



# **TENNECO**

## **2023 SUSTAINABILITY REPORT**

**REPORTING PERIOD:**  
January 1, 2023 to December 31, 2023





# Contents

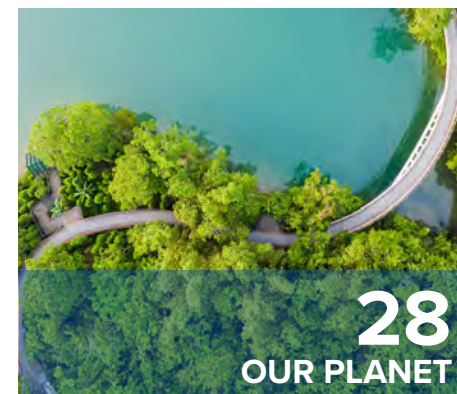
<b>About This Report</b>	<b>2</b>
<b>A Message from Our CEO</b>	<b>3</b>
<b>2023 Highlights</b>	<b>4</b>
<b>Our Sustainability Journey</b>	<b>5</b>
Stakeholder Engagement	5
Materiality Assessment	5
Sustainability Strategy Framework	6
Next Steps on our Journey	8
<b>Our Company</b>	<b>9</b>
Tenneco Overview	10
Tenneco Purpose and Values	12
2023 Awards and Honors	14
<b>Our People</b>	<b>15</b>
Occupational Health and Safety	16
Talent Attraction and Retention	19
Inclusion, Diversity and Equity	22
Labor Relations and Human Rights	25
Community Involvement	26
<b>Our Planet</b>	<b>28</b>
Energy and Greenhouse Gas Emissions	29
Operational Waste and Water	31

<b>Our Products</b>	<b>33</b>
Product Safety and Quality	34
Product Efficiency	36
Product Innovation	37
<b>Our Governance</b>	<b>40</b>
Corporate Governance	41
Ethics and Compliance	42
Cybersecurity and Data Privacy	45
Supply Chain Management	47
Conflict Minerals	50
<b>Appendices</b>	<b>51</b>
Appendix A – Stakeholder Engagement	52
Appendix B – GRI Index	53
Appendix C – Performance Data	56

## About This Report

Tenneco has prepared this report with reference to the Global Reporting Initiative (GRI) Standards. This sixth 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, 2023, unless otherwise stated.

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



At Tenneco, our purpose is to be the most trusted partner, and the world's best manufacturer and distributor in the transportation industry. As we execute on our plan to reach our goal, it is important to make sure we get there the right way – by committing to operate responsibly and sustainably with the highest integrity – in the communities in which we operate.

Our commitment to safe and sustainable operations is as important as our operational and financial metrics. Acting with the highest level of integrity in everything we do is also paramount to achieving our goals while following applicable laws and regulations as we serve our customers.

This year's report highlights the progress we've made toward our sustainability goals in 2023.

It all begins with the health and safety of our global team. If our employees cannot go home to their families each night as healthy as they were when they arrived for their shift, then nothing else matters. Since joining Tenneco as CEO, I've made safety the highest priority and am pleased to report that we've seen a 31% reduction in our recordable incident rate as compared to the 2019 baseline.

Along with our safety performance, we've continued to make great progress toward our environmental sustainability targets. Last year we received a gold medal as our sustainability management rating from EcoVadis, a globally recognized sustainability assessment platform. Specifically for our energy targets, we achieved our 10% energy reduction goal early and set a new tougher goal of a 20% reduction by 2030. In addition, 78% of waste from our manufacturing processes around the world was recycled in 2023.

We also continued to make strides in our ongoing commitment to fostering inclusion, diversity and equity across our enterprise. In 2023, we added two new Business Resource Groups – PRIDE and Disability & Accessibility – which joined our three existing BRGs (Women's BRG, Black/African Heritage BRG and GenT. BRG). We remain committed to extending our diversity strategies throughout our supply chain and we strengthened our relationships with underrepresented groups including minority-owned, women-owned, and veteran-owned businesses.

Tenneco's portfolio of technologies reflects our culture of innovation and commitment to safe, efficient, and high-quality components, which has long worked to support the environment and society through both our processes and products. In 2023, along with General Motors, John Deere and Stellantis, we co-founded the Accelerate Initiative, administered by EcoVadis, to help promote a sustainable automotive supply chain.

As CEO, I could not be more pleased by our accomplishments and our progress toward our long-term sustainability goals. As we embrace continuous improvement in all aspects of what we do, our culture of efficiency and innovation will help us find new ways to reduce waste, optimize resource utilization, and minimize our environmental footprint. I want to thank each of our global team members for their commitment to serving our customers responsibly by driving operational excellence in a way that creates a positive impact on our world.

I invite you to read the entire report.

**Jim Voss**, Tenneco CEO





# 2023 Highlights

As we continue to advance our sustainability efforts and measure improvements, we are proud to report our 2023 accomplishments, including:

1. Continued to reduce our environmental footprint and made progress toward our sustainability goals;
2. Created a dedicated Global Energy Manager role to accelerate the deployment of energy efficiency projects;
3. Formalized an implementation plan for complying with the European Union (EU) Carbon Border Adjustment Mechanism (CBAM) requirements;
4. Implemented mandated human rights training and appointed a responsible person to support compliance with the German Supply Chain Due Diligence Act;
5. Received a gold medal as our sustainability management rating from EcoVadis, a globally recognized sustainability assessment platform; and
6. Co-founded the Accelerate Initiative, administered by EcoVadis, to promote a sustainable automotive supply chain.



## OUR PEOPLE

**31%**

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

**59%**

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



## OUR PLANET

**16%**

reduction in energy consumption compared to the 2019 baseline

**23%**

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

**88%**

of manufacturing sites were certified to ISO 14001 Environmental Management System



## OUR PRODUCTS

**35**

world-leading brands

**15**

brands are 100+ years old

**97%**

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

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

2. 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.

3. Intensity is normalized by total revenue.



# Our Sustainability Journey

## STAKEHOLDER ENGAGEMENT

At Tenneco, stakeholder relationships and feedback are integral to the success of our business and shape our sustainability strategy. We regularly communicate and engage with prominent stakeholders on various important sustainability- and business-related topics. The stakeholder groups we engage include, but are not limited to, team members, customers, investors, communities, suppliers, government and regulatory agencies, and trade associations. For more information about our stakeholder engagement activities, including the frequency of our engagements and focused topics, please refer to [Appendix A](#).

## MATERIALITY ASSESSMENT

Our business and sustainability practices are informed by perspectives and input from our people and communities. To identify ESG priorities that are important to our organization, we conducted a comprehensive materiality analysis to identify ESG topics that were most salient to our internal and external stakeholders. The scope of our analysis was based on 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.

As part of the materiality assessment process, we interviewed 38 internal stakeholders and performed desktop research on 11 external stakeholders to understand the business significance of 25 ESG topics, selected based on competitive industry benchmarking and research. 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. 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 impact on 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.

We strive to refine our approach to the identification of material and important topics continuously. In 2023, we reviewed our prioritized topic lists to account for new and emerging global ESG trends. To address emerging human rights due diligence regulations in supply chain and increased scrutiny on Scope 3 emissions, we moved supply chain management from the important topic list to become a material topic for Tenneco. Moving forward, we plan to initiate a double materiality assessment in 2024 to ensure that our list of material topics captures prominent ESG issues for our company from a financial and impact materiality lens and that the process is aligned with best practices for materiality assessments.

### Material Topics

Corporate Governance

Energy and GHG Emissions

Ethics and Compliance

Human Rights

Inclusion, Diversity and Equity (ID&E)

Labor Relations

Occupational Health Safety

Product Efficiency

Product Innovation

Product Safety and Quality

Responsible Sourcing

Talent Attraction and Retention

Supply Chain Management

### 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

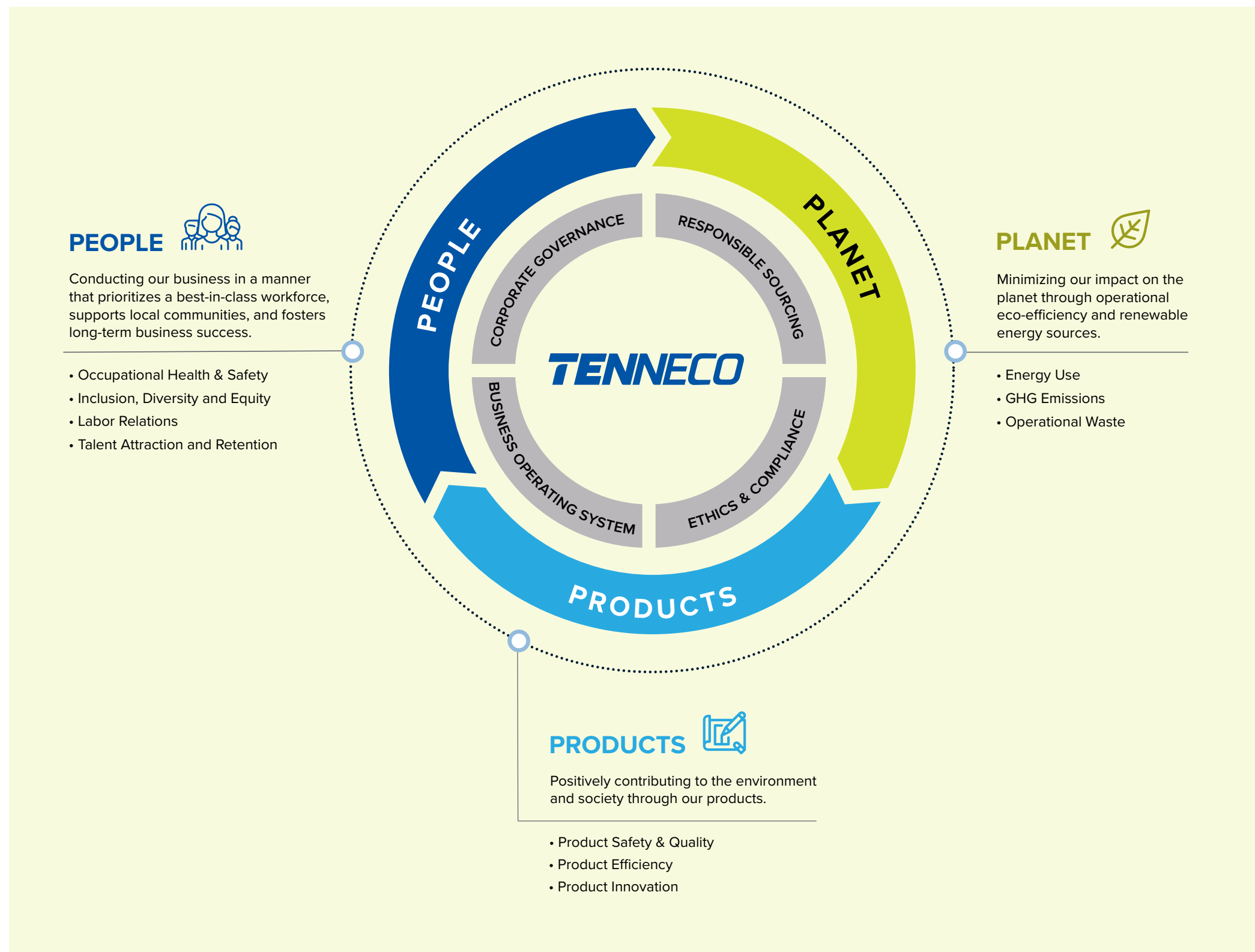
Talent Development

Water

## SUSTAINABILITY STRATEGY FRAMEWORK

In line with our commitment to operating in a socially responsible and sustainable manner, our sustainability framework is designed to generate positive ESG outcomes and optimize our operational efficiency. Based on our ESG priorities, we have organized three pillars—People, Planet, and Products—to define our sustainability focus areas and to recognize opportunities for improvement across our business. Our strategy 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. In 2023, we were focused on progressing toward our ESG goals, ensuring adherence to regulatory and customer requirements relating to supply chain and human rights due diligence, and preparing for emerging sustainability disclosure rules. In 2024, we plan to rebrand our sustainability strategy to align with our new company values.





We collaborate with our private equity investor, Apollo Global Management, Inc. (Apollo), to align our programs with their ESG objectives and utilize high-quality data to refine our approach to sustainability. We are active participants in Apollo’s ESG conference and quarterly webinars where we exchange and share sustainability best practices with other portfolio companies. Our sustainability initiatives are supported by our ESG dashboard that help operationalize our goals and facilitate progress tracking. We regularly review the dashboards with functional leaders to ensure effective tracking and strategic planning toward the attainment of our ESG targets. Additionally, the dashboards empower us to incorporate data-driven insights into quarterly presentations and updates to the leadership and the Board concerning our approaches, performance, and compliance monitoring for existing and emerging ESG regulations and customer requirements.





**SUSTAINABILITY GOALS**

At Tenneco, our progress toward sustainable operations and value chain is underpinned by impactful and meaningful efficiency improvement tactics, stakeholder engagement, 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 2023, we continued to mitigate our environmental footprint, improve supply chain sustainability, and enhance collaboration

on sustainable actions. We have met our 10% energy usage reduction by 2030 goal and set a new target to achieve more energy-efficient operations. As our strategy evolves, we have also established a new target to guide our approaches toward a conflict-free minerals supply chain. Our progress toward our goals is outlined below and in various sections within this report.

Material Topic	Tenneco's Goals	Progress
<b>Greenhouse Gas Emissions</b> 	<ul style="list-style-type: none"> <li>&gt; Reduce Scope 1 and Scope 2 GHG emissions intensity by 30% by 2030 from a 2019 baseline.</li> </ul>	<p><b>23%↓</b> reduction compared to the 2019 baseline.</p>
<b>Energy Use</b> 	<ul style="list-style-type: none"> <li>&gt; Decrease operational energy demand by 20% by 2030 from a 2019 baseline.</li> <li>&gt; Source 15% more renewable energy by 2030.</li> </ul>	<p><b>16%↓</b> less energy consumption compared to the 2019 baseline.</p> <p><b>~6%</b> of 2023 energy consumption was from renewables.</p>
<b>Operational Waste</b> 	<ul style="list-style-type: none"> <li>&gt; Reduce waste to landfill by 20% by 2030 from a 2021 baseline.</li> </ul>	<p><b>9%↓</b> reduction from the 2021 baseline.</p>
<b>Product Safety and Quality</b> 	<ul style="list-style-type: none"> <li>&gt; 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>	<p><b>97%</b> of manufacturing sites were certified.</p>

Material Topic	Tenneco's Goals	Progress
<p><b>Supplier Management</b></p> 	<ul style="list-style-type: none"> <li>&gt; 100% of strategic partners reaffirm their commitment to the Tenneco Supplier Code of Conduct.</li> <li>&gt; 100% of Tenneco's top sustainability "high-risk" and/or "high-impact" suppliers complete a self-assessment questionnaire annually.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Required all suppliers doing business with Tenneco to comply with our Supplier Code of Conduct, which is linked to supplier purchasing terms and conditions and other vendor requirements documentation.</li> <li>&gt; Continued the rollout of EcoVadis sustainability assessments to additional high-risk/high-impact suppliers following the initial evaluations of our top 200 suppliers.</li> <li>&gt; Co-founded the Accelerate Initiative, a program administered by EcoVadis to drive decarbonization, sustainable procurement, and supplier engagement in the automotive, vehicle, and mobility supply chain.</li> </ul>
<p><b>Conflict Minerals</b></p> 	<ul style="list-style-type: none"> <li>&gt; At least 96% of Tenneco's smelters and/or refiners, as declared annually by surveyed suppliers, come from sources that are ethical and conflict-free.</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 99% of smelters and refiners were classified as Conformant and Active through Responsible Minerals Initiative's (RMI's) third-party audit process.</li> </ul>

## NEXT STEPS ON OUR JOURNEY

We remain dedicated to pursuing opportunities to 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;
- > Continuing to assess our climate change risks and opportunities;
- > Reducing our environmental footprint and making progress toward our sustainability goals;
- > Sharing best practices actively, both internally and externally;
- > Embracing continuous improvement and evaluating program effectiveness; and
- > Reporting our progress toward our sustainability goals and objectives.

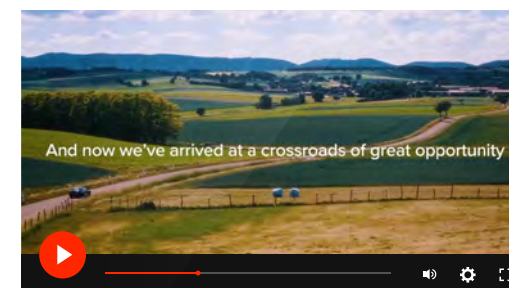




# OUR COMPANY

We strive to be a force for positive change, helping our customers, team members, and communities build a sustainable future. Sustainability is embedded in our business practices and supports our corporate values. We are proud of our innovative solutions and services that help drive growth in global mobility markets.

