

# Environmental, Health, Safety and Energy Policy



Doing the right thing the right way is one of Aptiv's core values. Aptiv is committed to protecting the health and safety of each employee as one of our top priorities. We believe that all occupational incidents are preventable and that there will be no compromise of an individual's well-being in anything we do. Throughout the course of our activities, Aptiv is committed to protecting the human health, and the environment in which we live and operate by conserving energy and natural resources.

Aptiv's Environmental, Health, Safety & Sustainability and Energy Operating System (EHS&S and Energy OS) includes the global occupational risks, environmental aspects and energy uses resulting from its activities, products and services, and external environmental threats, including manufacturing and commercialization of parts for the automotive industry & other customers.

It is Aptiv's strategy to implement, maintain and improve its Environmental, Health, Safety & Sustainability and Energy Management System, in accordance with ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018 requirements within the Aptiv Enterprise Operating System (EOS) while supporting corporate social responsibility standards to which we subscribe. In particular, it is our policy to continuously assure the occupational health, safety, environmental integrity and energy performance of the activities, products and services, inside and outside of our facilities, through the evaluation and elimination of hazards, reduction of occupational risks, minimization of environmental aspects and improvement of energy uses. These are related to occupational risks, resources consumption including energy and waste production, and external environmental threats, identified as significant. It is also Aptiv's objective to increase the awareness of Aptiv's supply chain to minimize our indirect environmental aspects.

To achieve such, Aptiv will:

- Comply with the Laws and Regulations of the countries in which we operate and to conform with other requirements to which Aptiv subscribes or is signatory to, as applicable to our occupational risks, environmental aspects and energy uses;
- Develop practices to prevent the occurrence of incidents, illnesses, pollution and improve energy performance;
- Make the Policy available to all our workers, as well as to other individuals that participate in any activity in Aptiv's name or operate under our control with the intention of providing awareness about their individual obligations within the scope of this policy. The policy will also be made available to other interested parties at their request;
- Cooperate with suppliers, customers and local communities, including governments, in the prevention of occupational risks, the adoption of good environmental practices and good energy conservation practices;
- Work to achieve continuous improvement of occupational health and safety, environmental and energy performance. Annual objectives and targets will be established, subject to approval, follow-up and periodical review by Aptiv Management to continue to integrate sound environmental, health and safety and energy practices into our business.
- Ensure the consultation and participation of workers and, where they exist, worker's representatives.

We believe it is a leadership responsibility to provide a safe and healthy working conditions for the prevention of work related injury and ill health. Every employee has an important role in assuring that they and their co-workers are safe. We recognize that through training and knowledge of our practices we can also enhance the personal lives of our employees, their families and the environment.

Rev. date: April 4<sup>th</sup>, 2022

## Climate Change Management.

Aptiv discloses, for the corporation, management-level oversight on climate-related issues, including the organizational structure and applicable incentives for the management of climate-related issues. Provides Aptiv's descriptions, financial impacts, and management methods associated with the identified risks and opportunities. Provides Aptiv's case studies/examples of how Aptiv's process for identifying, assessing and managing physical and transitional risks and opportunities have been applied. Considers increasing the proportion of renewable energy consumed. Ensures that the company targets are aligned with the Science Based Target initiative.

## Water Management

Aptiv has board-level oversight and management-level responsibility for water-related issues.

Aptiv establishes a robust approach to define water goals & targets. Sets water targets & goals which are monitored at the corporate level and reports on progress against them year over year.

Sets a robust method to monitor the water consumption of the majority of Aptiv's sites and assesses how the figures have changed over the years. Ensures to carry out a robust and comprehensive water risk assessment at relevant stages of the value chain, by combining multiple tools and methods and by including relevant stakeholders and contextual issues.

Aptiv has a water policy, included in the EHS policy, that comprises commitments beyond regulatory compliance, and the recognition of the environmental linkages, for example, due to climate change. In addition, Aptiv acknowledges the human rights for access to water and sanitation, where Aptiv has control. Ensures to carry out value chain engagement on water-related issues

