and social topics.

### ESG OVERSIGHT

The Board oversees our sustainability practices and disclosures and conducts at least one annual ESG review. Our cross-functional ESG Council is responsible for implementing our sustainability strategy and is chaired by the Executive Director of Corporate Environment, Social, and Governance, who reports to our Executive Vice President and General Counsel. As a member of the Executive Leadership Team, the General Counsel reports our ESG progress to the CEO and the Board on a quarterly basis. Represented by leaders from EHS, Legal, Human Resources and Talent Management, Finance, Engineering, Supply Chain, and Logistics functions, the ESG Council advises management teams periodically on our sustainability progress and suggests strategies that enable a holistic approach to ESG, compliance, and risk management within our organization toward generating long-term value for our stakeholders.

On an annual basis, our leadership and management teams, including the ESG Council, General Counsel, Executive Leadership Team, and the Board, are involved in the review and approval of our sustainability report. Through this multi-layered process, we work to ensure proper oversight over our ESG disclosures and facilitate meaningful dialogue surrounding our strategies, achievements, and performance.



# Ethics and Compliance

At Tenneco, we recognize that our success depends on our culture of Integrity Always, and we commit to the highest ethical standards to maintain a trusting relationship with our stakeholders. To enable our ability to lead responsibly, we instill a foundation of ethics, train our team members to actively live and promote our values, and encourage them to speak up with any questions, concerns, or ideas. We mitigate financial, reputational, and legal risks by maintaining compliance with international laws and local regulations throughout our global locations. As the regulatory landscape evolves, we will continue to implement mechanisms for accountability and navigate new requirements to maintain compliance.

Our compliance program achieved world-class recognition when our company was named to Ethisphere’s List of 2023 World’s Most Ethical Companies based on our 2022 performance. In addition, we received the American Lawyer Industry Award for the 2022 Compliance Department of the Year and Newsweek’s 2022 America’s Most Responsible Companies. These recognitions reflect our team members’ commitment to living our values and their actions that are in line with our high ethical and compliance standards.

## Ethisphere’s List of 2023 World’s Most Ethical Companies



"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.

In 2023, we were named to the World’s Most Ethical Companies by Ethisphere for the second year in a row. As one of eight honorees in the automotive industry, the recognition showcases our outstanding achievements in ethics and compliance. For more information, please see our [press release](#).

## ETHICS STANDARD AND POLICY

Our business practices, which are built upon our [Code of Conduct](#) and various company policies, enable us to promote business value in an ethical and responsible manner. Our policies guide our behaviors as we develop strategies to operate with integrity and cover a broad range of topics including ethical decision-making, conflicts of interest, anti-bribery, fair competition, data privacy, and more. Our Code of Conduct is available in over 20 languages and includes tools such as the Tenneco GPS and a traffic light concept that illustrates, defines, and guides role model behaviors (green light), circumstances on when to proceed with caution (yellow light), and avoidance of dangerous situations (red light).

In alignment with our core values, Tenneco GPS is a decision-making framework that directs our choices to do things in the right and lawful way. Included within this approach is an established global culture of encouraging team members to speak up about their experiences, share ideas, and suggest improvement opportunities for our business practices.

Our Tenneco Policy System is designed to provide consistency in our global policies across our locations and business segments. We require all team members at every level within the organization, including officers and directors, to comply with our Code of Conduct and company policies. In addition, we expect compliance by every third-party partner or organization working on our behalf or doing business with us. As we work to ensure business integrity is embedded in our operations and practices, we will continue to evaluate our standards, refine our policies, and perform periodic Legal and Compliance Risk assessments to support an effective compliance program and strategy.

## EMPLOYEE TRAINING

Our salaried full-time and hourly team members receive Code of Conduct training, and full-time salaried team members are required to annually review and certify compliance with our Code of Conduct. To supplement the Code certification, we provide online compliance training for salaried team members to learn about a variety of risks and business ethics topics, such as respect in the workplace, ethical decision-making, privacy, information security, antitrust measures, conflicts of interest, anti-corruption, and anti-harassment. We customize the training based on the audience and trends that we have observed from our hotline, internal feedback, law changes, and control improvements. In 2022, we continued to train our hourly and salaried team members to reinforce and increase awareness of our standards for ethical behaviors.

## EMPLOYEE ENGAGEMENT

We continuously enhance communications with team members to improve their understanding of our values and standards for ethical behavior. In 2022, we held a Speak Up cartoon contest on our corporate intranet in conjunction with International Anti-Corruption Day. Team members around the world were encouraged to put on their creative hats in creating cartoons that demonstrated their knowledge about our Speak Up culture. The contest was a success, and the cartoons submitted received over 11,000 views in 60 days. Through this contest, team members were provided with an opportunity to reflect on their awareness of anti-corruption and strengthen their ability to properly respond to any instances of potential violations of business integrity.

While we expect all of our team members to exhibit the highest degree of integrity in everything they do, there is a small group that goes above and beyond—Integrity Heroes. In 2022, we featured a number of heroes on our internal intranet by sharing their stories that were focused on their response strategies to a questionable situation. Moving forward, we will continue to provide opportunities for team members to express their commitment to compliance and look for additional ways to showcase employee achievements in this area.

### We Value our Speak Up Culture

We provide multiple resources for team members to report any suspected violations of our values or Code of Conduct. Team members can discuss any concerns with their managers or Human Resources representatives and are encouraged to submit concerns or reports of incidents via the Tenneco hotline, which is available 24/7 in multiple languages through a toll-free phone number and our website. This hotline allows anonymous reporting, where permitted by law, and is operated by an independent third party to provide team members with a platform to freely convey any issues.

Annually we receive hundreds of reports, which is expected for our company size. We value input from team members that help us improve our practices. Most cases pertain to Human Resources questions, and all reports are investigated in accordance with our policies. When necessary, we escalate significant issues to our leadership team. To encourage our team members to speak up, we maintain a Non-Retaliation policy to protect anyone who raises a concern, reports misconduct, or participates in an investigation. If team members are suspected of retaliation, we enforce strict discipline measures, up to and including termination.

## Ethics and Compliance (cont'd)

### ANTI-CORRUPTION

We work to actively fight corruption in our industry and strictly prohibit bribes and the facilitation of improper payments or gifts in connection with our business. Our Anti-Corruption policy establishes roles, responsibilities, and requirements that all our team members, agents, vendors, business partners, and other third parties must adhere to in addition to compliance with laws and regulations.

We recognize that there are higher corruption risks in certain areas of our operations, and we acknowledge the harmful impacts that corruption can have on local communities and stakeholders. Our vendors are evaluated for compliance with our Supplier Code of Conduct, and we use a risk-based, third-party due diligence screening approach for managing corruption concerns in our supply chain to combat the risks.

Our Internal Audit department performs bi-annual enterprise risk assessments that include an evaluation of corruption risks. In addition to training our team members on anti-corruption, we regularly celebrate our positive performance on International Anti-Corruption Day and highlight our best-in-class practices.

On a quarterly basis, all plant controllers, plant managers, individuals throughout the finance reporting chain, and key members of senior management are required to sign certifications in support of our quarterly financial reporting process. These certifications cover a variety of topics that verify team members' knowledge of any fraud or alleged fraud, absence of undue influence by management on financial reporting, and compliance with the U.S. Foreign Corrupt Practices Act (FCPA) and other applicable anti-bribery laws.