## TENNECO EXECUTE TO WIN VIDEO

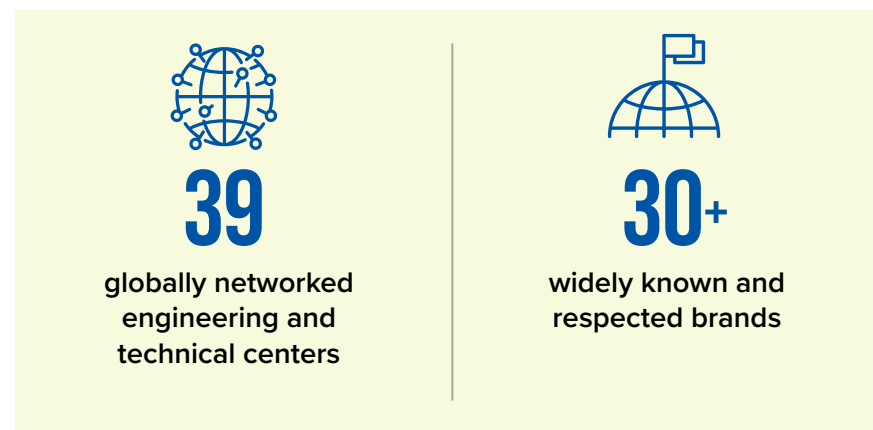
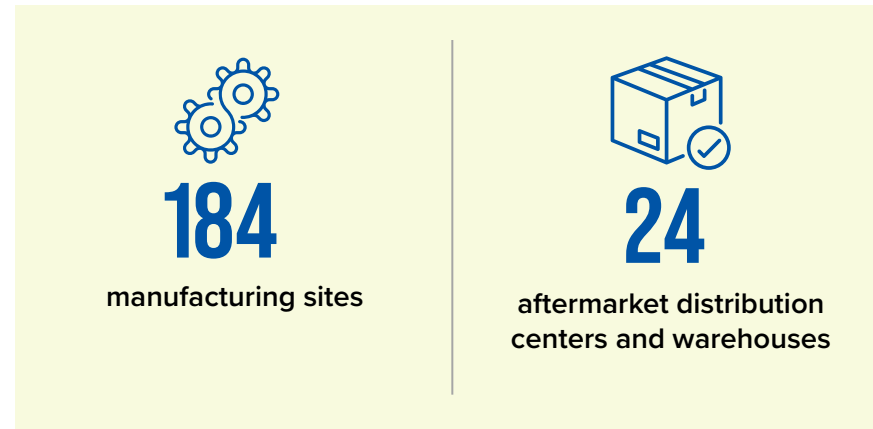


### SKIP TO

[Tenneco Overview](#)[Tenneco Purpose and Values](#)[2023 Awards and Honors](#)

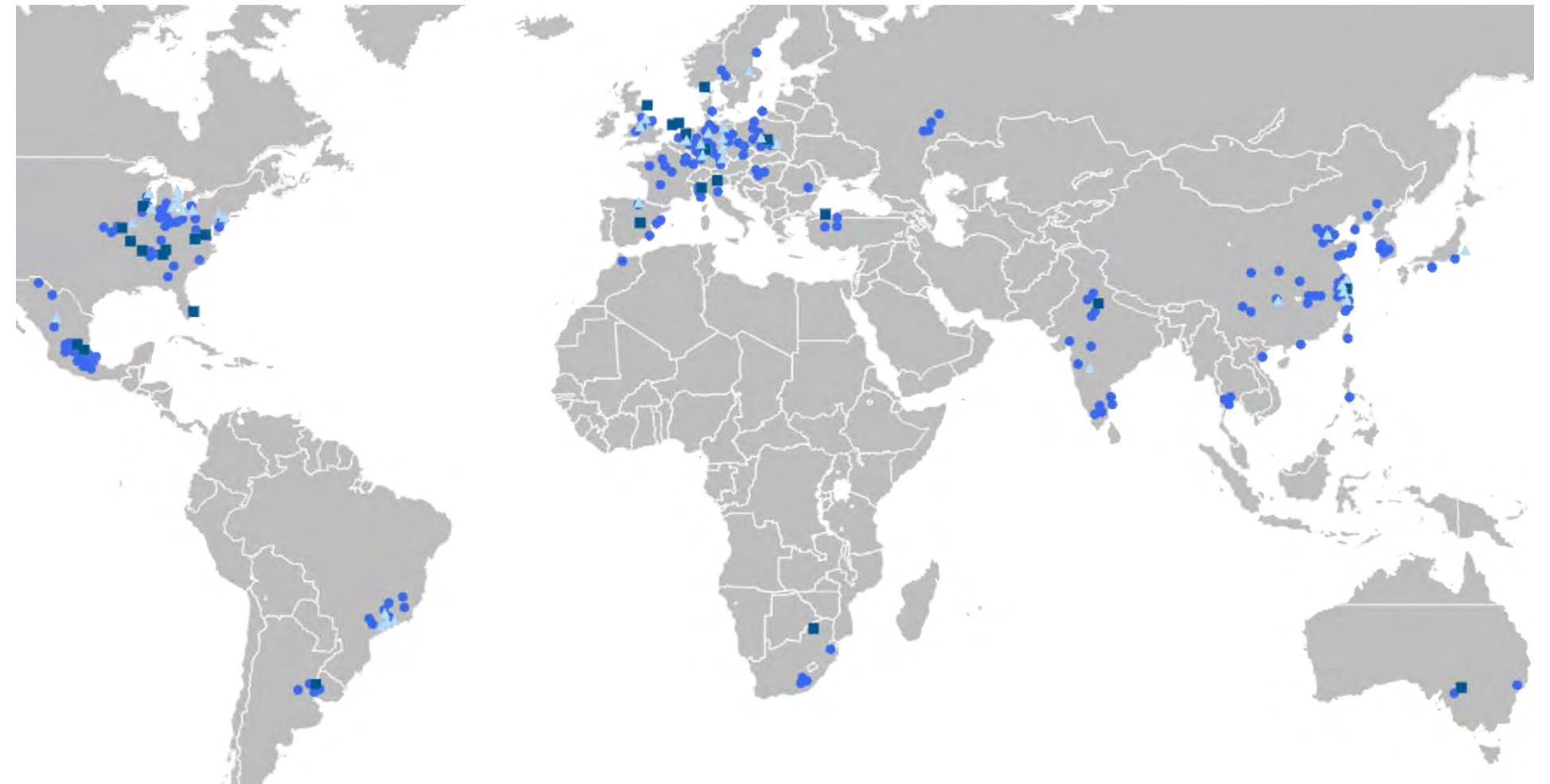


## Tenneco Overview



4. Includes only external and third-party sales. Intersegment or intercompany revenue is excluded.

## OUR GLOBAL PRESENCE



● Manufacturing    ▲ Engineering & Technical Facilities    ■ Distribution Center

\*The Image includes all types of sites including manufacturing, technical, distribution, administrative, sales and other offices.

	AMERICAS	EMEA	APAC
Team Members	27,800	25,000	13,000
Manufacturing Plants	57	64	63
Engineering & Tech. Facilities	14	16	9
Distribution Centers	10	11	3



## OUR BUSINESS SEGMENTS

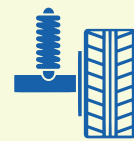
Tenneco Inc., headquartered in Northville, Michigan, United States, is an industry-leading designer, manufacturer, and marketer of automotive products for original equipment (OE) and aftermarket customers. We are widely known for “Driving Advancements in Global Mobility” and support the automotive market’s transition to cleaner, more sustainable vehicles. We remain focused on providing automotive parts that offer better and more reliable vehicle performance with a lower environmental footprint. Through our innovative solutions, we support the provision of efficient automotive technologies and systems that contribute to the future of sustainable mobility.

Our four business segments—DRiV, Performance Solutions, Clean Air, and Powertrain—promote advancements in the mobility industry by delivering transformative solutions for diversified global markets, including light vehicle, commercial truck, off-highway, industrial, motorsport, and the aftermarket. Our powerful solutions and reputable brands often hold the top three positions in their respective product categories and markets. 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.



### 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.



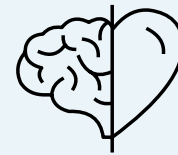


**Our purpose:** to be the most trusted partner and world's best manufacturer and distributor in the transportation industry.

## Tenneco Purpose and Values

In 2023, we rolled out a new purpose statement and a new set of core values to foster a culture of “Execute to Win.” The new core values support our purpose to maintain leadership in the automotive industry and serve as the foundation for the new culture that will position us to win with both our customers and team members. Together, we create a stronger Tenneco through our commitment to upholding these values and generating positive impacts for our business, our people, and our communities.

### CORE VALUES



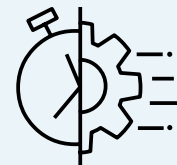
#### RADICAL CANDOR

We must engage in productive debate and create constructive tension. Be open and brutally honest, with positive intent. Truth is harmony.



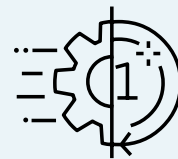
#### SIMPLIFY

We must reject bureaucracy, minimize layers, and eliminate silos. Be clear, break down barriers, put together a plan, and focus on execution.



#### ORGANIZATIONAL VELOCITY

We must build a global team and an organizational structure that facilitates fast decision making, speed of execution matters.



#### TENACIOUS EXECUTION

We must drive an accountability and ownership mindset that is the bedrock of our culture, and the foundation for all we do.



#### WIN

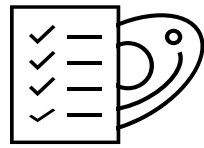
We must win the trust and confidence of our employees and customers.



## P3 OPERATING STANDARD

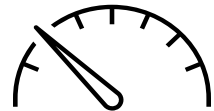
In 2023, we embarked on a transformative initiative—P3—to achieve optimized and standardized operations across all manufacturing plants and distribution centers. Symbolizing People, Performance, and Pride, the P3 program serves as the standard operating model to help us elevate our manufacturing procedures to a new level of executional excellence.

The P3 model consists of four key elements:



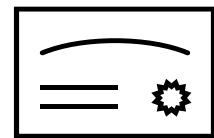
### Operating System

A defined system that features a common set of operational excellence standards and approaches for all Tenneco plants.



### KPIs

Best-in-class targets that are quantifiable measurements to assess the efficacy of our operations around the world.



### Site Certification

A system in which plants meet specific safety, quality, and operating metrics as defined by Tenneco's Manufacturing Excellence Council (MEC).



### P3x Accelerator Program

A series of learning modules that help build capabilities to enable P3 via a virtual platform and a combination of remote and in-person workshops administered in pre-assigned peer cohorts.



The milestones we achieved in 2023 as part of the execution of the P3 model include:

- > Launched standardized KPIs and metrics for our four focused categories: people, customers, operations, and finance;
- > Introduced site certification dashboards to assist leaders with comparing performance against best-in-class targets, monitoring year-over-year improvements, and demonstrating stable high-level performance with target attainment for 12 months; and
- > Provided P3x training to plant managers in the Americas, EMEA, APAC, and India, with the goal of expanding the educational program in 2024.





## 2023 Awards and Honors

In 2023, Tenneco garnered a multitude of prestigious awards from industry stakeholders and customers. These recognitions serve as a testament to our unwavering pursuit of product excellence, business ethics, and sustainable practices.

### Company

#### 2023 Nissan Sustainability Partner

For the second consecutive year, we were selected as one of the five suppliers receiving Nissan's recognition for exceptional sustainability results and strong ESG commitments. We were also recognized in the Labor and Human Rights subcategory of Nissan's supplier recognition program for our robust supply chain and human rights management programs and policies.

#### Cummins Global Environmental Leadership/ Sustainability Award

We received the award from Cummins for demonstrating outstanding leadership in environmental sustainability and progressing toward impactful ESG goals.

#### RippleMatch 2023 Campus Forward Award

We were recognized for our approach toward investing in early career talent; providing opportunities to interns and professionals from diverse backgrounds; and offering access to real-world work experiences to develop the next generation of talent.

### DRiV

#### Independent Motor Trade Factors Associated Ltd (IFA) Supplier of the Year Silver Award

DRiV and its Ferodo® brand were selected for the Silver Award in IFA's Supplier of the Year program, highlighting the value that DRiV brought to IFA network members, including unmatched sales support, customer services, marketing activities, and fill rates.

#### Li Auto Best Supplier Award

DRiV's Monroe® Intelligent Suspension CVSAe technology received the Best Supplier Award from the leading China EV manufacturer for the smooth delivery of the solution.

#### AC Auto Top Influential Brand

DRiV was named one of the top influential brands by AC Auto in China.

### Performance Solutions

#### Maxion Wheels Best Supplier Award

For the second year in a row, the noise, vibration, and harshness (NVH) team in Cotia, Brazil, won Maxion Wheel's Best Supplier Award for helping the customer achieve important quality and business goals.

### Clean Air

#### Caterpillar Supplier Excellence Recognition

We were one of the five vendors recognized as top suppliers in the energy and transportation category of Caterpillar's supplier recognition program.

### Powertrain

#### General Motors Supplier of the Year Award, Connecting Rods and Pistons Category

For the sixth consecutive year, we were recognized as the Supplier of the Year by General Motors. Our Powertrain team was recognized in the category of Connecting Rods and Pistons for the fourth time in a row for committing to sustainable innovation and driving advanced solutions in collaboration with General Motors.

#### HYCET Technology Co., Ltd. Best Partner Award

The Powertrain team in China was recognized for outstanding performance in technology innovation, quality control, and localized service by HYCET Technology, the automotive component manufacturer and the powertrain division of Great Wall Motor.

#### China State Shipbuilding Corporation (CSSC) Gold Supplier Award

The large bore engine piston rings team was one of the five engine component suppliers who received CSSC's Global Supplier Award for outstanding performance in product development, quality, and service excellence.







# OUR PEOPLE

We foster long-term success by conducting our business in a manner that prioritizes a best-in-class workforce and the well-being of our local communities. Our team members drive innovation in our processes and embed our company's purpose in every aspect of our operations. We maintain a steadfast commitment to supporting the wellness of our people, and we are dedicated to ensuring a safe working environment that is free of hazards and discrimination. As we focus on future growth, we strive to celebrate the value of our diverse team members, highlight available opportunities, and support professional development within our organization.

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## 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 Policy](#)

[Basic Working Conditions Policy](#)

[Code of Conduct](#)



## Occupational Health and Safety

The health and safety of our workforce is a top priority for our organization and drives every decision we make. We continue to pursue improvement in our safety records by implementing a risk-based compliance and hazard management strategy and fortifying our approach through policy updates and rollouts of new safety standards and programs. In 2023, we made concerted efforts in the reevaluation of our safety protocols and in the launch of new safety and cardinal rules, a Serious Injury and Fatality (SIF) prevention program, a daily safety touchpoint engagement strategy, and a set of Environmental, Health, and Safety (EHS) imperatives to advance and guide our safety management processes, including the following six principles:

1. EHS Commitment is Non-Negotiable
2. Near Misses are Second Chances
3. We will Continuously Improve
4. We are Committed to Integrity
5. We are Accountable
6. We Maintain a Commitment to Safe Behaviors



Our strong safety culture and practices are well-received by external stakeholders. In 2023, our Ride Control team in India received Gold Recognition in The Confederation of Indian Industry National Safety Practice Competition for their outstanding commitment to ensuring a robust culture of workplace safety.

### MANAGEMENT SYSTEM

Health and safety are a major focus in our daily operations, and we adopted a policy framework, compliance assessment, risk mitigation, and training programs to ensure that our safety standards are being met. Our collective action toward cultivating a safety culture is led by our Environmental, Health, and Safety and Security (EHS&S) leaders who oversee the execution of our EHS&S policy and management systems. The policy is regularly reviewed and emphasizes our dedication to providing safe work environments as part of our efforts to achieve operational excellence. In 2023, we invested in updating and realigning the policy with our new core values as well as the latest industry standards and customer requirements to strengthen the foundational element of our EHS&S program.

Our management systems are built upon 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 our full-time and temporary team members, contractors, and visitors and are audited on a regular basis to verify compliance with the ISO standard. As of 2023, 59% of our sites were certified to the ISO 45001 framework.

# 59%



of our manufacturing sites were ISO 45001 certified

### SAFETY WEEK CELEBRATION



To raise awareness of safe working practices and accident prevention, our EHS&S team has designated the second week of June as Tenneco Safety Week, in line with the U.S. National Safety Council's recognition of June as Safety Month. Celebrating the week with a theme of "Get Home Safe," global EHS&S leaders and team members participated in a series of activities, including a Safety Week poster contest, to reinforce our culture of safety and to encourage company-wide engagement in safety conversations.

### COMPLIANCE STRATEGY

Regulatory compliance is an extension of our commitment to ensuring the health and safety of all workers. Our approach to ensuring adherence to all applicable legal requirements is supported by our EHS&S Compliance Assurance process, which guides our self-assessments, compliance monitoring, and annual certification activities. At each site, plant management, EHS&S managers, and plant controllers are responsible for ensuring compliance with permit and regulatory requirements, maintaining an up-to-date EHS&S compliance calendar, and supporting internal and external audits. To support the execution of our strategies, in 2023, we recruited new EHS&S personnel to join and expand our current team of EHS&S leaders in elevating our compliance efforts.

On an annual basis, our sites are required to complete the compliance assurance process that certifies the plants' execution of self-assessments of EHS&S legal requirements and to 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 of our in-house EHS&S team and accredited third-party assessors to verify that each site maintains compliance with applicable national, state, and local regulatory requirements.