Effective date: April 4<sup>th</sup>, 2022



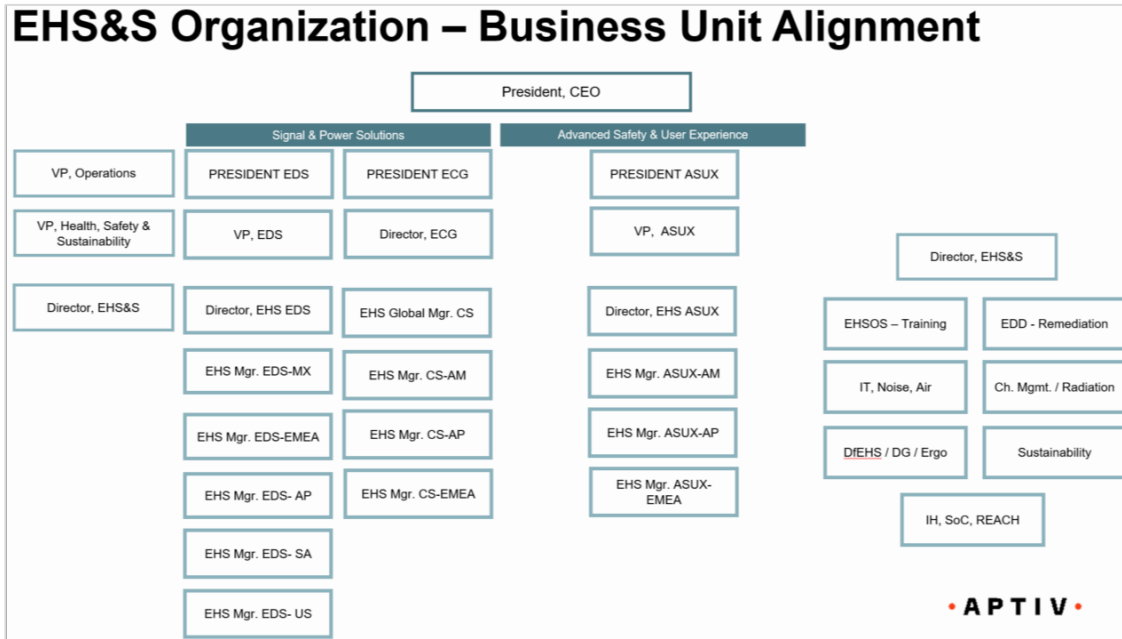


# EHS&S

- ORGANIZATION
- EHS OS (ISO 14001, 45001, 50001)
- iEHS – ONLINE TOOL
- SAFETY AND SAFETY CULTURE
- APTIV'S 6 SAFETY HABITS
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- MACHINE & SAFETY
- LOOK ACROSS
- DANGEROUS GOODS
- DUE DILIGENCE & REMEDIATION
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## ORGANIZATION

Aptiv has an executive responsible of Environment, Health & Safety and Sustainability (EHS&S) including climate change, this person is the Vice President of Operations and provides an update to the board on a regular basis.