### PERFORMANCE

In 2022, we continued to maintain compliance with anti-corruption and antitrust laws. As part of our compliance strategy, we train our team members on business ethics topics. In 2022, 99% of our workforce was trained.

#### Operations Assessed for Risks Related to Corruption

**2022**

Percentage of operations assessed for risks related to corruption	All of our operations were assessed and evaluated for multiple compliance and ethics risks, including risks related to corruption.
Significant risks related to corruption identified through the risk assessment	We consider operations that require contact with government officials to pose the most significant risk of corruption through bribery (obtaining government permits, cross-border logistics, sales to government entities, etc.).

**99%**   
of total workforce was trained  
on business ethics issues

**0**   
legal actions regarding anti-competitive  
behavior and violations of anti-trust and  
monopoly legislation

For additional data, please refer to [Appendix D](#).

# Cybersecurity and Data Privacy

We monitor legal, regulatory, customer, and industry standards for compliance with applicable information security requirements and material changes that could affect our privacy risk management strategy. Our Board oversees the company's information technology risks and associated management programs. The Board receives information technology and cybersecurity updates that are focused on program governance, control maturity, and third-party information security assurance four times per year.

We have a standing Information, Security, and Privacy Executive Steering Committee that meets regularly throughout the year. This steering committee is responsible for approving the organization's information security charter and authority to operate as well as demonstrating the importance of information security and privacy risk management as critical business issues. In the event of a cyber-crisis, this committee serves as the standing Cyber-Resilience Committee that coordinates cross-functional management response.

## SECURITY MANAGEMENT

Our five-year cybersecurity improvement program is focused on improvement opportunities in our governance, operating model, organization, strategy, and third-party risk management for addressing cyber-related threats. In 2022, we continued to invest in solutions that increase our cyber control coverage and new capabilities that enable a modern cyber resilience program, inclusive of threat intelligence, incident response, and cyber-attack simulations, which are focused on the identification, containment, and recovery from an incident with the goal to quickly resume operational capabilities for the enterprise.

## MANAGEMENT FRAMEWORKS

Our information security programs are developed based on industry-leading frameworks, including the National Institute of Standards and Technology (NIST) and ISO 27001 standards. In alignment with the NIST and ISO frameworks, our cybersecurity and data privacy program enables the creation of governance and policy artifacts that are mapped to each control framework.

As of 2022, 24 locations, including our headquarters, were certified as compliant with the Trusted Information Security Assessment Exchange (TISAX) standard. In 2023, we are planning to pursue 19 more TISAX certifications for our locations. TISAX certification is based upon the ISO 27001 families and has been incorporated into our enterprise-wide information security management system (ISMS).

## SYSTEM MATURITY

Our risk-based information technology systems allow us to prioritize the deployment of controls and routinely gauge the effectiveness of the program against our management objectives. We improve our cybersecurity maturity year over year and engage senior management and external partners in the reviews and assessments that validate the effectiveness of the design and implementation of cybersecurity and privacy controls across the company. On an annual basis, we measure our control maturity and comprehensiveness through a strategic business partner, and we take preventive measures to adapt to and respond to the evolving cybersecurity landscape.

## CYBERSECURITY TRAINING

We conduct multiple levels of testing and invest in team member training to improve the resilience of our information systems and promote greater awareness of cybersecurity risks. Team members throughout our organization are provided with regular updates on our practices to address cybersecurity and data privacy. On an annual basis, we conduct phishing testing and company-wide tabletop testing for our cyber-crisis management and cyber-resilience capabilities. We provide training and raise awareness of information technology through policies and procedures. As we review information security topics with our colleagues, we take the advantage of current engagement events and company meetings to educate team members and contractors interacting with our information system on our privacy controls and practices.

## DATA PRIVACY POLICY

We aim to build trust with our stakeholders and protect their interests throughout our operations by integrating privacy into our personal data processing activities. Our Privacy Statement outlines our commitment to protecting personal information and describes the privacy rights that individuals have and how they can exercise those rights. In alignment with our policies and our commitment to stakeholder trust, we investigate incidents and customer privacy complaints thoroughly in accordance with legislation, including the General Data Protection Regulation (GDPR).

Based on the nature of our business, we do not have a strong business-to-consumer element, and therefore we do not obtain, process, or store a significant amount of consumer information. We manage human resources data for our team members, and we rely on third parties to process payroll on behalf of our Human Resources team.

We maintain systems, applications, and data types that are critical to our business, and we recognize that a loss of data confidentiality, integrity, or availability poses a risk of liability to third parties and can harm our company's brand, reputation, operations, or assets. We value the management of cyber-physical risks, both internally with connected shop floor operational technology as well as product development and security. Our investments in cybersecurity strategies are focused on shop floor segmentation of information technology and operational technology systems as well as product security as the automotive sector continues to migrate from ICEs to autonomous and electric vehicles that are equipped with a more interconnected cyber network with higher security risks.



## THE ROAD TO MAKING TOMORROW BETTER

### Cybersecurity Awareness Month

In November 2022, we hosted our first annual enterprise cybersecurity awareness month and received 13,189 virtual views of our cybersecurity awareness posts. We hosted a live global, executive leadership live panel with 1,400 participants joining to learn about cybersecurity within our organization and at home. In 2023, we will continue to provide educational opportunities and look forward to hosting our next annual enterprise-wide cybersecurity awareness month initiative.

## PERFORMANCE

In 2022, we had zero data breaches or complaints regarding data privacy.



**substantiated complaints concerning breaches of customer privacy and losses of customer data**

For additional data, please refer to [Appendix D](#).

# Supply Chain Management

At Tenneco, we work to accelerate sustainability actions throughout our value chain for building a sustainable future. Our approach to supply chain management is focused on promoting responsibility, accountability, and sustainability in the products and services that we purchase while maintaining resiliency and dependability within our supplier base. In 2022, we continued to work relentlessly to advance supply chain sustainability and refine our strategy toward our supply chain goals with a major focus on the following initiatives:

- Updated and launched new supply chain policies and purchasing terms and conditions that include sustainability clauses;
- Launched a supplier sustainability performance assessment program in partnership with EcoVadis;
- Strengthened human rights and environmental risks management in supply chain; and
- Held supplier capacity building and networking events to share sustainability best practices.

Goal	2022 Progress
 <p>100% of strategic partners reaffirm their commitment to the Tenneco Code of Conduct by the end of 2022.</p>	Communicated the new supplier code to all suppliers and implemented the new terms and conditions of purchasing and supplier requirements manual which require suppliers to abide by the code.
<p>100% of Tenneco’s top sustainability “high-risk” and/or “high-impact” suppliers complete a self-assessment questionnaire by end of 2022.</p>	Partnered with EcoVadis to assess our top 200 suppliers by spend on sustainability performance.