## HAZARD IDENTIFICATION AND MITIGATION

In our pursuit of continuous improvement to maintain a safe workplace, we review our safety risk assessment criteria and management programs on a regular basis. We strive for zero work-related injuries and illnesses by encouraging active reporting and executing our injury prevention rules and programs, including the 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. To strengthen our safety efforts, we introduced new sets of EHS&S cardinal rules and safety rules in 2023 as well as a SIF prevention program that all Tenneco team members, visitors, and contractors working in any of our locations must abide by.

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.

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.

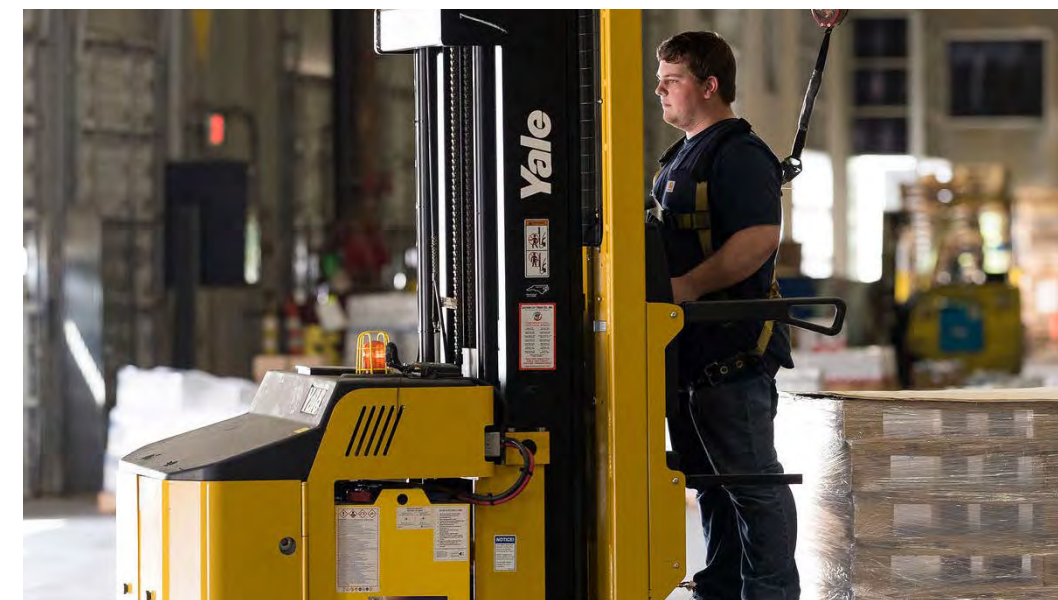
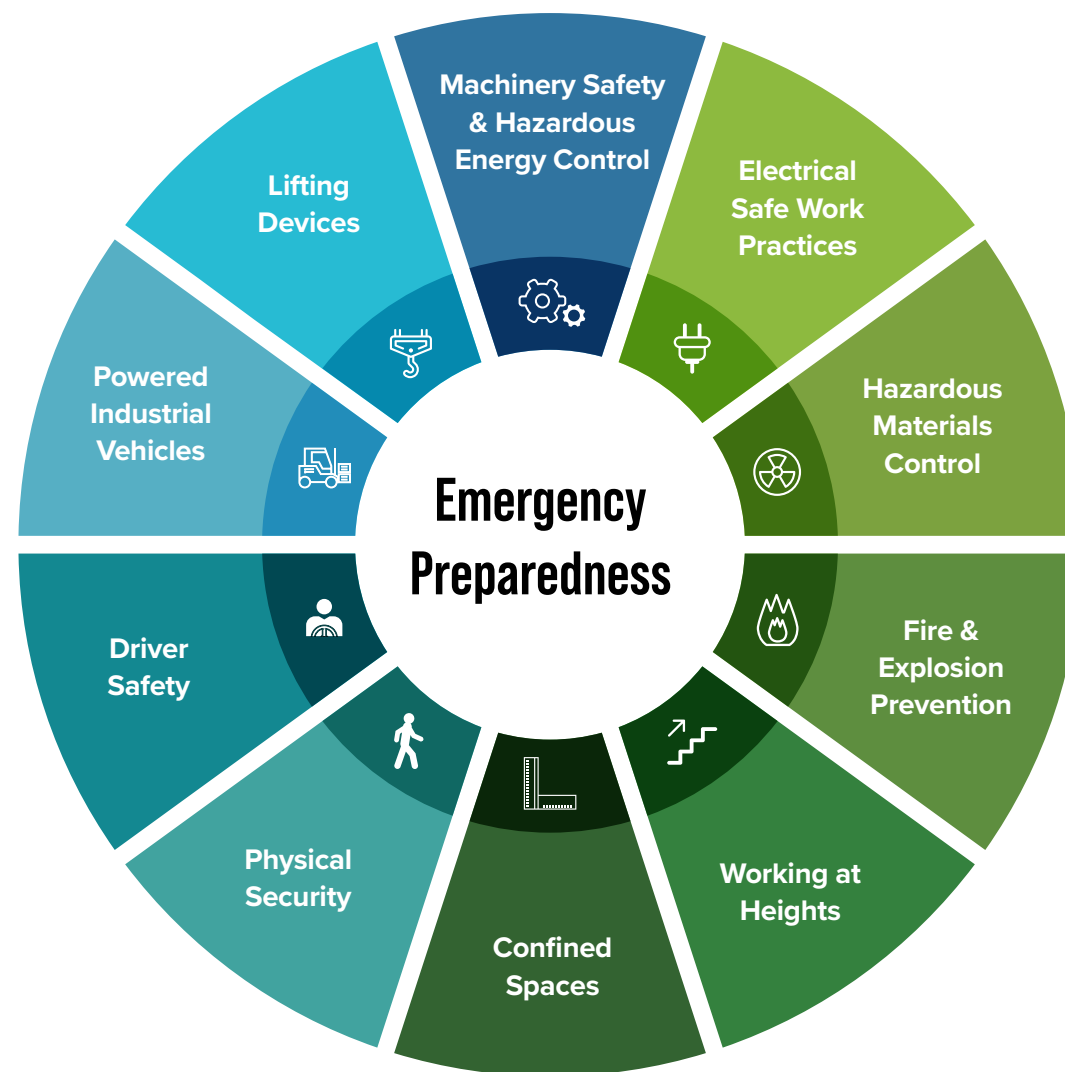
The cardinal rules were established for 11 procedures to avoid life-threatening conditions or severe environmental impacts. We also added a new list of 14 safety rules to reinforce our expectations for safe operations. To prevent serious injuries or illness, we formalized a SIF strategy that is focused on implementing preventative and proactive measures to eliminate life-altering incidents at our sites and improve coordination with internal and external emergency response providers.

## EMPLOYEE TRAINING

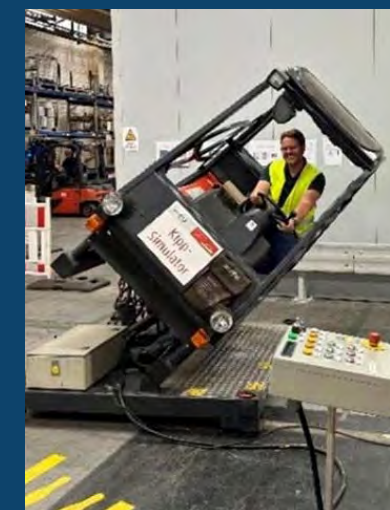
We actively invest in thorough safety training programs for our team members to contribute to a safe workplace, prevent injuries, and maintain compliance with our safety standards. Across our business segments, we offer new hire and job-specific education as well as refresher training for tasks that pose additional risks, covering our safety culture, procedures, and regulatory requirements. We currently provide 75 training courses through our corporate EHS&S library to develop and enhance our team members' safety skills and awareness.

To support the company-wide execution of new safety protocols and strategies, our 2023 efforts were focused on implementing training sessions for serious injury prevention, increasing team member safety conversations, and embedding new safety rules for training during new hire onboarding.

As part of the rollout of the SIF prevention program, we introduced mandatory, on-site injury avoidance training for all global operational leaders, including plant managers and site EHS&S professionals. We also implemented a daily safety touchpoint program aimed at providing supervisors and leaders with easily accessible resources and content to increase conversations with team members regarding safety, environmental sustainability, health, and security. The program covers topics such as physical security, emergency preparedness, contractor management, hand safety, and more. We also added training to our new hire onboarding process to communicate our new cardinal rules, EHS imperatives, and safety rules.



### VEHICLE SAFETY TRAINING AND RISK MANAGEMENT



We strive to address High-Risk activities proactively by hosting informative training sessions and utilizing innovative technology to ensure worker safety. At our plant in Edenkoben, Germany, the team hosted an industrial vehicle training course to help minimize the risk of injury from the use of powered industrial forklifts. Simulation tools and a camera safety system were utilized to demonstrate safe

emergency response procedures and blind spot detection to increase pedestrian awareness for forklift drivers. Further, the team hosted a risk assessment workshop to reinforce the managers' understanding of their respective responsibilities and skills concerning hazard detection and mitigation.

At our plant in Valencia, Spain, a Pedestrian Alert System was implemented to help increase worker safety within the warehouse by alerting team members in the proximity of forklift trucks. The system reduces the risk of accidents and injuries and allows team members to move around the warehouse more freely, supporting improvements in team member safety.



## CONTRACTOR SAFETY

At Tenneco, contractor safety is as important as the safety of our team members. Through the control mechanisms in our Contractor EHS&S Management Process, contractors and all other third-party partners in our workplace, with oversight from Tenneco professionals, follow the same safety requirements as our team. Our contractor safety program includes processes to identify, evaluate, and address safety hazards associated with contractors' work, aims to inform vendors of key regulatory requirements, and highlights our safety standards that exceed regulations. We continue to monitor safety criteria and require contractors to attend training to maintain adherence to our procedures for safe work. Across all stages of our safety management process, we continue to highlight this topic as we work to ensure a safe environment for every person working at our locations.

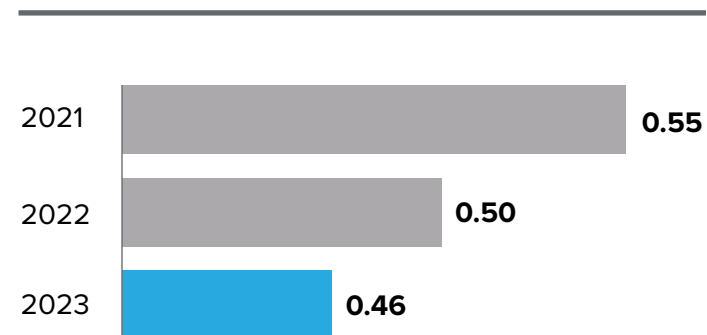
## HEALTH AND WELLNESS

In 2023, we continued to evolve our Healthy Team, Healthy Tenneco (HTHT) Program, which is focused on providing support for building health habits for our teams and their families. We led several events and initiatives through the HTHT program, including the recognition of Prostate Cancer Awareness Month; a Pink Walk campaign to support breast cancer awareness; a voluntary weight-loss challenge with our Puebla, Mexico, team; and participation in a Cycling to Work campaign in Zwickau, Germany. By promoting healthy lifestyles and practices, we remain focused on supporting the well-being of our team members.

## PERFORMANCE

In 2023, we achieved a 31% reduction in our recordable incident rate<sup>5</sup> compared to our 2019 baseline. Our EHS&S team was focused on the implementation of our cardinal and safety rules to further reduce the number of incidents stemming from life-threatening conditions and maintain a zero-fatality record.

### Recordable Incident Rate



**31%**

reduction in recordable incident rate compared to the 2019 baseline

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

5. 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 drives the success of our business and continuously provides excellent services to our customers. We are committed to supporting the professional development of our team members, and we maintain a workplace that emphasizes team member 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.

Led by our Center of Excellence (COE), Talent Directors, and plant-level and divisional leaders, our 2023 efforts were focused on redesigning our talent management programs in alignment with the P3 operating model to improve our processes for developing high-performing teams and empowering team members to take ownership in their professional development. Key initiatives that we implemented in 2023 include:

- > Launched the P3 Accelerator (P3x) training and other standalone modules to foster consistent and sustainable talent development at all operational levels, with the goal of making direct contributions to margin improvement;
- > Supported a mentoring program, targeting high-potential team members and leaders identified as successors to critical roles;
- > Increased accessibility of the On-Ramp Program by adding additional languages to train global frontline leaders; and
- > Initiated a performance review process on new human capital management software to ensure the provision of robust feedback from managers and gather information to inform performance evaluations.

### P3 ACCELERATOR (P3x) PROGRAM

To drive operational excellence, in 2023, we introduced P3x training to approximately 70 plant managers in the Americas, EMEA, APAC, and India, covering one-third of plants worldwide. Our goal is to develop the rest of the plant managers and leaders by early 2024.

Through a combination of remote and in-person sessions, P3x training is focused on eight priority modules that are directly linked to margin improvement, and it democratizes development within each manufacturing plant and distribution center, touching upon topics such as overall asset effectiveness (OAE) measurement and management, work standardization, shopfloor performance evaluation, and continuous improvement. To empower each site to take charge of their own improvement, Train the Trainer (TTT) sessions are offered in various regions as part of the P3x program to increase the pool of subject matter experts (SMEs) and trainers within our organization.

The TTT program is designed to build our capabilities to accelerate the implementation of our P3 operating standard at all global sites, ensuring consistent content, concepts, and practices across all four business segments within our organization. The program equips our designated training leaders with:

- > A review of the practical lean tools prioritized for driving operational excellence;
- > A mixture of theoretical concepts, hands-on practice, and reflection time; and
- > A series of simulation exercises to make learning interactive and memorable for plant teams.

### TALENT DEVELOPMENT

We invest in the professional development of 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, 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 2023, we focused on improving and enhancing new and existing training programs, including:

- > **LinkedIn Learning:** We continued to invest in LinkedIn Learning to provide our 15,900 salaried team members with options to learn and take charge of their own professional development roadmaps.
- > **Leadership Development:** In 2023, we expanded the On-Ramp leadership development program by adding two languages—Polish and German—to improve the accessibility of the program for our European leaders. Now available in six languages, the program continues to support leadership development throughout our global operations, with nearly 400 frontline leaders being trained in 2023 alone and more than 1,080 professionals having completed the program since its inception. To support our full transition to the P3 operating standard, in 2024, the On-Ramp program will serve as a foundation in our P3 training for leaders within the manufacturing plants and distribution centers.
- > **Mentorship Resources:** In 2023, we offered mentoring opportunities to a group of high-potential professionals and team members identified as successors to critical roles selected by business group leaders. We continued to administer surveys with mentors and mentees at 3-, 6-, and 12-month intervals to identify improvement areas such as advancing the overall management of the mentoring resources and the mentor-mentee matching process. To promote knowledge-sharing and collective growth within our workforce, we have initiated a pilot peer coaching initiative with the alumni of the On-Ramp leadership development program.
- > **Career Development Conversations:** Our managers and leaders hosted Career Development Conversations with team members to support their aspirations for career growth and development. We prepared leaders with a set of guiding questions and resources for these conversations, aimed at facilitating efficient and smooth dialogue with team members to support the identification of development opportunities, target-setting, and the creation of development plans.





## CONTINUOUS IMPROVEMENT EDUCATION WITH OUR SOUTH AMERICAN TEAMS

Our training programs and initiatives are focused on the enablement of continuous improvement in our processes. In South America, we have launched new training centers to further expand our resources and advance approaches toward operational efficiency.



In 2023, we installed a Dojo training center at the Rosaria, Argentina plant, the first within our sites in South America. Dojo, a Japanese word that refers to a place where trainees can concentrate on practicing and developing their skills, is used to symbolize the intent of the center. The center aims to help team members improve their performance and safety management capabilities by encouraging focused time spent in the designated training area. With an emphasis on lean manufacturing, the Dojo training center provides practical, simulated, and game exercises in theoretical and hands-on training sessions to highlight and educate team members about the importance of safety for our operations and the quality of our products.

In Mogi Mirim, Brazil, our team launched the Tenneco Maintenance School, a program that is aimed at better educating our team members on the operation of plant machinery, therefore arming them with information needed to resolve problems, suggest changes, and help achieve continuous improvement. The curriculum of the program features five training modules, covering various competency levels through specially designed technical, behavioral, and administrative trainings.

## ENGAGEMENT

At Tenneco, we value team members' feedback in shaping our engagement initiatives and strategies toward employee experience, growth, and development. We deploy various tactics and utilize a streamlined three-pillar framework to 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.

We regularly conduct engagement surveys to solicit input from team members, which helps us identify target areas for improvement and maintain a thriving work environment. In 2023, we invited all global team members, including hourly and full-time salaried team members, to participate in our employee survey, which was made available in 20 languages. We received an 86% participation rate for the 2023 survey, representing a 3% increase from the prior year. Overall, we achieved a 68% engagement score, and team members expressed their intent to stay with our company for the next 12 months at a level higher than external benchmarks.

In addition to engagement surveys, we utilize newsletters, town halls, social events, team member recognition programs, and many other programs to facilitate and promote two-way communication to maintain an engaged workforce. Business group presidents and functional team leaders deliver town hall meetings where they share results and focus areas of key talent development and engagement efforts in alignment with the three-pillar framework. At the site level, we host team-building events to foster a welcoming and cohesive workplace.