### EHS&S Organization – Business Unit Alignment

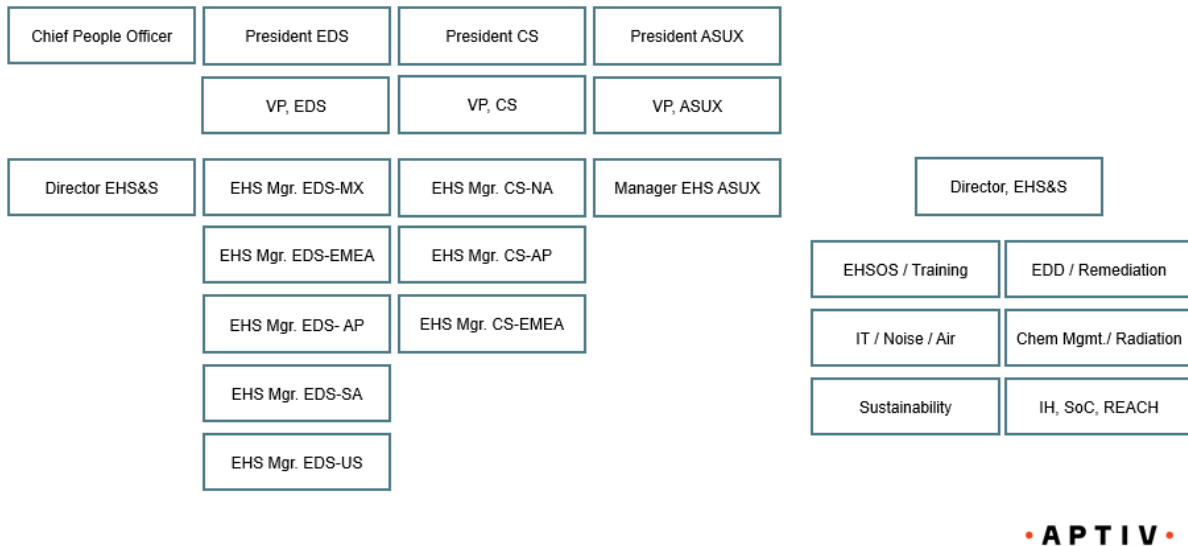


Fig. 1 EHSS Org Chart

## EHS OS (ISO 14001, 45001, 50001)

ISO 14001, Environmental Management System. ISO 45001, Occupational Health and Safety management systems. ISO 50001, Energy Management Systems.

We developed a standard common management system that combined ISO14K, ISO 45K and ISO 50K. We transformed ISO requirements into controlled procedures and the combined ISO14K – ISO45K – ISO50K system called EHS OS, was launched in 2016 with the first site externally certified using this system in 2017.

With the publication of ISO 45K in March 2018, we immediately revised the system to align with the standard. This work was completed in June 2018. The first sites to get ISO45K certified were in India and Portugal in the beginning of 2019. We have been working in the ISO 50K implementation in several of our sites, the first location obtaining this certificate was Anting Yuanguo, China in 2021.

Although Tech Centers are not required to be ISO certified, the same system is implemented and followed in these sites, with some important Tech Centers holding certifications like the one in Poland and Portugal

All our manufacturing sites are certified ISO14K, by the end of 2018, all transitioned to the 2015 version of the standard.

Aptiv developed and owns an online tool, where all its sites must upload their certificates, it includes:ISO14001, ISO45001, IATF14949 and any other local certification.

Besides this usage, this tool is also used by the EHS manager of each business unit, to ensure that every site initiates the audit process before their certificate expires.

- Number of Aptiv manufacturing sites (in 2022): 131
- Number of manufacturing sites certified ISO14001 (in 2022) or soon to be certified: 94% and 6% in process
- Number of manufacturing sites certified ISO 45001 (in 2022) or soon to be certified: 58%
- EHS&S savings from projects (in 2022): US \$ 1,058,913