## MANAGEMENT STRATEGY

Our commitments to the protection of human rights and responsible sourcing throughout our supply chain are outlined in our [Code of Conduct](#) and [Supplier Code of Conduct](#). In 2022, we updated our Supplier Code of Conduct and launched our new standardized, enterprise-wide [Supplier Requirements Manual](#) and [Global Terms and Conditions of Purchase](#) (GTCs) that strengthen our ESG requirements throughout the supplier due diligence, onboarding, and engagement processes. These documents depict our expectations and include clauses surrounding business integrity, human rights, sustainability, cybersecurity, regulatory compliance, audits, and other quality and performance standards that we require suppliers to abide by.

The updated and new policies reflect months of efforts and collaboration from a cross-functional team, which consists of our global law department, the Purchasing Council, and Purchasing teams across the enterprise. The team consolidated our business segment-specific purchasing processes into a centralized framework and modernized our policies in alignment with our market conditions and industry best practices to manage our global supply chains.

## SUPPLIER ASSESSMENTS AND AUDITS

At Tenneco, we are committed to monitoring suppliers’ compliance with our supply chain policies, and we expect vendors to continuously improve their sustainability performance. We apply multiple layers of assessment and audit requirements throughout supplier onboarding and engagement. All new suppliers are required to go through a screening using Tenneco’s requirements including social and environmental criteria during onboarding. In 2022, we launched our supplier sustainability assessment strategy with EcoVadis, using a phased approach to evaluate ESG performance of our top spend and high-risk suppliers:

- Phase 1: Initiate assessments of our top 200 suppliers by spend and request completion of the initial assessments by the end of 2022.
- Phase 2: Expand the list of assessed suppliers to include additional strategic, high-risk, and high-impact vendors.

The EcoVadis assessment provides a systemic management approach that enables us to capture ESG risks in our supply chain, complete a gap analysis, and create a corrective action planning process to drive year-over-year supplier sustainability improvement. Following the announcement of our assessment requirements, we actively engaged and facilitated our vendors in the EcoVadis supplier training, registration and completion of questionnaires, and reviews of improvement action plans. We request suppliers to annually update their assessments, share improvement in their ESG policies, processes, and actions, and encourage best practices sharing. In 2022, we hosted a supplier ESG conference to recognize and highlight top-performing vendors based on EcoVadis scorings.

We complete restrictive and financial screening to ensure the suppliers we choose maintain acceptable financial standing and comply with trade regulations. All suppliers are required to demonstrate adherence to our Global Terms and Conditions for Purchase, Supplier Code of Conduct, and Supplier Requirements Manual, which includes clauses about showcasing accountability and responsibility toward human rights and social and environmental sustainability. For all new suppliers, we use our various policies to guide our screening of new vendors against our requirements, including social and environmental criteria.

Our supplier audit program is executed based on the types and risks embedded in the products and services that we source. For all vendors that provide direct

materials or products with software capabilities, we perform on-site audits during the onboarding process to ensure suppliers meet our standards for quality certifications and management systems. Other regular audits and re-audits are performed at vendors’ locations on an as-needed basis for specific manufacturing processes and quality improvement. For additional information about our audit requirements, please refer to our Supplier Requirements Manual.

## HUMAN RIGHTS AND ESG DUE DILIGENCE

Respecting human rights and protecting the environment are our unwavering commitments and are deeply embedded in our approach to sustainability. We strictly prohibit the use of child and forced labor in any form, including human trafficking and slavery. In response to the global call to action to protect human rights and environmental stewardship, we implemented a due diligence procedure in 2022 in compliance with the German Supply Chain Due Diligence Act, and we offered training sessions to equip our global purchasing team members with tools and resources to mitigate social and environmental risks in our supply chain.

Our due diligence procedure clearly defines our risk-based supplier management approach, including screening activities, tools, and roles and responsibilities for issue tracking, escalation, corrective action, and reporting to ensure early identification and intervention in potential human rights or environmental violations. In 2022, we introduced our annual web-based training for our purchasing team members that was focused on the regulatory requirements of the German Supply Chain Due Diligence Act and our processes for identifying and mitigating supply chain risks in compliance with the due diligence law. Our first training received voluntary participation from over 1,000 team members, and we plan to further expand and require mandatory training in 2023.

## SUPPLIER TRAINING AND COLLABORATION

We continue to communicate our supplier standards to our team members and vendors to advance supply chain sustainability. To support the enforcement of our requirements, we request that every direct material supplier must maintain a training program that covers our commitment to fighting against forced labor and supporting fair working conditions. As part of our strategy to promote continuous improvement, we encourage all suppliers to take the [Automotive Industry Action Group’s](#) (AIAG’s) Global Working Conditions (GWC) self-assessment and complete the AIAG Supply Chain Sustainability e-learning module.

In December 2022, our ESG and purchasing teams led a Supplier ESG conference with our top suppliers to reinforce our sustainability standards and expectations and share best practices. We recognized suppliers who achieved high EcoVadis ratings and demonstrated leadership with an aim to strengthen vendor engagement and collaboration toward a more sustainable supply chain.

## Supply Chain Management (cont'd)

### WHISTLEBLOWING STRATEGY

If there are any ethics or compliance issues identified in supplier interactions, we take actions to immediately remediate the issue or discontinue business relationships with suppliers and other third parties that fail to meet our standards for lawful and ethical conduct. To promote accountability, our Tenneco hotline offers a communication channel for anyone to report concerns or violations of our corporate policies. We promptly investigate reports and take necessary actions to address risk. For more information, please refer to the [Ethics and Compliance](#) section of this report.

### SUPPLIER DIVERSITY

Diversity improves the strength of our supply chain and the continuity of our operations—we actively pursue partnerships to maintain a diverse supplier base and continue to promote equal access to procurement opportunities for minority-owned, woman-owned, veteran-owned, LGBT-owned, disability-owned, and other underrepresented-owned businesses. In 2022, we were focused on seeking opportunities to externally demonstrate our commitment to the inclusion of diverse suppliers in our supply chain, including a series of sponsorships, memberships in advocacy organizations, and community services.

We accept supplier diversity certifications from various organizations, including:

- National Minority Supplier Development Council;
- Women’s Business Enterprise National Council;
- National Veterans Business Development Council;
- Small Business Administration (8A, HUBZone, and WOSB);
- National LGBT Chamber of Commerce;
- Disability:IN; and more.

Our supplier diversity program extends beyond borders, and we accept minority and women business certifications that are unique in other countries including the United Kingdom, China, South Africa, and Canada. Our goal is to increase spend with qualified vendors who represent racial and gender diversity while meeting our standards for quality and performance. Since the introduction of our Supplier Diversity program, we have received 25 supplier diversity awards from customers, with the most recent one being the Cummins North America Supplier Diversity Leadership Award. In 2022, our Powertrain segment was recognized by Cummins for treating diversity, equality, and inclusion as an integral component within our supply base and showcasing a significant improvement in diversity spend compared to our peers.

### CAPACITY BUILDING AND ADVOCACY

We leverage the capabilities of our existing diverse suppliers and grow our partnerships by connecting them to business opportunities within different functions

and divisions throughout our organization. We encourage and assist suppliers that meet eligibility requirements for diverse-owned business certifications in working with certifying councils to gain validation and secure business with our company.