## TALENT RECRUITMENT AND INTEGRATION

With the goal of attracting the best available and diverse candidates, we advertise positions to more than 17,500 community-based organizations that promote diversity in recruitment in addition to our standard global hiring processes and career postings. After identifying and selecting qualified candidates, we implement a robust orientation program to onboard our new hires and welcome them to the Tenneco team. Onboarding training includes topics such as our purpose and values, Code of Conduct, and corporate policies that 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

Succession planning is integral to our talent pipelines and is informed by our team member development and performance review processes that capture the potential growth of our people and any talent gaps. We conduct annual reviews for our salaried workforce and assess development plans to identify high-potential talent for career development opportunities and roles with greater responsibility. By evaluating team members with modernized tools on their ability to learn and grow, their emotional intelligence, and their motivation to contribute beyond their required responsibilities, we identify prospective candidates in the establishment of succession plans for critical leadership positions, and we aim to increase retention by training and promoting our team members. In 2023, we further streamlined our planning process to focus our efforts on developing successors to plant managers and our executive leadership. The approach enables us to concentrate on optimizing plant operations and refining our strategies toward growing and promoting talent within our company.



## PERFORMANCE REVIEWS

We understand the value of constructive feedback in driving talent growth, and we maintain a target to complete performance reviews for 100% of our salaried team members. Mid-year and end-of-year performance reviews are incorporated into our annual performance management and talent development cycle to evaluate the progress of career development activities designed in line with our business priorities. The review process integrates insights from team members' self-assessments and calibration meetings between people leaders and employees to ensure the provision of robust feedback and thorough performance evaluations. In 2023, our year-end review process was launched on a new human capital management platform—an integrated and efficient tool for SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) objective and action-plan setting, feedback collection, and performance monitoring in support of each individual's professional development aspiration.

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 by evaluating and rewarding team members who work ethically in addition to recognizing their contributions.

## COMPENSATION AND BENEFITS

Our comprehensive compensation package supports our talent attraction and retention efforts. In addition to fair compensation, we offer competitive benefits 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, short- and long-term disability benefits, and voluntary benefits that cover identify theft and pet insurance discounts. In 2023, we added parental leave, adoption assistance, and surrogacy support to our benefit offerings, including paid time off and financial support to aid team members in forming and bonding with their families. We will continue to review and provide benefits that positively impact the well-being of our team members.

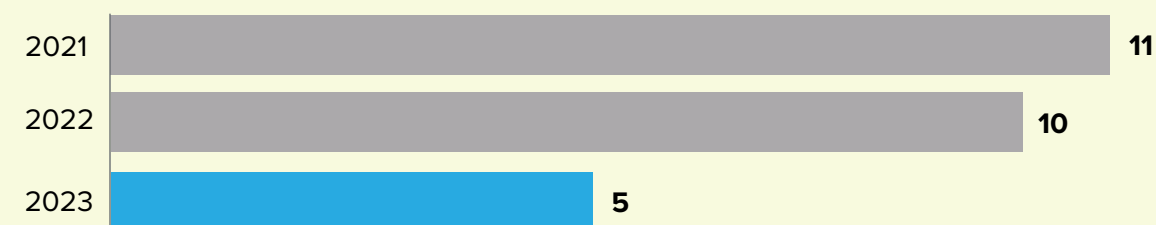
## CONTRACTORS

We occasionally use non-employee workers 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 2023, our salaried team members received an average of five hours of training. Training time decreased compared to the previous year as we focused on adapting to recent organizational changes associated with Apollo's acquisition of our company and redesigning our educational programs in accordance with the P3 operating model. We continuously explore the best learning resources for our team members and anticipate an increase in learning hours following the global deployment of P3-related training at our locations.

### Average Annual Training Hours Per Salaried Team Member



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





## Inclusion, Diversity and Equity

At Tenneco, we understand the importance of inclusivity and support the diversity of the communities where we operate. We continue to leverage the experiences and insights of our team members to meet the unique talent needs in our regional markets and differentiate Tenneco as an industry leader in driving workplace diversity. For us, inclusion, diversity and equity (ID&E) is a business imperative ingrained into our processes that enable our company to:

- > Maintain as a top employer who can attract, develop, and retain the best talent;
- > Foster innovation and achieve better outcomes with high-performing, diverse teams that deliver an unmatched customer experience;
- > Develop champions in cultivating 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). We continue to progress toward implementing the five-year roadmap with support from the Inclusion, Diversity, Equity, Action (IDEA) Board. The specific initiatives that we completed in 2023 include:

- > Expanded the reach of the IDEA framework through five local action teams to ensure consistent adoption of IDEA campaigns globally;
- > Enhanced communication and awareness-building activities by sponsoring celebration events for International Women's Day, Pride Month, and Global Diversity Awareness Month;
- > Formed two new BRGs and supported a total of five BRGs for our team members; and
- > Implemented recruiting initiatives promoting diverse candidates and designated Martin Luther King Jr. (MLK) Day as a formal company holiday for U.S. locations.

Despite the organizational restructuring process that we executed in 2023, we were able to maintain a 21% global female workforce and U.S. minority representation at the management level and above. We remain dedicated to enhancing our efforts around recruiting, developing, and retaining diverse talent.

# 21%



females globally

# 21%



minority group representation in the U.S.

### ID&E POLICY

We promote a thriving environment for all and celebrate the diverse backgrounds of our team members in accordance with our Global Inclusion, Diversity and Equity Policy; Equal Employment Opportunity Policy; and Harassment-Free Workplace Policy; which are designed to maintain a workplace that is free of violence, intimidation, and discrimination. Our team members are annually trained on our policies to ensure adherence to our standards for a just and equitable work environment.

### ID&E LEADERSHIP

Our ID&E strategy is supported by our people leaders, the Human Resources team, and our IDEA Board. Our Vice President of Global Talent, Inclusion & Culture reports to the Chief Administrative 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 and management for our ID&E strategy. The Board consists of representation from influential leaders that reflect geographic, business, gender, ethnic, and racial diversity of our organization.



“I am proud of the continued progress we have made in 2023, toward our pursuit of creating an inclusive and welcoming environment where diverse teams can contribute and succeed. Our 2023 efforts contributed to increased awareness of what we can all do to create a culture of inclusion and belonging.”

**Deniz Eubank**

*Vice President of Global Talent, Inclusion & Culture*

### DIVERSITY RECRUITING

At Tenneco, we value our talent of all backgrounds and experiences in driving innovation in our strategy and decision-making. 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 disabilities. As part of our diversity recruiting strategy, we post all our positions on job boards that are targeted at diverse individuals to ensure minority candidates are considered and represented in our recruiting process. In 2023, we focused on recruiting efforts at historically black colleges and universities (HBCUs) and expanded partnerships with organizations advocating for military veterans. Our BRGs participated in diversity-focused campus recruiting events to share Tenneco's culture of inclusivity with students. These additional recruiting strategies will allow us to strengthen our well-rounded and robust talent attraction and diversity development plan.



## BUSINESS RESOURCE GROUPS

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

In 2023, we debuted two new BRGs, Pride and Disability & Accessibility Awareness, to support the communities of LGBTQ+ and disabled professionals. With a total of five BRGs sponsoring a series of successful educational and engagement programs, our BRG membership has increased by twofold to approximately 2,000 team members and is reflected in record-breaking participation in our heritage month celebration activities and quarterly events.



The mission of the Women's BRG (WBRG) 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 2023, the WBRG launched a new Mentoring Circles series to encourage learning and

best practice sharing among women at Tenneco. This program provides access to a pool of experienced mentors and aims to help women across our company advance their careers by disseminating insights and advice from our female leaders and supporting allies. Additionally, the WBRG sponsored a Take Your Child to Work Day in spring 2023, with 95% of our global plants and offices participating in the event to provide families and children, especially girls, with an opportunity to understand their parents' jobs and available work experiences at Tenneco.



The mission of the Black/African Heritage (BAH) 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. In 2023, the BAH BRG continued to participate in recruiting

efforts at Tennessee State University, one of the HBCUs, to help source diverse talent where we have a significant presence. In honor of National Senior Citizens Day, the BRG members showed their gratitude and appreciation for seniors by providing service at two senior living centers, helping serve meals and engaging with residents. The BRG also championed in sponsoring MLK Day as a new corporate holiday for our U.S. locations. On this day, team members are encouraged to complete acts of service in the community to celebrate the life and legacy of Dr. King.



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 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&S and ESG teams, the BRG celebrated Global Values Day and its 2023 theme—Values Bring Us

Together—by interviewing team members around the globe to highlight the intersection of our new company core values and our teams' personal values.



The mission of the Disability & Accessibility (D&A) BRG is to provide support, connections, and networks for our team members and communities with disability and accessibility needs, empowering them through three strategic pillars:

### Disability & Accessibility Business Resource Group A TENNECO BUSINESS RESOURCE GROUP

- 1. Team members:** Supporting employees with disabilities and/or accessibility needs and their caregivers, friends, and family members with disabilities.
- 2. Our community:** Empowering managers and local teams to improve accessibility and support team members and visitors to our facilities, including technology-related support.
- 3. Our business:** Advancing our organization to embrace and take advantage of a diverse and inclusive workforce from recruitment to entire career development.

The BRG will focus on all aspects of accessibility and inclusion for a broad range of physical and cognitive diversities. We encourage team members who are allies to this group, have a passion for making our workplace inclusive and supportive to all, or have ideas on how we can improve accessibility in our facilities to join the BRG. Activities for the D&A BRG will begin in 2024.



The mission of the PRIDE BRG is to promote dignity and respect for people of all gender identities and sexual orientations. PRIDE BRG participants are committed to supporting all Tenneco team members through a welcoming environment where everyone can reach their full potential by bringing their authentic selves to work each day. Activities for the PRIDE BRG will begin in 2024.



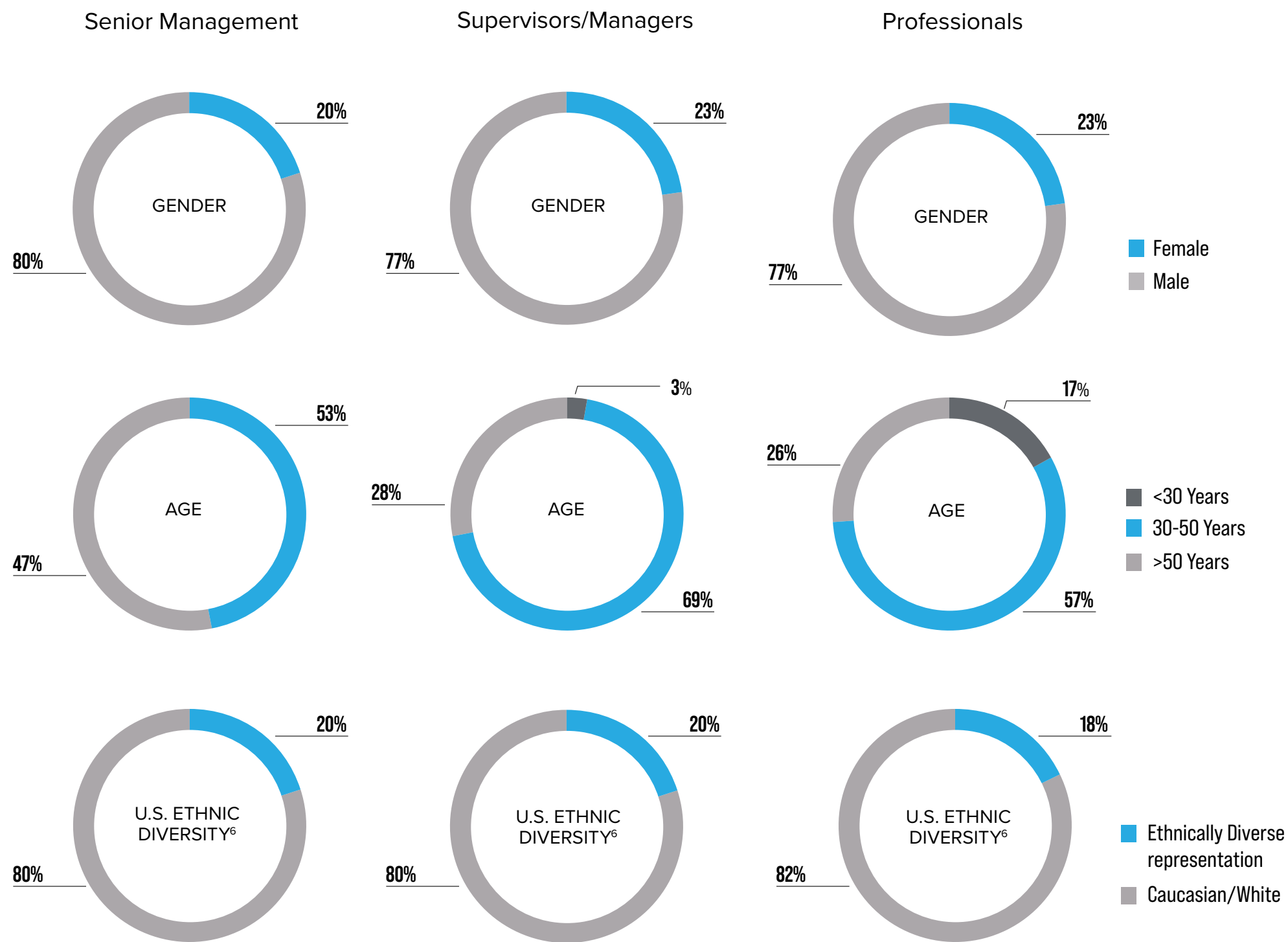
## HERITAGE MONTH CELEBRATIONS AND DIVERSITY AWARENESS BUILDING

Aside from MLK Day and cultural holidays such as Diwali, every year, we celebrate multiple heritage months and diversity days with support from our IDEA Board, BRGs, and other Tenneco teams. Our 2023 activities included, but were not limited to:

- > **February—Black History Month:** The BAH BRG and the IDEA Board organized activities to advance team members' knowledge concerning Black history. Celebration efforts that were made in the month included a Q&A session on career progression for women of color, weekly profile stories of prominent African Americans in the automotive and transportation industry, and distribution of educational resources and reading materials about African American history.
- > **March—International Women's Day (IWD):** The WBRG and Tenneco teams celebrated the 2023 IWD theme—Embrace Equity—with a global online event that was focused on exchanging insights and views among women regarding teamwork, relationship building, career growth, and leadership development; rollout of an IWD celebration activation toolkit for local plants; and stories about remarkable women leaders and their advice for embracing equity.
- > **June—Pride Month:** To celebrate and embrace differences in the value each team member brings to our collective success, we celebrated Pride Month and its 2023 theme—Allyship—by announcing our two new BRGs for LGBTQ+ and disabled communities, inviting team members to show their advocacy for diversity by signing on ID&E posters, and implementing a global weekly education series that provided trainings regarding unconscious bias, privilege, allyship, and support tools for LGBTQ+ team members.
- > **October—Global Diversity Awareness Month:** The IDEA Board recognized Global Diversity Awareness Month by implementing a series of ID&E messages, trainings, and events, including an ID&E town hall with guest speakers. The town hall invited two diverse C-suite officers of other companies to join our ID&E leaders in conversations regarding career advancement; coaching with our value, Radical Candor; and the importance of resilience for underrepresented groups in the corporate world.

## PERFORMANCE

### Diversity of Team Members



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

6. 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

At Tenneco, we do not tolerate any form of mistreatment or exploitation of workers in our global business. We remain committed to sound labor practices and respecting human rights in every region where we operate. Our [Basic Working Conditions Policy](#) and [Code of Conduct](#) set the standards for our behavior and 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 STANDARDS AND TRAININGS

We maintain robust policies to ensure that team members are being trained and understand our programs and protocols for protecting the well-being of workers in our operations. Our Basic Working Conditions Policy outlines our commitment to upholding labor rights and respecting freedom of association. 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 informed by the following frameworks:

- > The United Nations Universal Declaration of Human Rights;
- > The United Nations Global Compact;
- > The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- > The Global Sullivan Principles of Social Responsibility;
- > German Supply Chain Due Diligence Act; and
- > Automotive Industry Guiding Principles to Enhance Sustainability Performance in the Supply Chain.

At each location within our global business, we maintain a rigorous process to verify every candidate's eligibility to work at our sites, including compliance with labor laws and our minimum age requirement, prior to establishing a formal employment relationship with an applicant. We have updated the Basic Working Conditions policy to clarify our minimum age

requirement for U.S. team members at 18 years old and reinforce our commitment to complying with local age requirement laws to prevent child labor (employment of any person under the age of 16) in our global operations.

To validate the effectiveness of our program, we further rolled out compliance training and enhanced our audit of the age verification process to ensure our standards are being met. We implemented the following strategies in our U.S. operations, which will also be executed at our global locations:

- > Comprehensive audits at our Michigan and other U.S. sites to verify no under-age workers from our direct hires or those sourced through our largest external staffing partner.
- > Strengthened control and background check process to confirm no U.S. candidates are under 18 years of age.
- > Child labor prevention training for all U.S. salaried team members and refresher training for Form I-9 compliance.
- > Centralized selection of staffing agencies that incorporate evaluations of their age verification procedures.