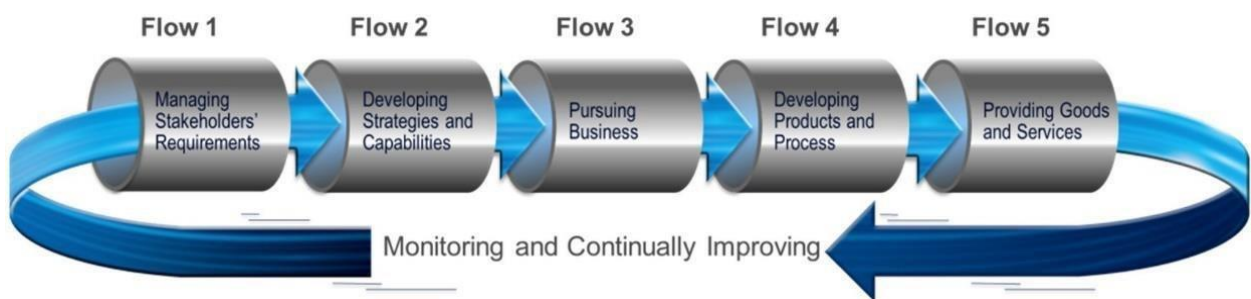


Fig 2. Enterprise Operating System Model

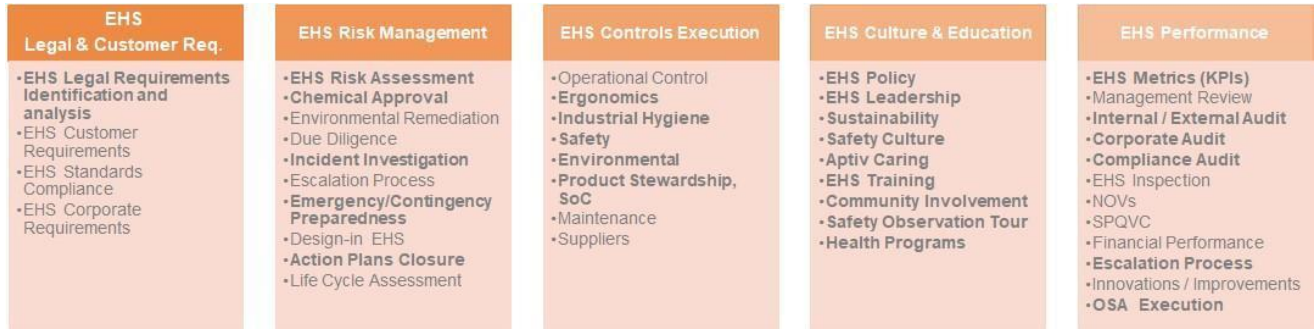


Fig. 3 EHS Business Process

Aptiv's EHS online platform is a tool developed and owned by Aptiv. Within this platform are included all the EHS&S information of the company, including the environmental metrics used to calculate our greenhouse gas emissions

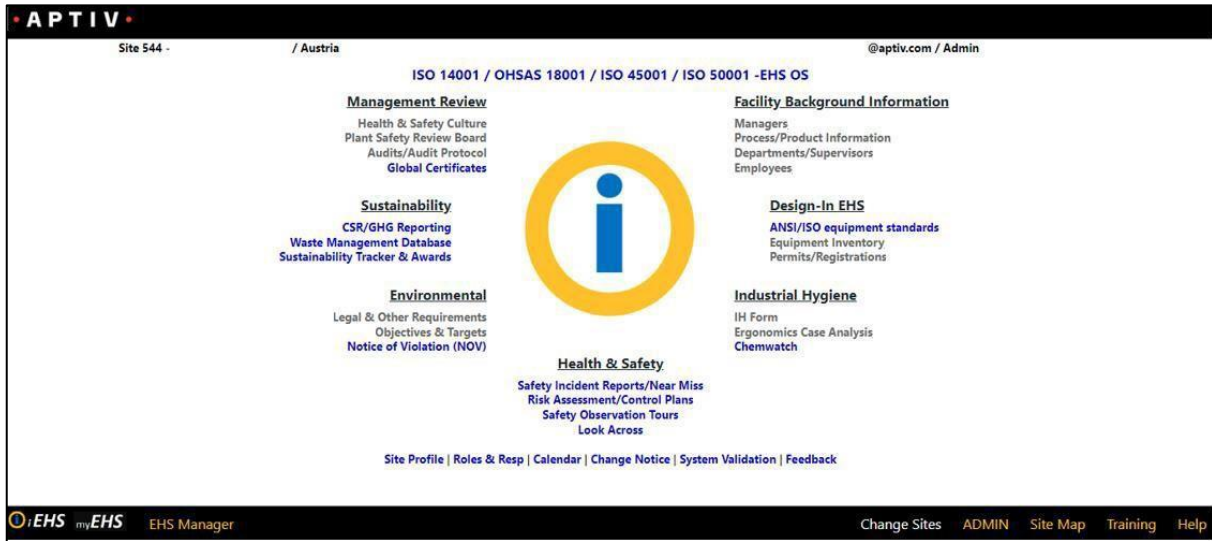


Fig. 4 iEHS platform

## SAFETY CULTURE

Aptiv's Safety Culture is founded in 5 pillars with the intent to continue moving the organization to an interdependent safety culture.

### Safety Pillars:

1. Plant Safety Review Board (PSRB)
2. Safety Observation Tour (SOT)
3. Incident Investigation
4. Safety Operating Practices (SOP)
5. Plan for Zero (PFZ)

### Safety Indicators

#### Leading

1. Training hours
2. SOT completion
3. Look Across engagement

#### Lagging

1. Lost workday cases LWDC
2. Safety incidents

2021 Highlight: Number of incidents (in 2021), and actions taken to follow up: 2,363

## 6 SAFETY HABITS

Results from a global survey led to the 6 Safety Habits. Aptiv EHS&S team created a training material which includes an online training featuring videos from Aptiv's CEO and Aptiv's Senior Vice President Global Operations, train the trainer sessions for live courses and training material for salary and hourly employees. 100% of salary employees and 35% of hourly employees were trained between 2016, 2017, 2018 and 2019. This training is now part of the onboarding process for new hourly and salary employees.