In 2022, we took concrete actions to advance supplier diversity in our organization:

- Allocated a dedicated budget to support our supplier diversity initiatives;
- Connected decision-makers and influencers within our procurement functions with diverse suppliers to increase our diversity spend;
- Engaged our Black/African Heritage BRG on supplier diversity activities;
- Promoted diversity certification within our supplier base;
- Enhanced supplier diversity knowledge and awareness through internal communication channels;
- Tracked diversity spend on a quarterly basis through our ESG dashboard; and
- Supported global and regional advocacy organizations.

We maintain active memberships in consortiums that promote the value of a diverse supply chain. In 2022, we continued to participate in and advocate for the missions of various advocacy organizations, including:

- Asian Pacific American Chamber of Commerce
- Detroit Regional LGBT Chamber of Commerce
- Great Lakes Women’s Business Enterprise Council
- National Veteran Business Development Council
- The Council of Supplier Diversity Professionals
- The Michigan Minority Supplier Development Council
- The Michigan Hispanic Chamber of Commerce

Our involvement in the initiatives and programs of the advocacy organizations in 2022 include:

- Sponsored seven diversity advocacy events and participated in panel discussions;
- Established new memberships with two diversity advocacy councils in the U.S.;
- Engaged with two global NGOs in Central America and Asia;
- Participated in 22 supplier-buyer outreach and matchmaker events with advocacy groups and our customers;

- Supported a mentoring program for minority-owned businesses via the Michigan Minority Supplier Development Council; and
- Funded a supplier diversity ad on three organizations’ program booklets.



### THE ROAD TO MAKING TOMORROW BETTER

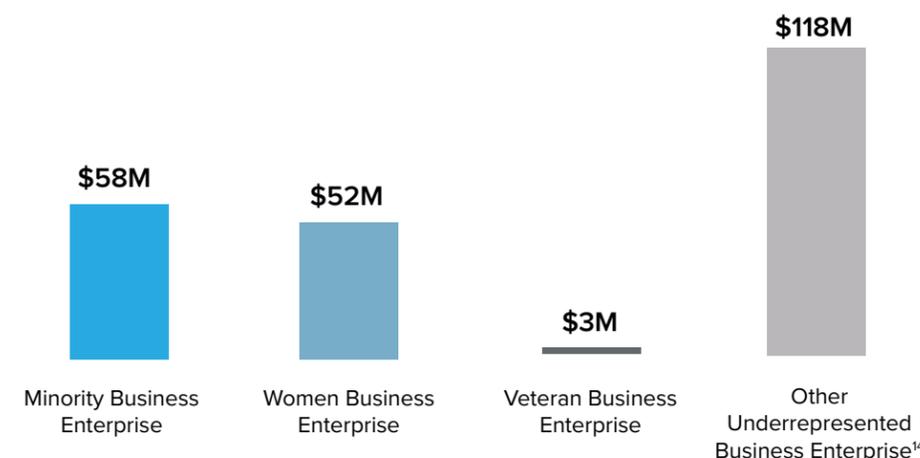
#### Fostering Supplier Diversity in our Value Chain

We believe increased diversity in our value chain helps mitigate both our and our partners’ supply chain risks. In 2022, we advised Mohr Stamping Inc., a women-owned business that manufactures metal stampings, to pursue a formal Women Business Enterprise (WBE) certification and expand their network with other OEMs by facilitating an introduction to our Tier 1 suppliers and OEM partners. As a result of our support, Mohr has become a long-term strategic diversity partner of our company and is able to pursue business opportunities directly with other OEMs.

### PERFORMANCE

In 2022, we were focused on recovering the loss in our diversity spend from the last two years due to closures of minority-owned businesses that were impacted by the COVID-19 pandemic. We further pursued procurement opportunities with underrepresented vendors and continued to build a diverse supplier base as we grow our business.

#### 2022 Diverse Supplier Spend (USD)



For additional data, please refer to [Appendix D](#).

<sup>14</sup> HubZone, Small Business, LGBTQ, Service Disabled Veteran, and Disadvantage Businesses.

## Conflict Minerals

In accordance with our [Conflict Minerals Statement](#), we are committed to responsible sourcing by procuring components and materials from companies that share our values and standards around human rights, ethics, and environmental responsibility. We comply with the Dodd-Frank Wall Street Reform and consumer protection laws of the European Commission, supporting the elimination of the use of tantalum, tin, tungsten, and gold (3TG) from improper sources that could promote abuses in the Democratic Republic of the Congo Region (DRC) or one of the DRC nine adjoining countries or countries classified as Conflict Affected and High-Risk Area (CAHARA). In 2022, we were focused on improving responses from relevant suppliers and offering training resources to continue to drive improvement and progress toward our goal:

Goal	2022 Progress
 <p>Develop a strategy by 2024 to phase out, where possible, tantalum, tin, tungsten, and gold (3TG) smelters and refiners nonconformant with Responsible Minerals Initiative (RMI) and/or other third-party audit processes in the supply chain.</p>	<p>Improved the conformant rate of smelters and refiners by 1% from 95% to 96%.</p>

### SUPPLIER DUE DILIGENCE

As part of our ongoing efforts to achieve our target, we maintain an annual, comprehensive supply chain due diligence process to document the origins of minerals and review responses to our supplier questionnaires. Our relevant suppliers are required to request information about the use of conflict minerals from their direct suppliers, who must solicit information from the next tier of their vendors. We expect all suppliers to exercise this level of due diligence and report the chain of custody on the minerals to Tenneco. Members of our leadership teams make up the Conflict Minerals Oversight Committee, which meets on a quarterly basis. The committee oversees our progress for due diligence to monitor compliance with conflict minerals regulations.

Our relevant suppliers, who are classified as strategic and critical suppliers as defined by our purchasing departments, are given two months to perform their downstream supply chain due diligence and complete their reports. In 2022, we contacted 126 relevant suppliers across our enterprise for a formal response through our reporting platform and achieved a 100% response rate. We further provided virtual training and office hours that engaged suppliers to help clarify and explain our reporting requirements and share our internal tools to audit and vet quality responses. Throughout our review process for each submittal, we worked closely with suppliers to address any concerns or non-compliance incidents and initiate appropriate corrective actions, including training, investigation, and remediation.

In collaboration with AIAG and RMI, we were able to access additional resources to conduct a more in-depth analysis of smelters and refiners identified in our due diligence program. Utilizing the tools offered by these organizations, we were able to provide immediate feedback on the information submitted by suppliers and ensure compliance with industry standards. In 2022, we achieved a 96% of smelters and refiners classified as Conformant and Active through RMI's third-party audit process, representing a 1% improvement from the prior year.

To improve consistency in reporting and the tools used for the process, we work closely with the AIAG, RMI, and OEMs to increase reporting efficiency. We continue to educate suppliers on requirements regarding 3TG and employ a centralized data collection approach to efficiently track data and respond to customer requests. In support of the Conflict-Free Smelter Program developed by RMI, we strive to obtain information and assistance from suppliers to trace the country of origin of any necessary 3TG.

### COBALT AND MICA REPORTING

As part of our continuous effort to source responsibly and align with expectations of AIAG and OEMs, we have included cobalt and mica reporting in our annual due diligence process in an effort to prevent potential human rights violations such as poor working conditions and child labor. We will continue to work with suppliers who report these elements in their supply chains to understand the sources and opportunities for conflict-free mineral sourcing. As we become more aware of minerals of concern, we will incorporate additional assessments into our reporting process to monitor performance in our supply chains.