In addition to child labor prevention programs and auditing processes, we also launched a mandatory Preventing Global Modern Slavery training in 2023 for all global salaried team members to help manage risks related to forced labor and establish credibility in the integrity of our operations and interactions with our customers, people, and communities. The training covered modern slavery prevention laws in the U.S., the U.K., Germany, and Australia to ensure company-wide compliance with applicable labor regulations in our business activities, with 99% of salaried team members completing the training in 2023.

### COLLECTIVE BARGAINING

We respect team members' collective bargaining rights in accordance with regulations in the jurisdictions where we operate. As of 2023, an estimated 60% of our global team members were covered by collective bargaining agreements. Approximately 15% of employees were covered by collective bargaining agreements in the U.S.

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 2023, there were no NLRA violations in our operations. For additional data, please refer to [Appendix C](#).

~60%

of team members were covered by collective bargaining agreements globally in 2023



### CELEBRATING INTERNATIONAL HUMAN RIGHTS DAY

Tenneco and our IDEA Board are proud supporters of International Human Rights Day and its connection to our commitment to fostering inclusivity, equity, and respect for all. We celebrated the 2023 theme—Freedom, Equality, and Justice for All—by providing web-based resources to help team members develop an understanding of global human rights initiatives.

### 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 are dedicated to uplifting our local communities by devoting our time and resources to philanthropic, educational, and volunteering initiatives. Throughout 2023, we continued focusing our outreach efforts on alignment with our One Team for a Better Tomorrow Policy, which has been made available in more than 20 languages. The policy provides global team members, including salaried, hourly, and cooperative education team members and interns, 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 engagement, 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, each site has an assigned Volunteer Site Coordinator who is responsible for assisting with the coordination of volunteer events, ensuring alignment with our focused engagement pillars, and tracking and reporting volunteerism of our community activities. Our successes and valuable contributions to our communities are externally recognized. In 2023, we received the Cummins Global Corporate Responsibility Award for fostering strong relationships and partnerships with team members and communities. DRiV, a longtime benefactor of the University of the Aftermarket Foundation (UAF), was named the first-ever UAF Emerald Lifetime Trustee, recognizing DRiV's longtime support as an exceptional donor who has contributed more than \$1 million to the organization.

## INVESTMENT IN COMMUNITIES

Our commitment to 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. In 2023, we made charitable contributions to organizations including United Way, the Susan G. Komen Breast Cancer Foundation, and a food pantry and children's health research center in Europe.

To promote equal opportunities in education, we provide scholarships to support students in completing their automotive or general educational degrees. Through the annual Garage Gurus Automotive Technician Scholarship Program, we award 12 students \$2,500 toward their automotive education programs. Eligible recipients are high school students who have been accepted or are currently enrolled in accredited, U.S.-based automotive technical schools, colleges, and universities. In addition to the Garage Gurus program, we offer scholarships to high school senior children of our salaried team members in the U.S., Canada, and Mexico, which 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.

Our community service and volunteer activities in 2023 continued to focus on our strategic pillars of advancing education and skill development, and supporting a healthy environment in the neighborhoods we serve. A small sample of our impactful initiatives throughout 2023 is presented below:

## Education & Skills Development



**Science Center for Schools in India:** In 2023, Ride Control India's Bawal corporate social responsibility team partnered with Samabhavana, a non-governmental organization whose mission is to enable enhanced scientific knowledge in the communities through innovative programs, to open a Mini Science Center at the Bawal Government School. With the goal of advancing students' interest and learning of STEM subjects, the center provides nearly 1,800 students across five schools with access to STEM-related educational resources and hands-on activities.

**Digital Education in Germany:** In collaboration with the City of Burscheid, our Powertrain team supported the Apprentices at School project in Germany, which is aimed at preparing 3rd to 5th grade students with knowledge and skills to use digital media. By teaching classes weekly as volunteers, our team members and staff from the Burscheid town council joined forces to advance digital education in schools in line with current and evolving technology development trends.

**Women Empowerment in India:** The Ride Control India team partnered with the Lotus Foundation to establish a Skill Development Center in Puducherry to support women from socio-economically underprivileged communities. By providing training on tailoring and Aari work, a traditional embroidery technique that originated in the Indian state of Rajasthan, the center empowers women to pursue opportunities to improve their livelihoods and establish their own micro-enterprises. As of March 2023, more than 40% of the 60 program participants had started receiving orders from customers. With support from the center and the Lotus Foundation, more than 30% of participants had applied for loans to build their own businesses.

## Food Access



**Home-Baked Bread to Feed South African Community:** Our Port Elizabeth team in South Africa endorsed a team member's own food security efforts by making a monetary donation to help advance an at-home breadmaking endeavor. To provide food to underprivileged communities in and around Port Elizabeth, a 35-year Tenneco veteran and his family self-initiated homemade bread production efforts to alleviate hunger in their surrounding neighborhoods. Inspired by the selfless work of the team member, the local Tenneco team proudly provided financial assistance to support equipment upgrades and ingredient sourcing to contribute to the advancement of the well-being and food access within the communities.

**Forgotten Harvest Volunteer Event:** In the spirit of giving back to communities, the Tenneco Human Resources Leadership Team volunteered with Forgotten Harvest, a nonprofit organization in the greater Detroit area, to relieve hunger and prevent food waste in the neighborhoods. The team bagged up more than 5,000 pounds of pizza, distributed to disadvantaged families through a restaurant chain. By investing time in organizations that provide impactful services, we aim to extend the reach of our community impacts and Making Tomorrow Better.



## Human Health and Wellness



**Healthcare for Underprivileged Communities in India:** In India, our Ride Control team launched a Mobile Medical Clinic for underprivileged communities in 27 wards around the Hosur plant. This initiative contributes to the Indian government's efforts to provide accessible and affordable healthcare services to all citizens, especially those in rural and underdeveloped areas. Recognizing that underprivileged communities lack awareness about preventative measures against diseases and face barriers to accessing medical services, the team addressed the challenges by implementing the mobile clinic to provide medicine, consultation, referral, and diagnostic services free of cost to more than 30,000 residents in the targeted communities for one year.



**Care for Autism Children in China:** In 2023, our Chongqing, China, braking plant participated in the 2023 Care for Autism Children Charity event held by the LeYi Rehabilitation Care Center. Volunteers from different departments throughout the plant brought gifts and engaged in one-on-one communication with 14 children with autism. Through entertaining games, coloring, and other activities, Tenneco volunteers provided companionship, offering opportunities for the children with autism to connect with the outside world and help accelerate the kids' integration into society.

## Environmental Sustainability



**Removing Trash from Local River in Michigan:** Our Champion Ignition team continued their dedication to uplifting their community by removing trash from the Huron River and distributing mulch on the playground at Island Park in Ann Arbor, Michigan. By incorporating lessons learned from workflow optimization and OAE improvement, the team achieved operational excellence in the volunteer event through optimized distribution of resources and minimized wait time that allowed the team to complete tasks in record time. At the end of the event, the team removed nearly 350 pounds of trash from the river in one afternoon and distributed two truckloads of mulch to the playground in 2.5 hours, helping to efficiently beautify outdoor spaces in the Ann Arbor area.

**Tree-planting Initiatives in India:** In 2023, our Clean Air India team hosted a tree plantation drive, reaching an awe-inspiring milestone of planting more than 5,000 trees by Tenneco team members and their families in a single day across three locations. Additionally, the team opened an herb garden at a local care center in Chennai, followed by a sapling adoption care and nurture program, showcasing our unwavering commitment to community service and building a cleaner, greener future.







# OUR PLANET

At Tenneco, our approach to operational eco-efficiency is built upon our pursuit of Making Tomorrow Better, and we strive to reduce our environmental footprint and secure renewable resources in alignment with a low-carbon future. As responsible corporate citizens, we are focused on efficiently managing our energy consumption, emissions, operational waste, and water usage as we continue to minimize our environmental impacts while achieving optimized operations.

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## SKIP TO

[Energy and Greenhouse Gas Emissions](#)

[Operational Waste and Water](#)


## SUGGESTED LINKS

[Environmental, Health and Safety Policy](#)



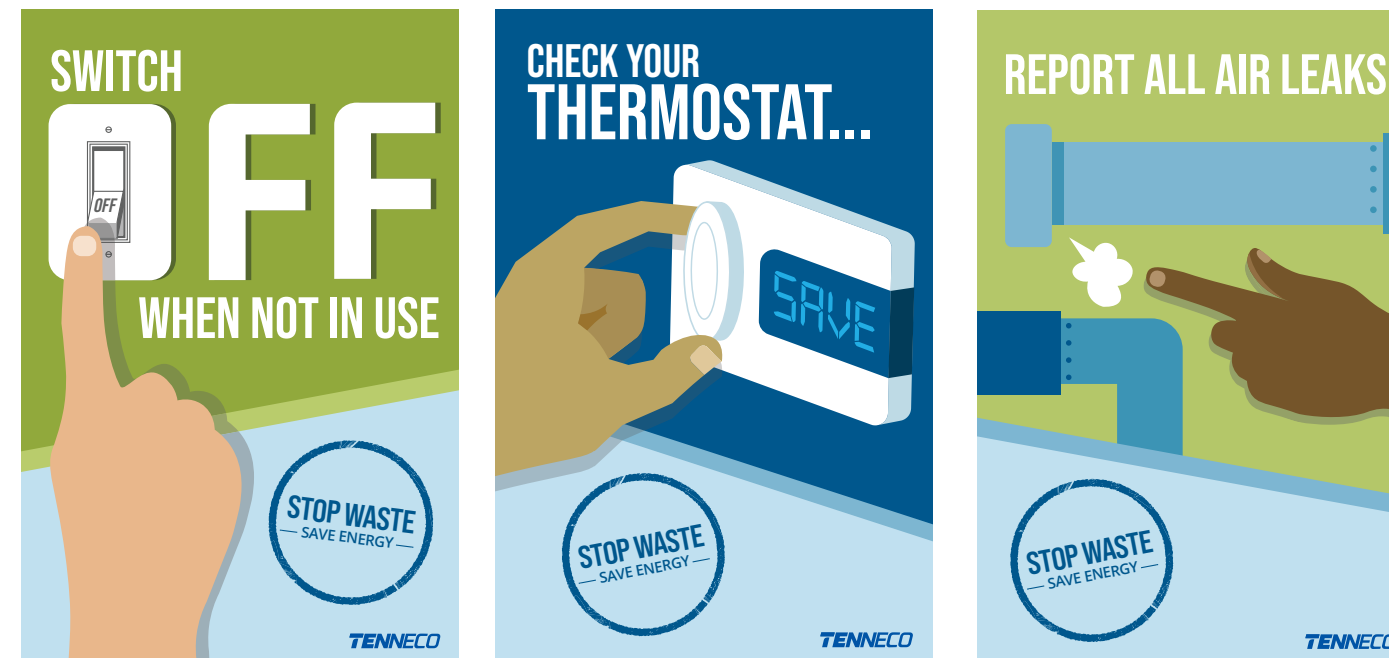
## Energy and Greenhouse Gas Emissions

We understand our responsibility to take concrete action to tackle 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 greenhouse gas (GHG) emissions at our sites and contributing to sector-wide climate actions. In 2023, we continued to make progress toward carbon and energy intensity improvements in our operations, in line with our sustainability goals:

Goal	2023 Progress
 Reduce Scope 1 and Scope 2 GHG emissions intensity by 30% by 2030 from a 2019 baseline.	Achieved a 23% reduction compared to the 2019 baseline.
Decrease operational energy demand by 20% by 2030 from a 2019 baseline.	Reduced energy consumption by 16% compared to the 2019 baseline.
Source 15% more renewable energy by 2030.	Approximately 6% of 2023 energy consumption was from renewables.

Our climate risk assessment process is informed by the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and covers our operations and prioritized areas of the supply chain. Analysis results enable us to refine our approach toward the integration of climate-related physical and transition risks and opportunities into our strategies. We monitor and manage risks through measures including:

- > Identifying facilities with repeated historical impacts, screening facilities identified as high-risk for criticalities, and developing mitigation measures for material risks at highest-priority facilities.
- > Developing an organizational climate resiliency toolkit and mitigation library and implementing cost-effective mitigation measures at additional, medium-to-low priority facilities.
- > Incorporating redundancy and resilient design concepts into capital improvement projects.
- > Assessing the resilience of Tenneco's emissions reduction strategy against carbon reduction and net zero targets in different jurisdictions, monitoring regulatory changes for GHG emissions reduction and reporting, and assessing Tenneco's performance in a low-carbon economy.



In addition to robust climate risk assessments, our multifaceted approach to climate change and energy management includes comprehensive strategic planning and awareness-building activities. In 2023, we were focused on the following programs:

- > Developed a comprehensive implementation plan to comply with the EU CBAM.
- > Conducted five regional energy efficiency workshops in the U.S., Europe, and India.
- > Deployed global Shutdown, Leak Detection, and HVAC programs to identify improvement areas in our energy usage profile and reinforce our strategies and increase awareness for energy conservation.
- > Continued to reduce energy consumption and GHG emissions by installing and implementing LED lighting fixtures, HVAC retrofits, energy management systems, heat recovery technologies, thermal inspection activities, and leak detection and elimination projects.
- > Implemented a green energy roadmap that includes solar power purchasing agreement (PPA) execution plans across eight countries in four waves. Three plants in Belgium, the U.K., and Germany have entered solar sourcing agreements that will go live in 2024.
- > Updated our vehicle policy to include and promote the use of efficient hybrid and electric vehicles.

In 2023, we established a cross-functional team that reviewed CBAM-related regulations and developed a strategy to comply with the CBAM reporting requirements, which impact all our EU operations that import certain materials from outside of the EU. The first CBAM report was successfully submitted by our relevant EU entities for imported goods in Q4 2023. The report included the amount of imported goods from suppliers outside of the EU, including the weight of the goods as well as the amount of embedded emissions in these goods. As part of our CBAM compliance strategy, we work with our suppliers to help them calculate the embedded emissions in the products they ship to Tenneco.



## MANAGEMENT APPROACH

Our Executive Leadership Team holds the ultimate responsibility for climate-related issues as part of their oversight of ESG topics 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 and operations leaders 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, supporting energy efficiency improvement, and executing green energy projects. In 2023, we elevated our governance efforts for energy management by creating a new Global Energy Manager role responsible for overseeing the implementation of energy efficiency projects and best practices across our company.

## ENERGY WORKING GROUPS

In collaboration with our ESG Steering Committee, 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 support our progress toward our sustainability goals and prepare us for other long-term decarbonization targets we are exploring. We are proud that we have met our goal of reducing energy consumption by 10% compared to a 2019 baseline by 2030. In 2023, we achieved a 16% reduction in energy usage compared to 2019. To continue pursuing energy efficiency in our business, we have established a new target of reducing 20% of energy consumption from a 2019 baseline by 2030.

## ENVIRONMENTAL AND ENERGY MANAGEMENT SYSTEMS

We model best practices and 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. As of 2023, 88% of our global manufacturing sites were certified to the ISO 14001 standard and 12% of our global manufacturing sites were ISO 50001 certified.

**88%**

of our manufacturing sites were certified to the ISO 14001 standard

## | REGIONAL ENERGY EFFICIENCY WORKSHOPS

Led by our Global Energy Manager and our Office of Strategic Execution (OSE), which is designed to develop and implement strategies for improving operational efficiency and achieving accelerated growth, our regional energy efficiency workshops and other continuous improvement activities are consistently implemented within our global operations to bring our core values to life. In 2023, we conducted five energy efficiency workshops in the U.S., Europe, and India with an external consultant to achieve the following objectives:

1. Approach energy efficiency through our core beliefs of continuous improvement and asset effectiveness;
2. Appreciate the full potential of the wide range of energy sources that are available in the entire energy value chain;
3. Recognize analyses and levers that are most helpful for each site; and
4. Compile a list of site-level actions for optimized energy efficiency outcomes.

The regional workshops gather plant managers to exchange energy-saving ideas, share best energy efficiency case studies, engage in on-site energy hunts to identify energy conservation opportunities, and compile lists of efficiency improvement initiatives.

## | EARTHY DAY CELEBRATION

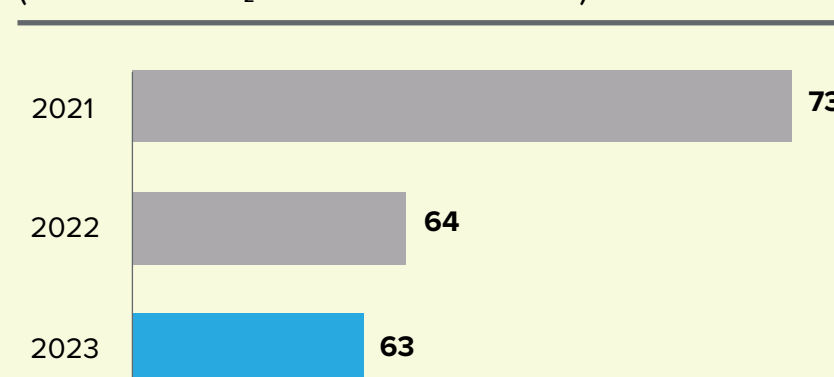


Every year, Tenneco celebrates Earth Day by encouraging each plant to develop and volunteer for a project at their location in alignment with our three focus areas: community service, plant challenge, and facility improvement. The projects are aimed at promoting environmental awareness, fostering teamwork, building engagement, and most importantly, positively impacting our environment. In North America, our Clean Air team invested in a wide array of projects to recognize Earth Day, with the goal of helping their facilities operate better and become positive stewards within their communities. Some of the initiatives that took place in 2023 included site cleanups, habitat restoration projects, plant giveaways, public green areas and plant adoption and maintenance, and tree-planting activities in various community locations.