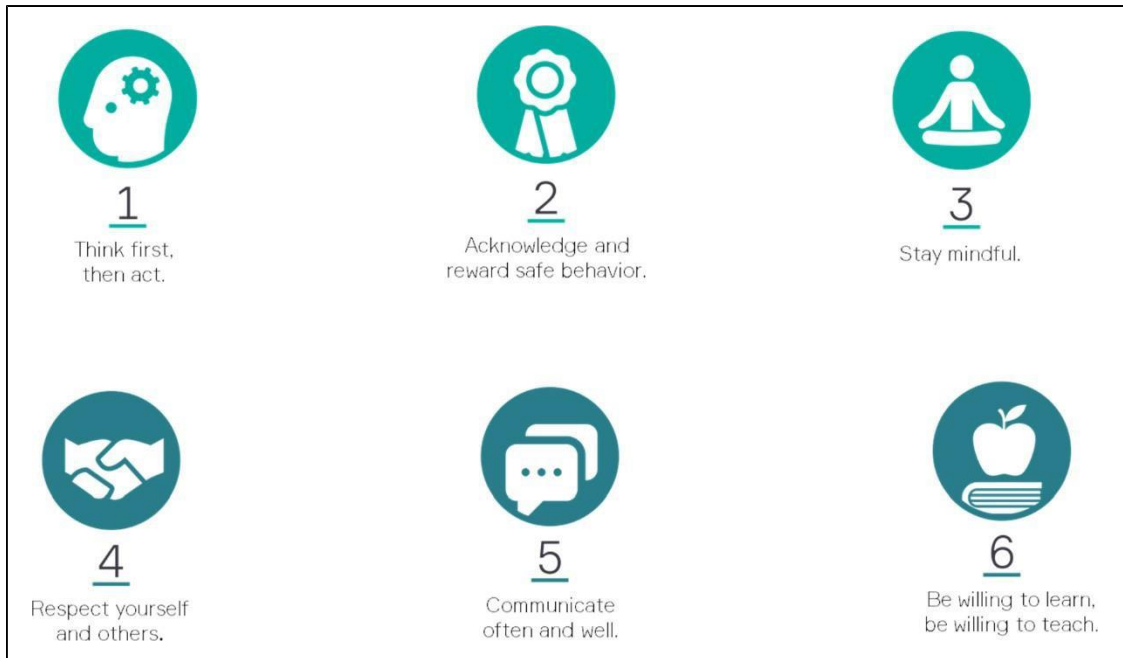


Fig. 5 Safety Habits

**OBJECTIVES**

2022 EHS&S Objectives



Fig. 6 2022 EHS&S objectives

# TARGETS

Aptiv's Environmental, Health & Safety targets & metrics cover more than 85% of Aptiv's revenue. Aptiv's progress toward these targets is communicated on an annual basis to Aptiv's board.

2022 Targets:

## 2022 EHS&S Site Targets

**Leading**

- Safety training 3.5 hours/employee/year
- Look across execution 100%
- 90% Execution of SOT
- Lean 2.0 Phase 2 and up:  
0.3 good catch/emp./month

**Lagging**

- Robust and transparent incident reporting including first aid cases
- LWDC Severity Rate tracking
- Zero Lost Workday Cases

- Zero CAPs/MAPs over 120 Days
- ISO 14K, 45K, 50K according to 2025 plan

**Safety**

Safe workplace with a focus on safety leading indicators, safe behavior, increased competence & robust processes.

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**Environment**

Improved Env performance by systematically reducing environmental footprint. Carbon neutrality by 2050.

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**Compliance**

Meet and exceed external stakeholders EHS&S expectations. Customer, Governments and Investors.

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**Engagement**

Harness our people's passion to contribute. Positively impact our sites and communities around Safe, Green and Connected.

**Environmental Metrics Due Dates**

Feb 12	Jun 12	Oct 12
Mar 12	Jul 12	Nov 12
Apr 12	Aug 12	Dec 12
May 12	Sep 12	Jan 12

**Safety Metrics Due Dates**

Feb 8	Jun 8	Oct 7
Mar 8	Jul 8	Nov 8
Apr 8	Aug 8	Dec 8
May 9	Sep 8	Jan 9

- 2% CO<sub>2</sub> emissions reduction YOY
- 20% Renewable Energy (Only sites targeted for 100% renewable by 2025)
- 80% of total waste recycled
- 2% water consumption reduction in high-risk areas. Low risk, 80% compliance to best practices for water management.
- Earth Hour. Safe, Earth & World Environment Day
- Community targets per site  
Safe: 50 children engaged in road safety  
Green: 650 Trees  
Connected: 5 hrs. Girls in Tech through STEM (Science, Technology, Engineering, Math) events

## METRICS

Safety metrics:

Year	Lost Workday Cases (Lost workday cases per 100 employees)	Lost time injury frequency rate (number of cases / million hours worked)
2016	0.043	0.213
2017	0.047	0.236
2018	0.024	0.120
2019	0.033	0.167
2020	0.027	0.132
2021	0.026	0.129
2022	0.081 *	0.407*

\*Data includes Hellermannntyton and Winchester Interconnect

Greenhouse Gas emissions (in absolute):

Year	Scope 1 Tons of CO <sub>2eq</sub>	Scope 2 Location Based Tons of CO <sub>2eq</sub>	Scope 2 Market Based Tons of CO <sub>2eq</sub>	Scope 1 & 2 Market Based Tons of CO <sub>2eq</sub>	Scope 3 Tons of CO <sub>2eq</sub>
2018*	19,966	351,083	371,050	391,016	8,415,068
2019*	17,069	346,879	357,549	374,618	8,303,400
2020	16,429	306,561	322,870	339,299	7,298,105
2021	18,389	306,587	296,672	315,061	13,908,735
2022	21,281*	407,283*	341,216*	362,497*	11,854,712*

\*Data publicly reported in Aptiv's CDP disclosures, these emissions are adjusted on a yearly basis to reflect Aptiv operational footprint.

\*Data includes Hellermannntyton and Winchester Interconnect

Electricity consumption:

Year	Electricity consumed (MWh)
2016	1,184,419
2017	771,695
2018	772,999
2019	790,215
2020	676,037
2021	754,483

Year	Electricity consumed (MWh)
2022	968,945 *

\*Data publicly reported in Aptiv's CDP disclosures.

\*Data includes Hellermannntyton and Winchester Interconnect

Waste overview:

Year	Waste Recycling
2018*	83%
2019*	81%
2020	81%
2021	82%
2022	84%

Water consumption (in absolute) :

Year	Water consumption (in Megaliters)
2016*	2954
2017*	2220
2018*	2129
2019*	1916
2020	1900
2021	2210
2022	2419

\*Data publicly reported in Aptiv's CDP disclosures, these emissions are adjusted on a yearly basis to reflect Aptiv operational footprint.

\*Data includes Hellermannntyton and Winchester Interconnect

NOx, SOx and PM Emissions

Natural Gas m3	Natural Gas scf 10^6	Emission Factor Nox - lb/10^6 scf	Nox lb	NOx Ton	Emission Factor PM- lb/10^6 scf	PM lb	PM Ton	Emission Factor Sox - lb/10^6 scf	SOx lb	SOx Ton
7,353,664	259.7	0.64	166.20	0.08	7.60	1973.66	0.99	0.6	155.8	0.08

<https://www3.epa.gov/ttnchie1/ap42/ch01/final/c01s04.pdf>

Table 1.4-1. EMISSION FACTORS FOR NITROGEN OXIDES (NOx) AND CARBON MONOXIDE (CO) FROM NATURAL GAS COMBUSTIONa

\*Data includes Hellermannntyton and Winchester Interconnect

## CLIMATE CHANGE MANAGEMENT

At Aptiv, we are progressively implementing management tools to better monitor and reduce our environmental impact across the three scopes. We are diligently working on efficient carbon reduction strategies for scope 1 and scope 2 in the following ways:

- The purchase of energy-efficient equipment such as gear boxes, air compressors with variable speed and heat recuperation,  
Examples: LED lights (re-lamping), high efficiency boilers, HVAC, and boilers...
- The reduction of energy consumption through machine idling programs, tracking air compressor leakages, lowering temperatures of certain processes, and training employees in energy-saving behaviors. Example: environmental campaign that focus on plastic/ energy reduction.
- The increase of shared renewables to reduce carbon footprint, including self-production of electricity with solar panels and green electricity. Our Irish headquarters has been supplied by renewable energy since its opening in 2018.
- Aptiv Sustainability Awards program stimulates innovation and helps foster best practices to reduce energy and greenhouse gas emissions, water consumption, waste. In 2021, thanks to this award we saved: 11,094,827 KWh of electricity 17, 561,145L of water and we reduced waste disposal by 1,820 ton and \$3.6M were given to the local communities.

## WASTE MANAGEMENT

To ensure employee health and environmental protection, Aptiv has designated corporate procedures to best define waste treatment company-wide. From storage to disposal, as well as handling, transport, and labelling, waste is categorized against 3 danger levels: High/Medium/Low.