### INDUSTRY COLLABORATION

We are actively involved in multiple associations to anticipate the next focus area of responsible sourcing and prepare to report on additional minerals. In 2022, we contributed thought leadership to the following industry working groups:

- RMI Minerals Information Sharing Subgroup;
- AIAG Smelter Engagement Team; and
- Co-chair of AIAG's Global Requirements & Mineral Sensing Subgroup.

Being part of these working groups that address conflict minerals and responsible sourcing keeps us on track with emerging requirements and enables us to influence the discussion toward sustainable sourcing. We look forward to continuing to support these partnerships and promote conflict-free minerals.



# APPENDICES

## SKIP TO:

[Appendix A - Stakeholder Engagement](#)

[Appendix B - SASB Index](#)

[Appendix C - GRI Index](#)

[Appendix D - Performance Data](#)



## Appendix A - Stakeholder Engagement

The table below summarizes our engagement activities with key stakeholders, including the frequency of our engagements and the relevant topics.

Stakeholder	How We Engage	Key Topics of Importance
Team Members	<ul style="list-style-type: none"> <li>Hold town hall and team member meetings, global webcasts, picnics and special events, training and development, and recognition programs annually</li> <li>Participate at annual Euroforum</li> <li>Host ESG Council meetings quarterly</li> <li>Update Enterprise Risk Management process annually</li> <li>Perform team member engagement surveys at least every two years</li> </ul>	<ul style="list-style-type: none"> <li>Business performance</li> <li>Inclusion, Diversity and Equity</li> <li>Safety</li> <li>Training and development</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Participate in Ford's Partnership for a Cleaner Environment program annually</li> <li>Host customer technology days and skip-level meetings with customers annually</li> <li>Participate in customer Sustainability initiatives, e.g., BMW Sustainability Training for Suppliers, Scania Sustainability Supplier Day annually, and GM's Energy Treasure Hunts</li> <li>Participate in Automotive REACH Task Force annually</li> </ul>	<ul style="list-style-type: none"> <li>Customer service</li> <li>Management of restricted substances</li> <li>Product safety</li> <li>Product quality</li> <li>Sustainability-related risks and opportunities</li> </ul>
Investors <sup>15</sup>	<ul style="list-style-type: none"> <li>Hold annual shareholder meeting</li> <li>Host quarterly webcasts to discuss financial results</li> <li>Participate in global investor and industry conferences throughout the year</li> <li>Submit quarter/annual and other SEC filings</li> <li>Share our ESG progress in dialogues with investors</li> </ul>	<ul style="list-style-type: none"> <li>Business performance</li> <li>Corporate governance</li> <li>Executive compensation</li> <li>Regulatory risks</li> <li>Sustainability-related risks and opportunities</li> </ul>
Communities	<ul style="list-style-type: none"> <li>Provide site visits and plant tours</li> <li>Partner with local charitable organizations and schools</li> <li>Support annual charitable fundraising campaigns</li> </ul>	<ul style="list-style-type: none"> <li>Air quality</li> <li>Business performance</li> <li>Corporate giving</li> <li>Corporate taxes</li> <li>Local employment</li> <li>Safety</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Participate in Automotive Industry Action Group</li> <li>Maintain Supplier Diversity Program annually</li> <li>Perform supplier audits</li> <li>Complete screenings on new suppliers</li> <li>Communicate our new Supplier Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Business performance</li> <li>Conflict Minerals</li> <li>Supplier growth</li> <li>Supplier diversity</li> <li>Waste management</li> </ul>
Government and Regulatory Agencies	<ul style="list-style-type: none"> <li>Engage with the Environmental Protection Agency (EPA) on emissions reduction strategies on an ongoing basis</li> <li>Conduct due diligence to ensure compliance with the German Supply Chain Act</li> </ul>	<ul style="list-style-type: none"> <li>Air quality</li> <li>Compliance</li> <li>GHG emissions</li> <li>Waste</li> <li>Water</li> <li>Public health and safety</li> <li>Supplier Human Rights due diligence</li> </ul>
Trade Associations	<ul style="list-style-type: none"> <li>Sit on the Automotive Industry Action Group Board of Directors and the Supply Chain Steering Committee</li> <li>Participate in the Automotive Aftermarket Suppliers Association quarterly meetings</li> <li>Participate in the European Association of Automotive Suppliers Sustainability/CSR Expert Group quarterly meetings</li> <li>Participate in the Original Equipment Suppliers Association (OESA) quarterly meetings</li> </ul>	<ul style="list-style-type: none"> <li>Public policy</li> <li>Product quality</li> <li>Product safety</li> <li>Supply chain management</li> <li>Transparency</li> </ul>

<sup>15</sup> Engagement activities reflect the status prior to Apollo's acquisition in November 2022. Moving forward, we will engage Apollo as Tenneco's sole primary investor in shareholder engagement activities.

## Appendix B - SASB Index

The table below presents Tenneco's response to the SASB Auto Parts Industry Standard for the period from January 1 to December 31, 2022.

Topic	Metric	Code	Response
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TR-AP-130a.1	(1) 12,877,061 gigajoules (2) 67% (3) 6%
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	TR-AP-150a.1	(1) 177,168 metric tons (2) 15% (3) 78%
Product Safety	Number of recalls issued, total units recalled	TR-AP-250a.1	(1) 1 recall issued (2) 15,200 units recalled For more information, please refer to the Product Safety and Quality section of this report.
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency and/or reduce emissions	TR-AP-410a.1	\$7,555 million
Material Sourcing	Description of the management of risks associated with the use of critical materials	TR-AP-440a.1	Please refer to the Conflict Minerals section of this report.
Material Efficiency	Percentage of products sold that are recyclable	TR-AP-440b.1	85%
	Percentage of input materials from recycled or re-manufactured content	TR-AP-440b.2	This information has not been tracked in the past. We are working on ways to track it in the future.
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TR-AP-520a.1	\$0

Activity Metric	Code	Response
Number of parts produced	TR-AP-000.A	5,280,119,482 <sup>16</sup>
Weight of parts produced	TR-AP-000.B	The weight of products produced is currently not tracked. We will explore opportunities to collect this information in the future as appropriate.
Area of manufacturing plants	TR-AP-000.C	3.37 million square meters

<sup>16</sup> Data reflects the number of parts shipped because we do not track the number of parts produced for each business unit.