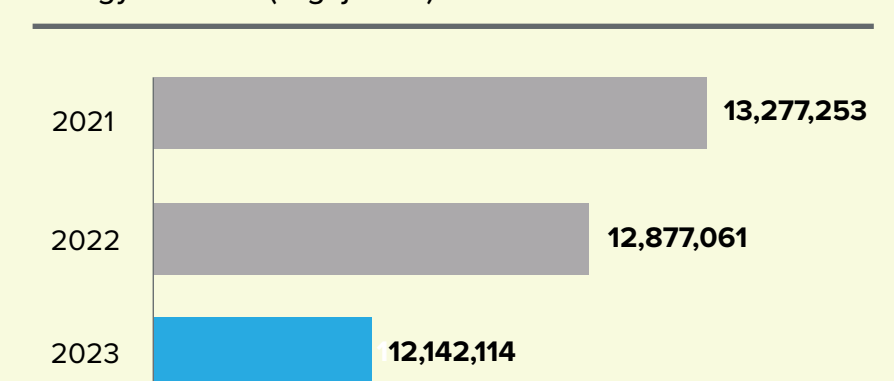
## PERFORMANCE

Annually, we report energy consumption and GHG emissions and measure our progress using multiple indicators to inform our strategies. In 2023, we achieved a 23% reduction in our Scope 1 and Scope 2 emissions intensity and lowered our energy demand by 16% compared to our 2019 baseline, a strong reflection on our continuous improvement of our carbon footprint.<sup>7</sup>

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 C](#).


<sup>7</sup> We seek to provide accurate information and have restated one renewable metric in this report. For more information, please refer to [Appendix C](#).

# Operational Waste and Water

## WASTE MANAGEMENT

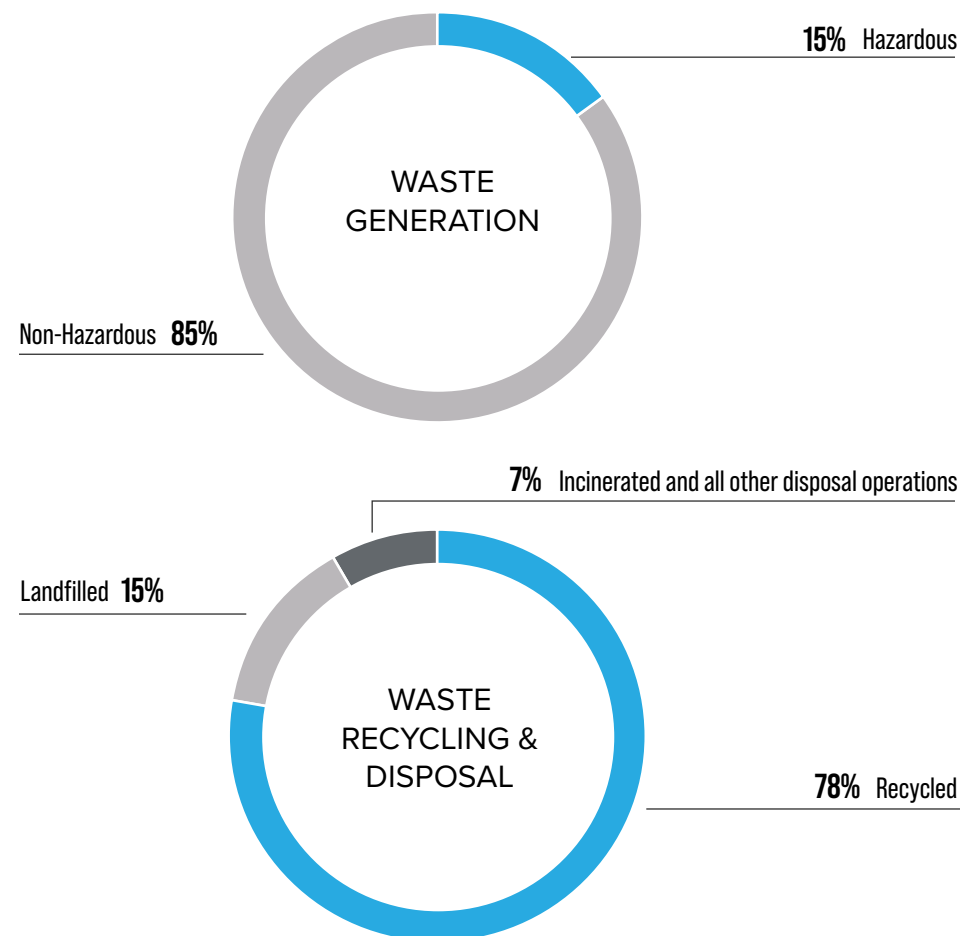
As responsible stewards of our environment, we have established processes to eliminate or streamline our waste streams and improve our resource recovery efforts across our business groups to mitigate the risks of pollution, landfill runoff, and other negative impacts from waste disposal. Waste management, especially the handling of hazardous waste, is incorporated into our environmental health and safety strategies, including the cardinal rules and the daily safety touchpoint program. In 2023, we initiated and implemented multiple projects to take our waste management efforts further, such as the prioritization of waste vendors who provide better controls and protocols for waste-stream monitoring to facilitate our cost and footprint reduction efforts.

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 2023, we achieved a 9% reduction in the amount of waste sent to landfills, and we continue to progress toward resource efficiency and circularity in line with our waste reduction and diversion goal.

Goal	2023 Progress
 Reduce waste to landfill by 20% by 2030 from a 2021 baseline.	Achieved a 9% reduction from the 2021 baseline.

## PERFORMANCE

In 2023, approximately 78% of our waste was recycled.<sup>8</sup> We are dedicated to the continual refinement of our waste management strategy and further reducing waste generation from our manufacturing processes and operations.



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

<sup>8</sup> Waste data represents approximately 80% of manufacturing sites.



### WASTE SEPARATION AND REDUCTION IN QINGDAO, CHINA

In 2023, our Powertrain sites in Qingdao, China, worked on various initiatives that were focused on enhancing waste separation, reduction, and recycling. The ignition site installed an oil separator and a metal scrap squeezer to separate residue oil fluid from metal scraps, reducing hazardous waste by 145 tons per year. The pistons site adopted sludge-drying equipment to remove liquids in wet wastewater sludge, leading to a 59% reduction in sludge volume and more efficient sludge disposal and processing. The team also sterilized and filtered cutting fluids for reuse, achieving a reduction of 133 tons of fluids per year, representing a 57% improvement from the prior year.



## 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. Our 2023 water management efforts at various sites included:

- > Integrated technologies to monitor the concentration of wastewater discharge, water consumption, and quality.
- > Implemented controllers to reduce water flow during idle times and installed water-efficient faucets.
- > Eliminated and prevented leaks through pipe replacement.
- > Installed wastewater filters to improve wastewater treatment.
- > Defined a water balance to optimize the current production processes.
- > Began the implementation of a system that will reuse treated water in our painting process, which requires high-standard demineralized water.

Water-related management processes are administered by our Core Competency Team (CCT). The team consists of members of the EHS&S Senior Leadership Committee and professionals from all our regions and business units, including water and wastewater specialists from our Advanced Manufacturing Engineering (AME) department, which 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 reuse;
- > Decreasing pollution load by optimizing chemical usage;
- > Disseminating water best practices on our global platform;
- > Educating responsible water management at a local scale;
- > Promoting water conversations and awareness through monthly webinars;
- > Monitoring plant data for wastewater and water usage; and
- > Introducing standard methods within production to reduce wastewater.

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 can treat more than 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 enable waste discharge monitoring and compliance by tracking 10 to 15 standard water parameters.

Our progress toward wastewater treatment is supported by site-level initiatives that reduce chemical usage and pollutants in wastewater. In South Africa, our team has deployed tactics to reduce chemical usage in chrome plating, leading to better wastewater handling. In Europe, we continue to support plants that have a wide year-over-year change in the per- and polyfluoroalkyl substances (PFAS) levels in their water discharge by promoting the use of PFAS-free materials in our procedures. In 2023, our CCT lead reassessed the first ZLD system installed in our company at our site in Celaya, Mexico. By applying modern water and wastewater management concepts, the site achieved a 50% reduction in chemical consumption and reused more than 90% of the treated water, leading to increased efficiency in wastewater processing and water circularity.



### WATER MANAGEMENT IN GLIWICE, POLAND

Tenneco's ZLD-WWTP in Gliwice, Poland 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 2023, the system treated nearly 15,000 cubic meters (m3) of water and reused 95% of the treated water, achieving a savings of \$42,400 for the year.

The plant hosted our first Global Water Processes Workshop in 2023, with participation from our Executive Vice President, EHS&S and our global and regional EHS&S and AME teams from Performance Solutions and Powertrain business segments. The workshop's purpose was to redefine and reprioritize wastewater treatment in water management efforts. By sharing insights into management tactics in relation to the WWTP technical solution and its operations and maintenance, we positioned the Gliwice system as a Tenneco Best Business Practice for environmental sustainability and hope to roll out improved water-related operational practices in other plants and facilities throughout our global operations.

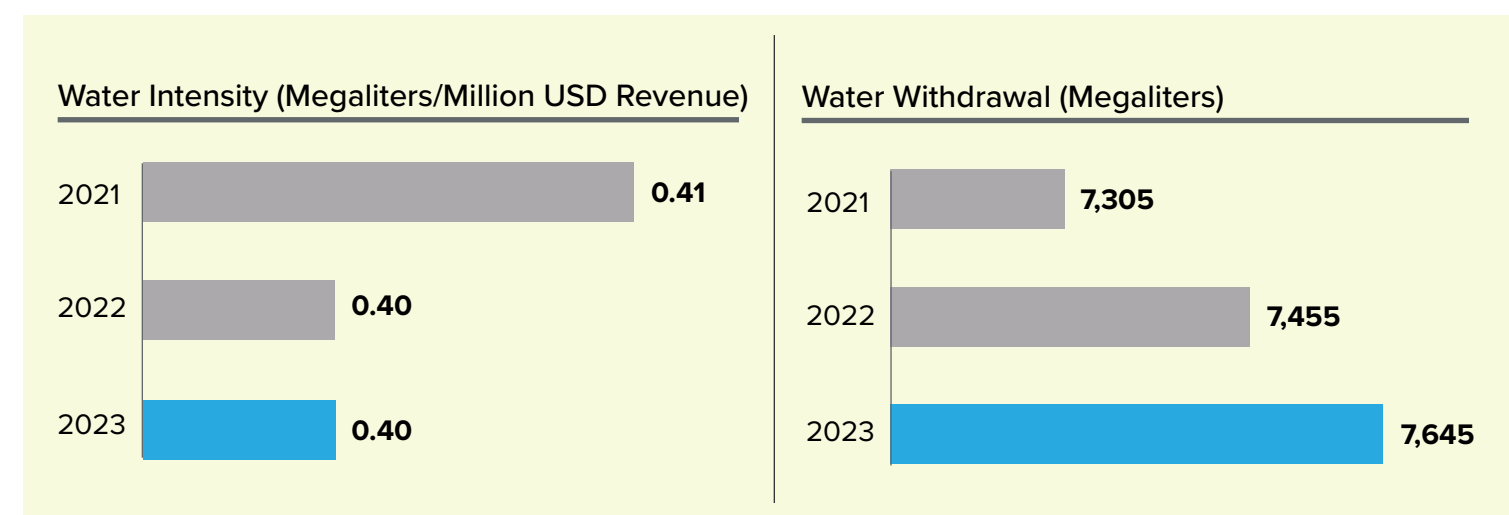


### WORLD WATER DAY CELEBRATION IN BRAZIL

Tenneco's plants in Brazil celebrated the 2023 World Water Day with a site tour for local students. In Mogi Mirim and Cotia, Brazil, the plants partnered with the GenT BRG to bring groups of science students to visit our facilities and observe the plants' Effluent Treatment Station (ETE). More than 100 students and teachers were provided with a real-life educational experience of the industrial water treatment process. By engaging local communities in educational and awareness-raising activities, we support global and regional action to tackle the world's water and sanitation challenges in line with the objective of World Water Day.

## PERFORMANCE

In 2023, our water intensity remained the same as compared to the prior year despite an increase in production volume, showcasing the effectiveness of our strategy toward water efficiency. Moving forward, we will continue to explore opportunities to reduce our water footprint further and support the sustainable use of water resources.



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



# OUR PRODUCTS

At Tenneco, we are dedicated to making a positive impact on the environment and society through our cutting-edge solutions. We maintain a wide range of products that reflect our culture of forward-thinking and our steadfast commitment to producing safe, efficient, and high quality components for the global mobility sector. As a leader in the automotive parts industry, we are invested in the development of sustainable practices and products that aid in the sector-wide reduction of GHG emissions and improvement in fuel efficiency. Our state-of-the-art emission control technologies not only mitigate harmful pollutants but also help our clients adhere to the latest regulatory standards.

We produce OE products for ride performance, emission systems, and powertrains for nearly all major original equipment manufacturers (OEMs) across the globe. Our world-renowned brands deliver high-quality, innovative solutions, some of which have a track record of success spanning over a century. As our business continues to evolve, we are poised to accelerate our growth through our DRiV and Performance Solutions business segments, as well as by broadening our offerings in the commercial truck, off-highway, and industrial sectors.

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## SKIP TO

[Product Safety and Quality](#)

[Product Efficiency](#)

[Product Innovation](#)

## SUGGESTED LINKS

[Product Compliance and Quality Policy](#)



## Product Safety and Quality

Our success within the automotive parts industry hinges on our delivery of high-quality, durable products and the satisfaction of our customers. We have established ourselves as a leader in this competitive industry by consistently producing products that are free of safety concerns and provide customers with reliable performance. Through our robust quality management process, in line with our pursuit of continuous improvement, we create superior products, innovate our quality control processes, and maintain compliance with—or exceed—regulatory or customer quality standards.

Goal	2023 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.	97% of manufacturing sites were certified.

Our commitment to product quality and excellence is externally recognized. The list below presents a small sample of quality-related accolades that we received in 2023:

- > **China Friction Industry Association’s Friction Industry Excellent Quality Management Award**—awarded to the friction plant in Chongqing, China;
- > **Confederation of Indian Industry Institute of Quality Low-cost Automation & Low-cost Digitalization Gold Award**—awarded to the Monroe® Ride Solutions Global Warranty team;
- > **Maxion Wheels Quality Award**—awarded to the NVH plant in Cotia, Brazil;
- > **Mitsubishi Motors (Thailand) Award of Quality**—awarded to the Valves team in Chonburi, Thailand;
- > **ZEKKR Best Quality Award**—awarded to the Monroe® Intelligent Suspension system; and
- > **ZF Wuhan Quality Initiative Riding the Waves Award**—awarded to the OE Braking plant in Wuhan, China.

### QUALITY MANAGEMENT AND COMPLIANCE

We prioritize safety and quality throughout the entirety of our product life cycle. From the initial design and development to the production and testing processes, we are focused on meeting the highest quality standards and fostering a zero-defect mindset as guided by our [Product Compliance and Quality Policy](#), our Global Warranty Committee (GWC), and initiatives relating to the implementation of the P3 operating standard and programs rolled out by the Clean Air Product Council. We closely monitor 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) and the Euro 7 regulation.

Our business segments continue to conduct regular product analyses to identify potential health risks in our solutions and establish controls to mitigate safety hazards associated with our products. At each stage of our quality management process, safety assessments are performed to uphold compliance with regulatory and internal standards. Following the launch of our solutions, we actively gather and integrate customer feedback to drive continuous improvement in product performance. This ongoing evaluation cycle remains an integral part of our commitment to delivering dependable automotive components.

### GLOBAL WARRANTY COMMITTEE

In 2023, we restructured our quality governance framework with the re-establishment of the GWC to streamline our management process. The committee is responsible for overseeing product safety and quality, fostering a cross-functional approach, and managing the escalation of product warranty issues. Composed of executive and functional leaders from the Engineering, Quality, Finance, and Legal departments, the GWC prioritizes communication and collaboration to ensure a holistic approach toward quality risk management.

The committee has established an escalation process for addressing potential or confirmed product safety issues and quality concerns. Early notification and review of quality issues at the corporate and local levels facilitate regulatory compliance monitoring and inform rapid learning and action regarding the evaluation and fulfillment of our regulatory and financial reporting obligations.