1. High Risk Wastes: Waste which exposure to can cause a substantial degree of harm to human health and safety and the environment.
2. Medium Risk Wastes: Waste which are typically generated by manufacturing activities that do not pose immediate threats to human health or the environment, and therefore do not fall into the high-risk category.
3. Low Risk Wastes: Wastes that exhibit low risk to human health or the environment which includes the following: packaging waste - cardboard, wood pallets, plastic shrink wrap...

Following policy, waste is kept in leak-proof containers, covered and enclosed in a manner to prevent leakage

of liquids or particulate and airborne materials. We also identify, clearly label, and store containers to maintain separation of incompatible wastes (e.g., acids separated from caustic, cyanide waste separated from acids, etc.), and prevent spills from reaching storm sewers, surrounding waterways, or soil.

We also conduct site inspection at the waste site used locally to manage Aptiv's waste. According to the level of risk, we conduct an audit: once before use, one every 5 years, once every 3 years and any in case after the occurrence of a significant event.

Additionally, we have established yearly corporate targets for environmental stewardship at each site, a commitment that spans each region and country around the globe.

- Our goal for 2021 is 80% Waste diversion rate.

\* Waste sent out for recycling/total nonhazardous waste

## WATER MANAGEMENT

While the scarcity of water remains a tremendous challenge around the world, we have confidence that our production processes are “low intensity” consumption when compared to other sectors.

Indeed, our main sources of water consumption are for employees' needs which include kitchens (food preparation) and bathrooms. Our manufacturing process do not require water.

To further prevent water waste and create efficiencies, we implemented the following procedures and tools:

- The voluntary treatment of 100% of our water discharge, either using our own wastewater treatment plant or the municipal systems/industrial areas' treatment systems to ensure runoff does not contain chemicals or other dangerous products. Nearly, 30% of our manufacturing sites have a wastewater treatment plant installed hence recycling water. Having such equipment on-site required a significant investment, that's why we focus on site where the headcount is the highest, because most of our water consumption is tied to employees' needs. We expect this trend to increase in the future.
- In Mexico, a country with multiple production sites and with severe water scarcity, we installed a “purple line” which is a series of purple pipes designed to carry filtered sewage water for industrial usage.
- We empowered a team to manage best practices, including monitoring leakage with appropriate detection equipment and water conservation projects.

In order to achieve our water reduction target, we identified 7 different types of best practices:

- 1- Behavioral change: Encourage employees' participation, employees training...
- 2- Cost savings: Meter readings, cooling tower
- 3- Low water installations: Boiler house, replacement of cooling tower, dry urinals
- 4- Water reuse: Alternative water sources, reuse gray water...
- 5- Water efficiency (building fabric): Vegetated roofs, Permeable pavement...
- 6- Water efficiency (building services): Aerate soil, Portable water meter...

### 7- Water efficiency (Processes): Operating minimum pressure

We also conducted a water risk assessment: This assessment was conducted using a 3<sup>rd</sup> party provider. The outcome of this assessment\* shows that Aptiv has 55% of its operations not subject to water scarcity issues. This assessment used a scale from 1 to 10, and we considered that a location with a score under 5 could potentially face water scarcity issues.



● Countries where an Aptiv site could potentially face water scarcity issue.

Fig. 7 Water scarcity assessment

Our water reduction target is: 2% water consumption reduction in high risk areas. Low risk, 80% compliance to best practices for water management.

\*This assessment was performed in 2018.

## EHS CORPORATE AUDITS

An independent audit process exists to monitor compliance and manage risk. These audits are performed by Internal control and every site gets audited every four years. The action plans from the findings of these audits are known in the organization as CAPs (compliance action plans) and closing these CAPs before 90 days of their generation is one the corporate EHS KPIs.

## APTIV CARING

Aptiv Caring serves as a platform to drive consistency among the different initiatives that focus on people, our communities and the environment.



Fig 8. Aptiv Caring programs

The intent is that by driving consistent messaging on how we actively care, create a sense of belonging and pride among all our employees in every site



## SUSTAINABILITY REPORT

Aptiv's first CSR report was published in 2013, with 3 more reports published in the subsequent years. In 2018, amid spin-off only the EHS metrics were published. See [aptiv.com/sustainability](https://aptiv.com/sustainability)

Aptiv is engaged to report annually on its progress regarding sustainability topics including Health Safety as well as the environmental performance such as its effort to strive against climate change and its greenhouse gas emissions.