## Appendix C - GRI Index

<b>Statement of Use</b>	Tenneco Inc. has reported the information cited in this GRI content index for the period from January 1 to December 31, 2022, with reference to the GRI Standards.
<b>GRI 1 Used</b>	GRI 1: Foundation 2021

GRI Standard	Disclosure	Report Location & Response	Additional Information
GRI 2: General Disclosures 2021	2-1 Name of the organization	Tenneco Inc.	
	2-2 Entities included in the organization's sustainability reporting	Tenneco Overview	
	2-3 Reporting period, frequency, and contact point	About This Report	
	2-4 Restatements of information	We have restated our 2020 and 2021 percentages of recyclable products from 91% to 85% due to an improvement in data quality .	
	2-5 External assurance	ESG data included in this report is not externally assured.	
	2-6 Activities, value chain and other business relationships	Tenneco Overview	
	2-7 Employees	Appendix D	
	2-8 Workers who are not employees	Talent Attraction and Retention; Appendix D	Total number of workers who are not employees and whose work is controlled by the organization is not available. Tenneco continues to improve reporting processes and will consider working separately to collect data.
	2-9 Governance structure and composition	Corporate Governance; <a href="#">Executive Leadership Team</a>	
	2-10 Nomination and selection of the highest governance body	Not available	Information is considered confidential to our business.
	2-11 Chair of the highest governance body	Corporate Governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance	
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance	
	2-15 Conflicts of interest	Not available	Information is considered confidential to our business.
	2-16 Communication of critical concerns	Ethics and Compliance	Information regarding total number and nature of critical concerns communicated to the highest governance body is considered confidential to our business.
	2-17 Collective knowledge of the highest governance body	The experience of each executive leader can be found on our <a href="#">Executive Leadership Team</a> webpage. One of our Board members represents the ESG function of our private equity owner and shares ESG information with the entire Board .	
	2-18 Evaluation of the performance of the highest governance body	Tenneco is currently reviewing its Board's performance evaluation process in connection with its overall realignment of the company's management structure and process.	
	2-19 Remuneration policies	Not available	Remuneration is considered confidential to our business.
	2-20 Process to determine remuneration	Not available	Remuneration is considered confidential to our business.
	2-21 Annual total compensation ratio	Not available	Compensation ratio is considered confidential to our business.
	2-22 Statement on sustainable development strategy	A Message from Our CEO	
	2-23 Policy commitments	Labor Relations and Human Rights; Ethics and Compliance; Supply Chain Management	
	2-24 Embedding policy commitments	Labor Relations and Human Rights; Ethics and Compliance; Supply Chain Management	



GRI Standard	Disclosure	Report Location & Response	Additional Information
	2-25 Processes to remediate negative impacts	Ethics and Compliance	
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and Compliance	
	2-27 Compliance with laws and regulations	Ethics and Compliance; Appendix D	
	2-28 Membership associations	Tenneco is a member of the following associations: <ul style="list-style-type: none"> <li>Automotive Industry Action Group Board of Directors and the Supply Chain Steering Committee</li> <li>Automotive Aftermarket Suppliers Association</li> <li>European Association of Automotive Suppliers Sustainability/CSR Expert Group</li> <li>Original Equipment Suppliers Association</li> </ul>	
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder Engagement; Appendix A	
	2-30 Collective bargaining agreements	Labor Relations and Human Rights; Appendix D The working conditions and terms of employment for employees not subject to a collective bargaining agreement are determined by Tenneco policies and any applicable country, federal, or state rules and regulations.	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	
	3-2 List of material topics	Materiality Assessment	
	3-3 Management of material topics	Throughout the report	
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Ethics and Compliance	
	205-1 Operations assessed for risks related to corruption	Ethics and Compliance; Appendix D	
GRI 206: Anti-competitive Behavior 2016	3-3 Management of material topics	Ethics and Compliance	
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics and Compliance; Appendix D	
GRI 302: Energy 2016	3-3 Management of material topics	Energy and Greenhouse Gas Emissions	
	302-1 Energy consumption within the organization	Energy and Greenhouse Gas Emissions; Appendix D	
	302-3 Energy intensity	Energy and Greenhouse Gas Emissions; Appendix D	
	302-4 Reduction of energy consumption	Energy and Greenhouse Gas Emissions; Appendix D	
GRI 303: Water and Effluents 2018	3-3 Management of material topics	Operational Waste and Water	
	303-1 Interactions with water as a shared resource	Operational Waste and Water	
	303-2 Management of water discharge-related impacts	Operational Waste and Water	
	303-3 Water withdrawal	Operational Waste and Water; Appendix D	
GRI 305: Emissions 2016	3-3 Management of material topics	Energy and Greenhouse Gas Emissions	
	305-1 Direct (Scope 1) GHG emissions	Energy and Greenhouse Gas Emissions; Appendix D	
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and Greenhouse Gas Emissions; Appendix D	
	305-4 GHG emissions intensity	Energy and Greenhouse Gas Emissions; Appendix D	
	305-5: Reduction of GHG emissions	Energy and Greenhouse Gas Emissions; Appendix D	
GRI 306: Waste 2020	3-3 Management of material topics	Operational Waste and Water	
	306-3 Waste generated	Operational Waste and Water; Appendix D	
	306-4 Waste diverted from disposal	Operational Waste and Water; Appendix D	
	306-5 Waste directed to disposal	Operational Waste and Water; Appendix D	



GRI Standard	Disclosure	Report Location & Response	Additional Information
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Supply Chain Management	
	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management	
GRI 401: Employment 2016	3-3 Management of material topics	Talent Attraction and Retention	
	401-1 New employee hires and employee turnover	Appendix D	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Attraction and Retention	
GRI 402: Labor/Management Relations 2016	3-3 Management of material topics	Labor Relations and Human Rights	
	402-1 Minimum notice periods regarding operational changes	Appendix D	
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Occupational Health and Safety	
	403-1 Occupational health and safety management system	Occupational Health and Safety	
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	
	403-3 Occupational health services	Occupational Health and Safety	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	
	403-5 Worker training on occupational health and safety	Occupational Health and Safety	
	403-6 Promotion of worker health	COVID-19 Response and Health Wellness	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	
	403-9 Work-related injuries	Occupational Health and Safety; Appendix D	
GRI 404: Training and Education 2016	3-3 Management of material topics	Talent Attraction and Retention	
	404-1 Average hours of training per year per employee	Talent Attraction and Retention; Appendix D	
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Attraction and Retention	
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Inclusion, Diversity and Equity; Corporate Governance	
	405-1 Diversity of governance bodies and employees	Inclusion, Diversity and Equity; Corporate Governance; Appendix D	
GRI 414: Supplier Social Assessment 2016	3-3 Management of material topics	Supply Chain Management	
	414-1 New suppliers that were screened using social criteria	Supply Chain Management	
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	Product Safety and Quality	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Safety and Quality; Appendix D	
GRI 418: Customer Privacy 2016	3-3 Management of material topics	Cybersecurity and Data Privacy	
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity and Data Privacy; Appendix D	
<b>Non-GRI Topics</b>			
Product Efficiency	3-3 Management of material topics	Product Efficiency	
Product Innovation	3-3 Management of material topics	Product Innovation	

## Appendix D - Performance Data

### Business Overview

	2020	2021	2022
Revenue (million USD)	15,379	18,035	18,854
Number of manufacturing sites	201	196	196
Number of aftermarket distribution centers and warehouses	33	29	28
Number of globally networked engineering and technical centers	39	38	37
Area of manufacturing plants (million square meters)	3.34	3.39	3.37

### Environmental

	2020	2021	2022
<b>Greenhouse Gas Emissions<sup>17</sup></b>			
Direct (Scope 1) GHG emissions (metric tons CO <sub>2</sub> e)	219,835	235,465	212,143
Energy indirect (Scope 2) GHG emissions (metric tons CO <sub>2</sub> e)	1,008,633	1,080,791	991,709
Emissions intensity (Scope 1 and Scope 2) (metric tons CO <sub>2</sub> e/million USD revenue)	80	73	64
<b>Energy Use</b>			
Total energy consumption (gigajoules)	12,412,693	13,277,253	12,877,061
Energy intensity (gigajoules/million USD revenue)	807	736	683
Percentage of grid electricity	65%	65%	67%
Percentage of renewable energy consumption		10%	6% <sup>18</sup>
Total renewable energy consumption (gigajoules)	-	1,268,421	830,784
<b>Environmental Management System<sup>19</sup></b>			
Percentage of sites certified to ISO 14001 Environmental Management System	81%	84%	86%

<sup>17</sup> The calculations include CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. We used emissions factors from the International Energy Agency (IEA) and EPA, and used global warming potential (GWP) rates from the IPCC. We used operational control for our consolidation approach for emissions, and we incorporated standards and methodologies from the Greenhouse Gas Protocol and from GRI Standards.