### | WORLD QUALITY WEEK CELEBRATION



In 2023, DRiV highlighted the segment’s achievements in quality excellence and hosted interactive activities to celebrate World Quality Week and the theme for the year—Realizing Your Competitive Potential. Events were held to raise quality awareness, emphasize the importance of realizing individuals’ competitive potential in a culture of quality, and encourage effective delivery of defect-free products to customers. The initiatives and resources provided throughout 2023 to reinforce our culture of quality include:

- **A My Quality Hero program to recognize leaders who drive changes in our quality processes and demonstrate our values of tenacious execution and will to win;**
- **Find-the-defect games and other interactive exercises to test team members’ knowledge and ability to identify quality issues; and**
- **Quality Basics training, videos, and brochures to provide easy access to quality-related educational resources.**





## QUALITY SYSTEM STANDARDS

We continue to align our quality management system with multiple industry standards such as ISO 9001, IATF 16949 for automotive businesses, AS9100 for aerospace ventures, ISO/TS 22163 for railway applications, and VDA 6.3 for European OEMs. These standards provide structured, effective guidelines that steer our quality management strategies. As of 2023, 97% of our manufacturing sites were certified to either the IATF 16949 or ISO 9001 standard.

To pursue certifications and maintain rigorous management practices in line with ISO 9001 and IATF 16949 standards, we continue to conduct comprehensive third-party audits across our manufacturing sites.

We uphold stringent quality controls throughout our value chain and expect direct material suppliers to certify their quality management systems to ISO 9001 standards. During the supplier approval process, we rigorously assess new direct material suppliers on their adherence to quality management practices and compliance with our Supplier Code of Conduct. For additional information about our supplier quality management strategy, please refer to our [Supplier Requirements Manual](#).

## PRODUCT STEWARDSHIP AND CHEMICAL MANAGEMENT

We are committed to the safe, responsible, and compliant use of chemical substances to mitigate any health and safety or environmental concerns in our products. Our suppliers report the raw materials contained in our components to the International Material Data System (IMDS), the automotive industry's material data system. We inform 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 all applicable regulatory and customer standards. Through intensive research and development projects, we are actively working to develop and validate more eco-friendly alternative solutions for chemical substances of concern such as PFAS and chromium (VI).

## CUSTOMER SATISFACTION

Our dedication to customer-centricity remains at the forefront as we navigate the dynamic market landscape. We continuously strive to deliver reliable, high-performing solutions while upholding our reputation for exceptional customer service and product quality. By collaborating closely with our customers throughout the product realization journey, from project initiation to final delivery, we efficiently capture their engineering challenges and align our technologies, solutions, processes, and quality standards with their unique needs and requirements. Through this approach, we foster and maintain customer satisfaction and trust in our products and services.

We prioritize ongoing communication with customers across all organizational functions to gauge satisfaction levels promptly and make necessary adjustments. Through diligent tracking and monitoring of customer scorecards, we proactively identify areas for improvement and implement targeted actions to enhance satisfaction.

## PERFORMANCE

We continually optimize our quality management process to uphold our standards and reduce the risk of malfunction. In 2023, we had zero non-compliance incidents concerning the health and safety of our products or recalls, reflecting the successful quality management process across our product lines. For additional data, please refer to [Appendix C](#).

## COUNTERFEIT PRODUCT INTERCEPTION IN CHINA



Product quality and integrity are top priorities for Tenneco. To protect the integrity of our brands and products, a cross-functional team of DRiV China's Global Brand Protection unit and external partners successfully intercepted a shipment of counterfeit Champion® spark plugs in 2023. The team worked tirelessly to verify the authenticity

of the shipment and arrange the necessary bond payment before the stipulated deadline, enabling the successful detainment of the shipment. The fake products were destroyed by the China customs team. The operation represents a significant victory in our fight against counterfeit goods. By ensuring that only genuine Tenneco products are available in the marketplace, we protect the interests and safety of our customers and maintain the reputation of our brands and our company.



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



## Product Efficiency

As a leading provider of automotive components, our ability to deliver products consistently, meeting top-tier efficiency and performance standards, is fundamental to our success. We contribute to the automotive industry's shift toward carbon-neutrality and fuel-efficient vehicles by leveraging our extensive engineering, development, testing, and manufacturing capabilities. Our product portfolio plays a crucial role in driving advancements and enhancing efficiencies across various vehicle types and components, spanning from next-generation hybrid and electric automobiles to high-performing internal combustion engines (ICEs) powered with alternative fuels.

Through continuous refinement and optimization of our processes, in close collaboration with our customers, we capitalize on our deep expertise in vehicle development and ICEs to develop cutting-edge solutions. These solutions not only adhere to increasingly stringent vehicle emissions and environmental regulations but also elevate the overall driving experience. With a particular emphasis on integrating efficiency throughout our prototype development and testing procedures, we strive to achieve process and engineering efficiency while ensuring that our products meet or exceed applicable regulatory requirements.

### EFFICIENCY-FOCUSED TECHNOLOGY

To drive efficiency in vehicle performance, we are invested in 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, medium-duty, heavy-duty and off-road vehicles. Our technology advancements that support vehicle efficiency include:

- > Producing parts for all vehicle types, including hybrids, battery electric vehicles, and combustion engines powered with alternative fuels (i.e., hydrogen);
- > Reducing noise and vibration for quieter engines;
- > Improving durability and engine efficiencies for commercial truck and off-highway segments;
- > Reducing product mass for fuel efficiency and lower emissions;
- > Recovering exhaust heat energy to increase engine efficiency;
- > Eliminating copper in light vehicles and commercial vehicle applications;
- > Limiting friction emissions in brakes; and
- > Avoiding vehicle deterioration and waste.

In 2023, our Braking team developed Life Cycle Assessment (LCA) tools, marking a significant step in managing the carbon footprint of our products. These tools enable us to pinpoint improvement areas that are in alignment with customer expectations and support their carbon reduction targets as well as our management of product costs and liabilities for regional carbon taxes. By gathering data for specific products, we analyze the impacts of green energy and sustainable materials on reducing the carbon intensities of our solutions, helping us prioritize measures that enable us to make meaningful progress toward our and our customers' sustainability goals.

### COLLABORATION ON EFFICIENCY

We identify risk and opportunity drivers, such as regulatory risks, throughout our product development, optimization, and launch processes using our integrated Tenneco Product Launch system. The system supports us in partnering with customers to develop efficient products and guide our internal innovation to reduce resource intensity continuously and improve manufacturing efficiency for our own products. Dependent upon 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.

To support compliance with new and emerging emissions regulations in the EU, such as Euro 7 rules, we have entered partnerships with OEM customers in the creation of efficient components and test methods, which are focused on optimizing concepts and components, such as friction material development for coated and grey cast iron discs, to increase durability, lower emissions, and improve performance.

### PRODUCT DEVELOPMENT EFFICIENCY

We leverage advanced software and technology to streamline the development of prototype parts and products. Within our Powertrain segment, we utilize 3D printing for crafting casting dies needed for aluminum pistons, and our Clean Air business segment employs design automation software to integrate design and manufacturing rules directly into the computer-aided design (CAD) environment. This approach enables our engineers with the tools to autonomously create 3D geometry, significantly reducing the time required for designing products and minimizing errors along the way.

To improve efficiency in the manufacturing of our products, Powertrain utilizes laser technology for cleaning piston surfaces before screen-printing to achieve better adhesion and durability, enhancing product performance while reducing scrap and waste in the production process. Additionally, the segment adopts Artificial Intelligence (AI) solutions in image analyses during visual inspection of components to more accurately detect flaws in materials and minimize potential durability issues during field operation.



### TECHNOLOGY TO SUPPORT FUTURE EMISSIONS REGULATIONS

Our Clean Air team is an integrator of aftertreatment and exhaust systems and is prepared with a variety of options to help OEM customers meet the challenging new tailpipe emissions standards that will be in effect before 2030. Through technologies that provide supplemental heat to catalysts, compared to solely relying on exhaust gases coming from the engine to heat a catalytic converter to its operating temperature, Clean Air's solutions make the catalysts more effective and convert pollutants to less harmful gases sooner after a cold-start of an engine. With two technologies available to provide supplemental heat—an electric heater placed before the catalyst converter in the exhaust stream and a secondary heat source created from burning fuel in the exhaust stream—Clean Air's proprietary technologies provide distinct advantages for targeted segments to tackle the unique challenges brought by the new upcoming emissions-limiting regulations.





## ADVANCED SUSPENSION SYSTEM FOR OFF-ROAD EXPERIENCE



Öhlins® Racing, a leading provider of advanced suspension solutions, has introduced new Öhlins ÖRX™ shock absorbers that provide unmatched quality and performance for off-road experiences. The solution received the Global Media Award at the 2023 Specialty Equipment Market Association Show.

ÖRX shock absorbers leverage the brand's industry-leading portfolio of race-proven

technologies to provide a clearly differentiated alternative to existing off-road suspension products. Each absorber features a unique set of characteristics matching the requirements of its corresponding application while delivering superior robustness and durability, extreme ease of tuning and servicing, reduced environmental impact, and race-winning performance.

## Product Innovation

In accordance with our purpose statement of maintaining leadership in the automotive industry, we continue to explore pragmatic strategies and revolutionary technologies to realize climate-neutral transportation solutions across various sectors. Through our advanced solutions, high-quality products, and ongoing investment in research and development, we position ourselves as leaders in the provision of intelligent and sustainable automotive solutions. Embracing a proactive stance, we continuously showcase our diverse capabilities and provide cutting-edge technologies to facilitate the market's transition toward vehicle electrification, alternative fuels, and hydrogen-powered engines. By staying ahead of market trends, we drive innovation, deliver value to our stakeholders, and maintain our status as a leader in this ever-evolving industry.

In 2023, our Clear Air team in India was recognized for its partnership in new product development with Kirloskar Oil Engines Ltd (KOEL) at its supplier conference, honoring the significant role that the team played in the creation of a robust exhaust solution for KOEL's stage four engine with stringent emission norms without compromising engine performance. Additionally, in China, Powertrain's pistons plant in Qingdao and bearings plant in Shanghai received Best R&D Awards from HYCET Technology Co., Ltd. With transformative solutions that center on innovation and a customer-focused development strategy, we ensure that we meet customer needs and provide advanced, efficient, and environmentally friendly products.

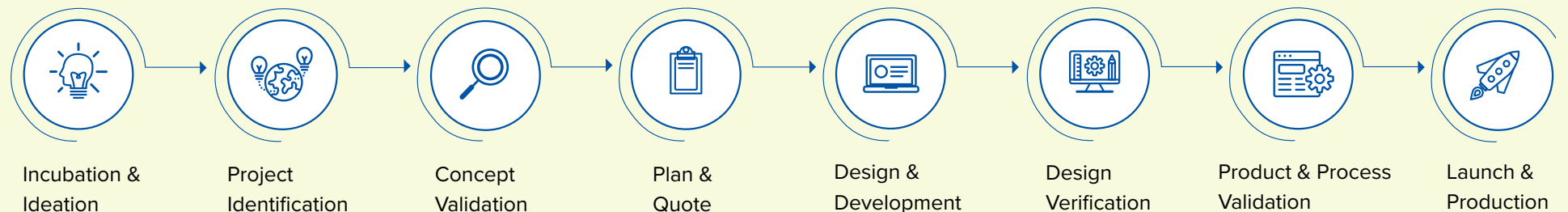
### INNOVATION STRATEGY

Our innovations' successes are measured by the benefits we provide to our customers in relation to user satisfaction, costs, and sustainability performance. These include product cost leadership, superior functionality, technology development, vehicle dynamics/integrated systems expertise, and 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. The collaboration allows us to identify future market demand strategically, generate ideas for new products, solve problems through our designs, and manufacture solutions for analysis.

Where possible, we host technology days with customers and participate in conferences and trade shows to demonstrate our innovations and foster partnerships in advanced solutions development. In 2023, we engaged customers and attended a variety of events to present our innovative applications, such as technology days held in the U.S., Germany, and China as well as Conseil International des Machines à Combustion (CIMAC) Congress in South Korea and the inaugural Japan Mobility Show. By presenting our latest solutions and technologies, we support the research and design of high-performing and cost-effective components for next-generation vehicles in line with the diverse and increasingly stringent customer requirements and regulations relating to sustainable transportation and vehicle performance.

We honor innovative accomplishments of individuals and teams with yearly innovation award events and patent award celebrations to foster innovation across the organization. As we explore market opportunities, we are focused on optimizing 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.

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







## INNOVATION IN BRAKE TECHNOLOGY FOR A SUSTAINABLE FUTURE

Our Ferodo® brand's efforts in the development of future-proofing braking technology were featured in Automotive World magazine's April 2023 issue with an article titled "Emissions Scrutiny Shapes Braking Innovation." With the decline of tailpipe emissions due to improved internal combustion engine technology and the increasing adoption of EVs, attention is now being focused on non-exhaust emissions, particularly those from braking systems. Regulators are implementing stricter standards, such as Euro 7, which will limit particle emissions from brakes.

The Ferodo® brand actively collaborates with partners and develops new friction

materials and technologies to meet Euro 7 standards. By working on reducing friction through new friction materials and collaborating with OEMs for product development, the team continuously pursues innovation in braking technologies. Our efforts underscore our commitment to staying at the forefront of braking innovation to address evolving environmental regulations and pave the way for a more sustainable future.

## APPROACH TO CLIMATE-NEUTRAL MOBILITY

We support the industry-wide transition to cleaner, more sustainable vehicles, and our overall business model continues to benefit from this market transition due to the wide range of our capabilities and solutions. We support electric mobility by supplying components for light electric vehicles and have the flexibility to continue improving the efficiency of ICEs in the commercial truck and off-highway segment. These vehicles may not become electrified as quickly as the light vehicle sector but represent a growing part of our business.

### Electric Vehicles

Our organization is well-positioned to align our business with the global market transition to alternative fuels and electric automobiles. 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.

To address the more evident noise of vehicle parts with quieter electric engines, we provide technologies that reduce harsh vibrations for electric 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 group helps achieve reductions in noise and vibration that support a better ride experience.



## SUSPENSION SOLUTIONS FOR Li AUTO EVS

The Monroe® Intelligent Suspension systems are rapidly gaining popularity worldwide. The highly adaptable nature of CVSAe technology has positioned the solutions as a top choice for OEM customers' latest EV models. The Monroe® Intelligent Suspension CVSAe semi-active suspension technology is featured on two versions of the new Li L7 five-seat premium electric SUV from Li Auto. The L7, designed for small families, marks the third model from the Beijing-based automaker to incorporate CVSAe technology. This innovative technology continuously adjusts vehicle damping characteristics in response to changing road conditions, leveraging data provided by multiple onboard ride control sensors.





## Hydrogen

Green hydrogen—which is produced with renewable energy and can be used to fuel combustion engines and in fuel cells—is considered 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 electrify, such as heavy-duty commercial vehicles, on- and off-highway applications, and the industrial and marine sectors.

Being a leading supplier of engine components, we leverage our comprehensive expertise in ICEs for our partnerships with OE and vehicle manufacturers on various hydrogen projects. Utilizing our technological competencies and testing capabilities, our Powertrain segment is participating in more than 100 projects to optimize hydrogen usage in the powertrain and exhaust aftertreatment components, helping our customers develop efficient and robust hydrogen combustion engines. With deep technical expertise and testing facilities in the U.S. and Germany as well as a materials lab for the analysis of hydrogen impacts on in-cylinder components, including pistons, rings, cylinder liners, valves, and valve seats, Powertrain is focused on solving key technical challenges for efficient hydrogen combustion. The team is engaged in customer engine programs relating to commercial trucks, off-highway vehicles, and industrial engines, segments that are difficult to electrify, and is involved in partnerships and R&D programs to develop hydrogen-powered solutions in the ICE-based transportation industry.

## Synthetic Fuels

Synthetic fuels can contribute to near-zero emissions mobility through 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 suitable for vehicles with traditional ICEs and alternative or hybrid powertrains. The e-fuels can be made available to consumers by mostly using existing, well-developed fuel distribution and filling station infrastructure with only minor adjustments, making the alternative fuel even more appealing as a near-term, faster-to-market solution to address climate change.



### | TENNECO POWERTRAIN JOINS HydroPoLEn PROJECT

The Powertrain group recently joined HydroPoLEn, a project aimed at developing engine concepts for hydrogen-fueled, medium-speed engines in the maritime sector, with the goal of addressing hydrogen combustion-related challenges, ensuring engine efficiency, and preventing safety issues. Sponsored by the German Federal Ministry for Economic Affairs and Climate Action, the project brings the collective expertise and resources of leaders from the cruise and marine propulsion sector, research institutes specializing in pioneering green energy solutions, and our Powertrain segment with its leading piston rings and ignition products, to transform propulsion systems within ships. The project includes developing technologies such as injection, ignition, and advanced tribological systems and creating a concept for the integration of power units and fuel storage into a unified system. Through the collaborative partnership, we help foster innovation, knowledge-sharing, and multidisciplinary research in the development of a robust concept that meets the industry's buying criteria and contributes to the sectors' GHG emissions reduction efforts, promoting a sustainable future for shipping through the clean-energy-fueled engine solution.



### | PARTNERSHIP IN DEPLOYING HYDROGEN SOLUTIONS

In the spirit of fostering innovation and advancing the adoption of hydrogen as a pivotal energy carrier in the transportation sector, our Powertrain team participated in the University of Michigan's Hydrogen Grand Challenge to help students create business cases for Michigan-centered, regional deployment of hydrogen projects. The challenge consists of a series of prize competitions organized by the hydrogen research arm of the university, which are designed to accelerate the adoption of hydrogen as a clean and sustainable energy source, particularly for transportation and industrial applications. By providing expertise and practical knowledge concerning transportation and green fuels, Powertrain's Director of Engineering served as a mentor and worked closely with interdisciplinary student teams to pitch business plans for the commercialization of a hydrogen technology or application. Through this partnership, we support the use of clean hydrogen fuel toward the realization of a sustainable future for the transportation sector.