## PRODUCT STEWARDSHIP AND CHEMICAL COMPLIANCE

Aptiv maintains a robust database to respond to product compliance requests from their customers and suppliers through the International Material Data System and internally created data management systems. This is done with coordinating the communication among materials engineering, the personnel in charge of receiving the information from suppliers and customers, and providing a response to the customers or suppliers. This communication is critical to understand the implications of new substances added to the candidate lists, or showing up in new proposed regulations, and to identify the part numbers that could be impacted and, as a result, which suppliers need to be informed of potential replacements based on the new requirement.

## ORGANIZATIONS, GROUPS AND OUTSIDE SERVICES

We currently are members of the following organizations and working groups, where we work to find innovative ways to reduce waste, pollution and usage of natural resources.

- a. Corporate Eco Forum
- b. COSTA
- c. ISO
- d. AIAG – Product Stewardship and Sustainability Groups
- e. CLEPA - Product Stewardship and Sustainability Groups
- f. United Way

## ERGONOMICS

At Aptiv, we have implemented an ergonomic program to reduce injuries and illnesses by the minimization of ergonomics risks to an acceptable level. The referred program is implemented at two different levels: 1. at the design of a machinery or/and workstation and 2. periodically at each site considering the present conditions.

During the design level, we have an active participation together with the engineering team in order to ensure all the minimum ergonomic requirements are met.

At a certain periodicity, each site ergonomics committee, implement the necessary actions and/or improvements following an ergonomic risk assessment completed to a specific area with all the intervenient, including the respective operators. Tools and guidelines are defined and provided in order to support any assessment.

## MACHINERY SAFETY

We have an active participation on the Advanced Development Projects (ADP) by incorporating and considering environmental, health and safety and ergonomic requirements at the very early stage of the machine development. This is a very important work developed with the engineering teams across the globe, very closely with our suppliers, in order to ensure any new project or equipment will be installed, in our manufacturing or non-manufacturing sites, in a safe manner for our employees and being compliant with the environmental requirements.

Any other new, modified or transferred machinery is checked and released for production according to the EHS requirements. We drive these activities with a close follow up with both EHS and Engineering teams.

## DANGEROUS GOODS

Any direct product, indirect materials and goods, engineering samples and prototypes, equipment containing or shipped with dangerous goods or returned product is, at Aptiv, assessed in accordance with the Dangerous Goods regulations in order to ensure full compliance during transportation.

We keep a close follow up, within EHS, Engineering and Logistic teams, with any new project or equipment that might be targeted for transportation looking for any possible Dangerous Goods compliance requirement.

## LOOK ACROSS

At Aptiv, we have implemented the Look Across procedure that allows us to prevent incidents and EHS deficiencies by looking at serious near misses, serious incidents and LWDC from other sites and proactively performing actions to avoid similar situations, globally. All our manufacturing and non-manufacturing sites are engaged in a weekly basis through an online platform created internally e-Look Across, where they have access to the cases discussed and the respective actions launched. In the same online platform, each site Look Across engagement is tracked through their respective information inputted – applicable cases and implemented actions.

To ensure a better effectiveness of the Look Across procedure, the e-Look Across platform is automatically connected to the Aptiv incidents reporting database.

During 2021, 111 Look Across cases were discussed within Aptiv sites.

## DUE DILIGENCE & REMEDIATION

### Due Diligence:

Prior to any sale or acquisition of a business, a business unit or any lease of ground or facilities, Aptiv has a qualified consultant perform an environmental due diligence audit. This audit is performed globally in accordance with the requirements of the standard ASTM 1527 *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*. In case recognized environmental conditions are identified, a Phase II assessment may be performed to prove or deny the existence of contamination at a site.

## CONFLICT MINERALS

Aptiv adheres to the requirement of Dodd-Frank Act Section 1502- Securities and Exchange Act of 1934, by sourcing minerals that do not contain 3TG (Tin, Tungsten, Gold and Tantalum), through a rigorous process of auditing our smelters and suppliers that we source from. The audit entails a thorough review of the suppliers, ensuring they did not source it from any conflict related zones.

Aptiv maintains a communication channel through request management from suppliers with the provision of a report and any pertinent details that may be needed to fulfill the Dodd-Frank Act.

In the continual development of the OECD laws and the addition of other minerals, Aptiv continually reviews its processes and products to guarantee compliance.