<sup>18</sup> The decline in the percentage of renewable energy consumption compared to our 2021 baseline was mainly driven by the 2022 energy crisis in Europe. Our team is continuously exploring renewable sourcing opportunities.

<sup>19</sup> Scope of management system certification percentages includes manufacturing sites.



	2020	2021	2022
Percentage of sites certified to ISO 50001 Energy Management System	16%	12%	12%
<b>Waste<sup>20</sup></b>			
<b>Waste Generation by Type (metric tons and percentage total)</b>			
Total amount of waste from manufacturing	-	159,932 (100%)	177,168 (100%)
Hazardous waste (metric tons)	-	33,229 (21%)	27,110 (15%)
Non-hazardous waste (metric tons)	-	126,703 (79%)	150,058 (85%)
Waste Intensity (metric tons/million USD revenue)	-	8.87	9.40
<b>Total Waste by Disposal Method (metric tons and percentage total)</b>			
Recycled	-	125,165 (78%)	137,609 (78%)
Sent to landfill	-	30,394 (19%)	24,620 (14%)
Disposed—incinerated and all other	-	4,373 (3%)	14,938 (8%)
<b>Hazardous Waste by Disposal Method (metric tons and percentage total)</b>			
Recycled	-	-	9,417 (35%)
Sent to landfill	-	-	9,946 (37%)
Disposed—incinerated and all other	-	-	7,747 (29%)
<b>Non-hazardous Waste by Disposal Method (metric tons and percentage total)</b>			
Recycled	-	-	128,193 (85%)
Sent to landfill	-	-	14,674 (10%)
Disposed—incinerated and all other	-	-	7,192 (5%)

<sup>20</sup> Data represents approximately 80% of manufacturing sites.



	2020	2021	2022
<b>Water</b>			
Total water withdrawal (megaliters)	7,097	7,305	7,455
Surface water	-	-	95
Groundwater	-	-	1,464
Seawater	-	-	0
Produced water	-	-	0
Third-party water	-	-	5,897
Total water withdrawal from areas with water stress (megaliters)	-	2,320	2,309
Surface water	-	-	30
Groundwater	-	-	669
Seawater	-	-	0
Produced water	-	-	0
Third-party water	-	-	1,609
Water intensity (megaliters/million USD revenue)	0.46	0.41	0.40

## Occupational Health and Safety<sup>21</sup>

	2020	2021	2022
OSHA recordable incident rate <sup>22</sup>	0.54	0.55	0.50
Lost time injury frequency rate <sup>23</sup>	-	1.33	1.15
Number of recordable work-related injuries	394	468	425
Number of hours worked	146,696,397	170,606,895	168,868,534
Percentage of sites certified to ISO 45001 Health and Safety System	48%	56%	57%

<sup>21</sup>In addition to our team members, our recordable incident rate and lost time frequency rate include the available data for contractors working on the production floor. We plan to collect contractor data separately in the future, and we continue to improve processes to record company-wide data in a centralized system.<sup>21</sup>The rate has been calculated as (total number of recordable incidents) x 200,000 / total hours worked company wide. No workers were excluded from this disclosure. We used OSHA standards to compile the data.

<sup>22</sup>The rate has been calculated as (total number of recordable incidents) x 200,000 / total hours worked company wide. No workers were excluded from this disclosure. We used OSHA standards to compile the data.

<sup>23</sup>The rate has been calculated as (total number of lost time injury events) x 1,000,000 / total hours worked company wide. No workers were excluded from this disclosure.



## Talent Attraction and Retention

	2020	2021	2022
<b>Average Annual Training Hours Per Salaried Team Member (Hours)</b>			
Asia Pacific	14	10	11
Americas	13	14	12
EMEA	8	9	8
Global	12	11	10
<b>Global Workforce</b>			
Number of team members	73,000	71,000	71,000
<b>Permanent</b>			
Female	23%	23%	23%
Male	77%	77%	77%
<b>Total Team Members by Employment Contract, by Region<sup>24</sup></b>			
<b>Permanent</b>			
Asia Pacific	19%	41%	20%
Americas	41%	20%	41%
EMEA	40%	39%	38%
<b>Temporary</b>			
Asia Pacific	16%	71%	63%
Americas	65%	13%	15%
EMEA	20%	16%	22%

	2020		2021		2022	
	Number	Percentage	Number	Percentage	Number	Percentage
<b>New Hires<sup>25</sup></b>						
<b>By Region</b>						
Asia Pacific	2,139	15%	2,986	20%	2,738	19%
Americas	7,129	23%	12,258	40%	13,985	46%
EMEA	1,764	6%	2,416	8%	3,024	11%
<b>New Hires</b>						
<b>By Gender</b>						
Female	2,966	17%	4,633	28%	5,384	32%
Male	8,066	14%	13,023	23%	14,293	25%
<b>New Hires, by Age</b>						
<b>By Age</b>						
< 30 Years	5,719	44%	8,969	78%	9,488	83%
30-50 Years	4,583	11%	7,458	18%	8,907	21%
>50 Years	730	4%	1,233	6%	1,345	7%

<sup>24</sup>Information combines data for full-time and part-time employees. We do not currently track the global breakdown for full-time and part-time, but we continue to improve our reporting processes. Data was pulled from the Tenneco HR Core system. Only active and inactive company employees were included. We did not include system splits in termination reporting.

<sup>25</sup>Reflects the number of new hires as a percentage of total headcount in that category (region, gender, or age) at the end of the year.

## Talent Attraction and Retention (cont'd)

	2020		2021		2022	
	Number	Percentage	Number	Percentage	Number	Percentage
<b>Turnover<sup>26</sup></b>						
<b>By Region</b>						
Asia Pacific	2,530	18%	3,075	21%	3,194	22%
Americas	8,610	28%	13,137	43%	13,940	46%
EMEA	3,340	11%	3,457	12%	3,608	13%
<b>By Gender</b>						
Female	3,853	23%	5,174	31%	5,207	31%
Male	10,627	18%	14,494	25%	15,501	27%
<b>By Age</b>						
< 30 Years	4,770	37%	7,900	69%	8,442	74%
30-50 Years	6,508	15%	8,503	20%	9,336	23%
>50 Years	3,202	16%	3,266	16%	2,962	14%

## Labor Relations

	2020	2021	2022
<b>U.S. Equal Employment Opportunity Commission Charges and National Labor Relations Act Violations</b>			
Number of EEOC charges filed <sup>27</sup>	16	3	8
Number of NLRA violations	0	0	0
<b>Percentage of Total Team Members Covered by Collective Bargaining Agreements</b>			
Percentage of team members covered by collective bargaining agreements in the U.S.	18%	16%	11% <sup>28</sup>
Percentage of total employees covered by collective bargaining agreements globally	53%	62%	63%
<b>Minimum Notice Periods Regarding Operational Changes<sup>29</sup></b>			
Minimum number of weeks' notice typically provided to U.S. employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	8.5	8.5	8.5
Whether the notice period and provisions for consultation and negotiation are specified in collective agreements	Varies regionally	Varies regionally	Varies regionally

<sup>26</sup> Reflects the total number of employees who leave the organization (voluntarily or due to dismissal, retirement, or death in service) as a percentage of total headcount in that category (region, gender, or age) at the end of the year.

<sup>27</sup> To date, no charge has resulted in a finding in favor of the charging party.

<sup>28</sup> In 2022, some of the changes in the metrics can be attributed to attrition, reduced hiring and improved data accuracy and quality.

<sup>29</sup> Notice periods vary regionally. Tenneco follows all local regulations for minimum notice periods. For example, the minimum notice period for plant closure or significant reduction is 60 days of notice per the Worker Adjustment and Retraining Notification Act (WARN) Act in the U.S.



## Inclusion, Diversity and Equity<sup>30</sup>

	2020	2021	2022
<b>Diversity of Board Directors, by Gender, Age Group, and Ethnicity</b>			
Female	30%	36%	25%
Male	70%	64%	75%
<30 Years	0%	0%	0%
30-50 Years	0%	0%	38%
>50 Years	100%	100%	62%
U.S. Ethnic Diversity	10%	9%	25%
<b>Diversity of Workforce, by Gender, Age Group, and Ethnicity</b>			
<b>Senior Management</b>			
Female	17%	18%	19%
Male	83%	82%	81%
<30 Years	0%	0%	0%
30-50 Years	55%	50%	47%
>50 Years	45%	50%	53%
U.S. Ethnic Diversity	16%	17%	18%
<b>Supervisors/Managers</b>			
Female	19%	21%	21%
Male	81%	79%	79%
<30 Years	2%	1%	1%
30-50 Years	68%	65%	64%
>50 Years	30%	34%	35%
U.S. Ethnic Diversity	18%	22%	23%
<b>Professionals</b>			
Female	26%	28%	29%
Male	74%	72%	71%
<30 Years	15%	9%	11%
30-50 Years	70%	65%	65%
>50 Years	15%	26%	24%
U.S. Ethnic Diversity	16%	19%	18%
<b>Ethnic Diversity of Total U.S. Team Members</b>			
U.S. Ethnic Diversity	--	30%	27%

<sup>30</sup> Ethnic diverse groups include Native Hawaiian or other Pacific Islander, Asian, Hispanic or Latino, American Indian or Alaska Native, Black or African American, and two or more races.

## Ethics and Compliance

	2020	2021	2022
<b>Business Ethics Training</b>			
Number of interactive training sessions for ethics and compliance	190	993	314
Number of team members reached from training	8,600	57,032	33,000
Percentage of total workforce trained on business ethics issues	--	99%	99%
<b>Anti-Corruption</b>			
Percentage of operations assessed for risks related to corruption	100%	100%	100%
<b>Legal Actions for Anti-Competitive Behavior, Antitrust, and Monopoly Practices</b>			
Number of legal actions pending during the reporting period regarding anti-competitive behavior and violations of antitrust and monopoly legislation in which the organization has been identified as a participant	9	1	0
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations (USD)	33 million <sup>31</sup>	0	0

## Cybersecurity

	2020	2021	2022
<b>Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data</b>			
<b>Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:</b>			
Complaints received from outside parties and substantiated by the organization	0	0	0
Complaints from regulatory bodies	0	0	0
Total number of complaints	0	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0	0
Percentage of all operational sites with an information security management system (ISMS) certified to ISO 27000 (or other equivalent/similar standard)	-	6%	10%
Number of sites certified to Trusted Information Security Assessment Exchange (TISAX)		14	24

<sup>31</sup>These costs relate to prior events and do not represent new cases. Tenneco established a reserve of \$132 million in our 2017 second quarter financial results for settlement costs relating to these matters; as of December 31, 2021, there was 0 remaining in the reserve. In 2022, we had zero legal proceedings associated with antitrust regulations.



## Supply Chain Management

	2020	2021	2022
<b>Supplier Base<sup>32</sup></b>			
Number of suppliers	45,067	44,567	42,917
Total supplier spend (million USD)	9,575	11,240	12,847
<b>Supplier Diversity</b>			
<b>Minority Business Enterprise (MBE)</b>			
Number of suppliers	75	85	105
Spend (million USD)	51	45	58
<b>Women Business Enterprise (WBE)</b>			
Number of suppliers	88	94	112
Spend (million USD)	25	39	52
<b>Veteran Business Enterprise (VET)</b>			
Number of suppliers	14	12	25
Spend (million USD)	2	2	3
<b>Other Underrepresented Business Enterprise<sup>33</sup></b>			
Number of suppliers	-	-	154
Spend (million USD)	-	-	118

## Product Management

	2020	2021	2022
<b>Product Safety</b>			
Percentage of manufacturing sites that were certified in accordance with the IATF 16949 and/or ISO 9001 standard	97%	99%	99%
Number of recalls issued <sup>34</sup>	3	2	1
Total units recalled	2,340	3,700	15,200
<b>Incidents of Non-Compliance Concerning the Health and Safety Impacts of Products and Services</b>			
Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	0
Incidents of non-compliance with regulations resulting in a warning	0	0	0
Incidents of non-compliance with voluntary codes	0	0	0
Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period	0	0	0
<b>Product Efficiency<sup>35</sup></b>			
Percentage of revenue from products that are designed to increase fuel efficiency and/or reduce emissions during their use phase	41%	41%	40%
Total revenue from products that are designed to increase fuel efficiency and/or reduce emissions during their use phase (million USD)	6,376	7,402	7,555
<b>Product Innovation</b>			
Number of parts produced <sup>36</sup>	4,816,862,704	5,387,103,943	5,280,119,482
Percentage of products sold, by revenue, that are recyclable <sup>37</sup>	85%	85%	85%

<sup>32</sup> Supplier locations include North America, Europe, China, Mexico, the U.S., and India. Materials and inputs supplied include raw materials, coatings, packaging, stamping, steel, and other products.

<sup>33</sup> HubZone, Small Business, LGBTQ, Service Disabled Veteran, and Disadvantage Businesses.

<sup>34</sup> Data represents NHTSA recalls in the U.S. and any equivalent recalls in other countries. Tenneco is not aware of additional recalls

<sup>35</sup> Data reflects Clean Air and Powertrain segments only.

<sup>36</sup> Data reflects the number of parts shipped because we do not track the number of parts produced for each business unit.

<sup>37</sup> We have restated our 2020 and 2021 percentages from 91% to 85% due to an improvement in data quality.

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