# OUR GOVERNANCE

Our commitment to accountability, integrity, and compliance is deeply ingrained in our corporate culture which is guided by robust governance practices. With oversight from our Board, we prioritize the long-term interests of our stakeholders, recognizing the critical importance of corporate governance in building and maintaining trust. We rigorously enforce an expansive set of internal policies to prevent unethical conduct that could undermine our reputation, brand integrity, or the well-being of our people and communities, reflecting our dedication to responsible business practices.

Environmental sustainability and human rights are strictly monitored within our operations and supply chain. 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 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](#)
- [Supplier Requirements Manual](#)
- [Conflict Minerals Statement](#)

# Corporate Governance

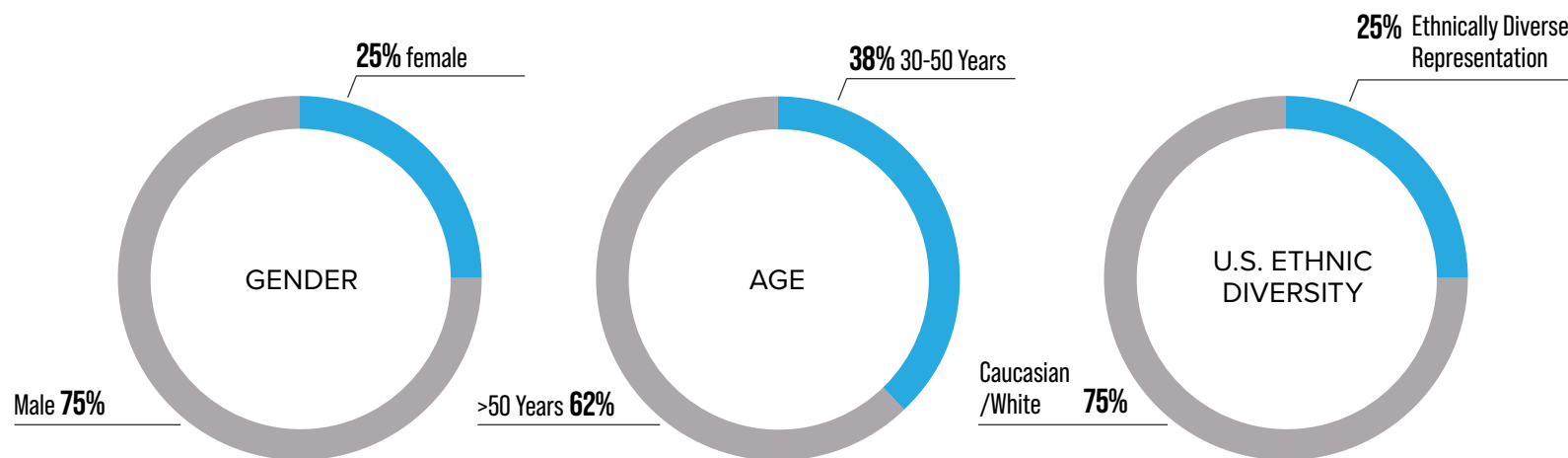
At Tenneco, we align our approach to corporate governance with our purpose, values, and culture by integrating responsibility and accountability into our governance structure to maintain proper leadership oversight of our material business and sustainability topics. Our sound corporate governance is underpinned by clearly defined roles and expectations, high ethical standards for professional and personal conduct, incorporation of stakeholder interests and well-being into our strategies, and compliance monitoring of 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. The Board is supported by an Audit Committee to ensure robust accounting practices and internal controls for our operations.

## BOARD DIVERSITY

We believe that a diverse Board composition provides benefits to the company by driving innovation, promoting inclusivity, and enabling better business decisions. In 2023, 50% of our Board members were gender or ethnically diverse.<sup>9</sup>



9. 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. Annually, 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

At Tenneco, our ESG oversight structure is designed to ensure comprehensive management and cross-level communication toward corporate responsibility and sustainability for our organization. This includes conducting at least one annual full Board-level ESG review and quarterly ESG progress updates to the CEO and the Board provided by the Executive Vice President and General Counsel, who is a member of the Executive Leadership Team. Reporting to the Executive Vice President and General Counsel, the Executive Director of Corporate Environment, Social, and Governance leads a cross-functional ESG Steering Committee. This committee comprises leadership representation from various functions, including EHS&S, Legal, Human Resources and Talent Management, Finance, Engineering, Sales, Supply Chain, and Logistics, to ensure a holistic approach to ESG integration across our global business.

Our leadership and management teams—including the ESG Steering Committee, General Counsel, Executive Leadership Team, and the Board—are involved in the annual 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 progress, accomplishments, and strategies.





## Ethics and Compliance

At Tenneco, we are committed to maintaining the highest ethical standards and instilling a foundation of ethics and integrity in our operations. We train our team members to live and promote our values actively and encourage them to speak up with any questions, ideas, or concerns. To solidify and provide specific guidance on the handling, review and reporting of violations of our Code of Conduct, company policies, or laws relevant to our business, we have documented our whistleblower program into a separate Whistleblower Policy aside from the [Code of Conduct](#), ensuring that it remains transparent and easily accessible to all team members. Along with the values that govern our business practices, we proactively manage financial, reputational, and legal risks by monitoring and adhering to international laws and local regulations across our global locations. We recognize that the regulatory landscape governing our operations is always changing, but with our robust accountability mechanisms and willingness to navigate evolving requirements, we remain in compliance with applicable laws and our own business ethics standards.



Ethisphere's List of  
2023 World's Most  
Ethical Companies

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](#).

Our compliance program achieved world-class recognition when our company was named to Ethisphere's List of 2023 World's Most Ethical Companies. In addition, one of our Customs and Compliance managers in the European Distribution Center was selected for the prestigious Customs Pro Award presented by the International Chamber of Commerce in Belgium. These recognitions reflect our team members' commitment to living our values, winning with integrity, and taking actions in line with our high ethical and compliance standards.

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

### ETHICS STANDARD AND POLICY

Our Code of Conduct and various company policies establish the foundation of our business practices that enable us to promote business value in an ethical and responsible manner. Serving as the guiding principles for our development of business strategies that align with responsible business conduct standards, the Code of Conduct and policies cover a broad range of topics including ethical decision-making, conflicts of interest, anti-bribery, fair competition, data privacy, and more. Updated in 2023 to align with our new core values and purpose statement, our Code of Conduct 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).

The Tenneco GPS is a decision-making framework that reflects our values and directs our choices to do things in the right and lawful way. Through this approach, we establish a global culture of encouraging team members to speak up about their experiences, share ideas, and suggest improvement opportunities for our business practices.

We maintain a Tenneco Policy System 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.



### TRADE COMPLIANCE FORUM IN MEXICO

As a leader in all areas of compliance, we obey all national, regional, and international regulations governing our business and excel in navigating the complexities of trade compliance. In 2023, our Trade Compliance team in Mexico held its first Trade Compliance Forum, bringing together our internal experts from Tax, Trade and Customs, Legal, Finance, and Logistics departments to share their knowledge with an aim to ensure that we stay ahead of the curve on all compliance-related best practices. With speaker events and technical sessions on various topics, the attendees were equipped with a wealth of knowledge and skills to elevate our compliance efforts to the next level while strengthening the learning from and relationships with their compliance colleagues, helping us to maintain the competitive advantage that effective trade compliance affords. Topics covered at the forum included, but were not limited to:

- Customs valuation;
- Foreign investments and manufacturing regulations;
- Value-added tax;
- Certification of origin requirements;
- OE suppliers' benefits and requirements;
- Government audits;
- Customs broker relations; and
- Logistics supplier coordination.







## EMPLOYEE TRAINING

All salaried and hourly team members receive Code of Conduct training, with salaried full-time employees receiving additional requirements to review the Code annually and acknowledge their compliance with it. To supplement the Code training, we offer online education for salaried team members on a variety of business ethics topics and associated risk management processes, such as respect in the workplace, ethical decision-making, privacy, information security, anti-trust measures, conflict of interest, anti-corruption, and anti-harassment. As part of our efforts to maintain relevancy in our training, we actively incorporate observations gathered from our hotline, internal feedback mechanisms, and any legislative changes as we customize the training based on the target audience of our compliance education.

In 2023, our compliance team rolled out a new anti-trust educational module—Global Competition: Our Responsibilities—for all salaried team members as a mandatory training requirement. The training covers the principles and laws relating to global competition, how these laws apply to our competitors and industry stakeholders, how to identify violations when interacting with stakeholders, and our own procedures when dealing with suppliers, customers, competitors, or dealers.

## EMPLOYEE ENGAGEMENT

At Tenneco, we actively communicate our business ethics standards through engagement campaigns that are designed to aid team members in ensuring the alignment of their behaviors with our culture of integrity. In 2023, we hosted a series of interactive activities and sessions during the Ethics and Compliance Week to reinforce Code of Conduct education for salaried and hourly team members, with a focus on providing refresher training to hourly workers by embracing out-of-the-classroom educational techniques and materials such as games, contests, and digital resources.

In addition to activities hosted during the Ethics and Compliance Week, our compliance team and ambassadors went on a roadshow visiting targeted locations where there is higher compliance risk. In collaboration with plant leadership, our compliance team and ambassadors engaged with plant and distribution-center team members and provided live training on integrity-related topics, including:

- > Culture of integrity;
- > Return on integrity;
- > Real scenarios demonstrating the impact of failing to act with integrity;
- > Importance of a healthy Speak Up culture;
- > Anti-retaliation; and
- > The tools available to help navigate gray areas

To reinforce our expectations of ethical behavior for all Tenneco team members, we recognize and honor role model behavior through Integrity Heroes, a small group of employees who go above and beyond to integrate ethical decision-making into daily operations. We admire and support this group of team members as they lead themselves and their teams in deterring wrongful conduct or questionable situations that may negatively impact the value we bring to our stakeholders. We continue to feature Integrity Heroes on our intranet while exploring additional ways to highlight employees who represent the culture of integrity that we strive for.

## WE VALUE OUR SPEAK UP CULTURE

Aside from the Speak Up procedure documented in our Code of Conduct, in 2023, we invested in the creation of a standalone Whistleblower Policy, which was made available in 20 languages, and refined our internal procedures to align with the EU Whistleblower Directive and other applicable laws. The Whistleblower Policy provides specific guidance on the reporting and management of violations of our Code of Conduct, company policies, or applicable laws and regulations. Designed to encourage open communication amongst team members, managers, and Human Resources representatives, our Whistleblower Policy documents and processes support our goal to create an environment in which team members feel safe to report any concerns or suspected violations of our standards for ethical business conduct or laws relevant to our business. The Tenneco hotline, administered by a third party and available in multiple languages, includes a toll-free number and our website to provide team members with a 24/7 reporting mechanism that allows for anonymous reporting, where permitted by law, of any issue or concern.

We value the reports and input we receive in our continuous improvement and refinement of our practices. All cases are investigated in accordance with our policies and, when necessary, escalated to the leadership team to ensure proper oversight and intervention to address misconduct. We do not tolerate any form of retaliation against those who share sincere concerns, cooperate in investigations, or make honest reports. If team members are suspected of retaliation, we enforce strict discipline measures, up to and including termination.



## ANTI-CORRUPTION

The principles of business integrity underpin our operations and guide our behavior with zero tolerance for corruption. We adopt rigorous policies, internal control, risk management, and engagement programs to combat corruption-related risks in our value chain. The roles, responsibilities, and standards associated with our strategy against corruptive actions are detailed in our company-wide Anti-Corruption Policy. We require all team members, agents, vendors, business partners, and other third parties working with our business to abide by the policy in addition to maintaining compliance with regulations and laws. To further address risks in our supply chain, our vendors are evaluated for compliance with our Supplier Code of Conduct by using a risk-based, third-party due diligence screening approach as we contend with and mitigate corruption-related concerns.

Aside from reporting corrupt behavior, all plant controllers, plant managers, individuals throughout the finance reporting chain, and certain members of senior management must sign a quarterly certification to ensure the integrity of the financial reporting process. The approach is focused on verifying team members' knowledge of any fraud or alleged fraud, the 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.

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 as part of our compliance education, we celebrate our positive performance on International Anti-Corruption Day and highlight our best-in-class practices and values. In 2023, we recognized the 20th anniversary of International Anti-Corruption Day by featuring a recorded message from our CEO concerning the importance of integrity and reminding team members of our commitment to complying with laws and doing the right thing the right way.



## PERFORMANCE

In 2023, 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 2023, 99% of our workforce was trained on business ethics issues.

### Operations Assessed for Risks Related to Corruption

**2023**

Percentage of operations assessed for risks related to corruption	All 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.).

**0**

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

**99%**

of total workforce was trained on business ethics issues

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

## Cybersecurity and Data Privacy

At Tenneco, our approach toward information security is shaped by legal, customer, and industry standards and any material changes to ensure robust risk management and regulatory compliance. Our Board has the ultimate oversight responsibility over our information technology risks and associated management programs and receives regular updates that are focused on program governance, controls, initiatives, program maturity, and cybersecurity assurance.

The Board remains actively engaged in ensuring the robustness of our cybersecurity measures with the support from our Information Security and Privacy Executive Steering Committee, which is responsible for the governance, communication, and execution of our cybersecurity and privacy programs. In the event of a cyber crisis, the steering committee serves as the Cyber-Resilience Committee that coordinates a comprehensive cross-functional management response to effectively address the incident and mitigate potential risks.

### SECURITY MANAGEMENT

We remain invested in the execution of our five-year cybersecurity improvement plan, focused on strengthening governance, operations, organization, and strategy, and managing third-party risks to combat cyber threats. On an annual basis, we conduct phishing testing and company-wide tabletop testing for our cyber-crisis management and cyber-resilience capabilities. 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 towards autonomy and connectivity with vehicles now equipped with more interconnected cyber networks that have higher security risks.

In 2023, we introduced a new generative AI Policy that is aimed at ensuring security in the use of AI platforms. In response to the growing adoption of sophisticated AI tools that may pose cybersecurity risks, the AI policy describes high-risk generative AI software and prohibits unauthorized use without mandatory trainings and leadership approval. Through this new policy framework, we strive to ensure that AI technologies are used responsibly, transparently, and with the highest regard for the well-being of our team members, partners, and customers.

### MANAGEMENT FRAMEWORK

Our information security programs are developed based on industry-leading frameworks, including the National Institute of Standards and Technology (NIST), ISO 27001, IATF 16949:2016, and VDA ISA 5.1 standards. In alignment with the industry standards, our cybersecurity and data privacy programs enable the creation of governance and policy artifacts that are mapped to each control framework.

As of 2023, 19 locations were certified to the Trusted Information Security Assessment Exchange (TISAX) standard, reaching a total of 43 sites including our headquarters that maintained certifications to the framework. TISAX certification is based upon the ISO 27001 families and has been incorporated into our enterprise-wide Information Security Management System (ISMS). In 2024, we plan to pursue more than 20 more TISAX certifications for our locations, conduct our first TISAX recertification audit, and perform an ISMS audit.

### 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. Annually, we measure our control maturity and comprehensiveness through a strategic business partner, and we take preventive measures to adapt and respond to the evolving cybersecurity landscape with a heightened focus on cyber resilience.

### CYBERSECURITY TRAINING

We continuously promote greater awareness of cybersecurity risks by engaging team members in training. Throughout our organization, we provide regular updates on our practices to address cybersecurity and data privacy, and we mandate annual training and education of our policies and procedures during the new hire onboarding process. As we review information security topics with our colleagues, we take advantage of current engagement events and company meetings to educate team members and contractors on our privacy controls and practices. In 2023, we further strengthened cybersecurity education by launching a new training targeting plant-level managers, human resources leaders, and distribution center and local site support personnel, aiming to enhance security awareness and preparedness across manufacturing and distribution sites.

### DATA PRIVACY POLICY

We remain committed to protecting stakeholder interests and information by integrating sound privacy practices into our personal data processing and retention activities. Our Privacy Statement outlines our protocols for personal information collection and protection and describes the privacy rights that individuals have and how they can exercise those rights. In 2023, we made concerted efforts to update our employee Privacy Notice and Privacy Statement on several of our digital platforms to ensure compliance with new privacy laws and regulations in China. In alignment with our policies and our commitment to stakeholder trust, we thoroughly investigate all incidents and customer privacy complaints 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 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 data subjects and can harm our company's brand, reputation, operations, or assets. We aim to address privacy risks collectively as a company and prioritize employee communications on privacy practices relating to human resources, marketing, EHS&S, legal and regulatory compliance, information technology, and vendor risk management operations.





## | CYBERSECURITY AWARENESS MONTH



In October 2023, we hosted our second annual enterprise cybersecurity awareness month, which was focused on two emerging trends—the use of AI tools in our operations and ransomware attacks. We received increased participation in our awareness-building activities, weekly communications, and live events, including over 98,200 views of our cybersecurity posts, more than 12,200 responses to our security-related event surveys, and participation from nearly 4,800 team members in an

executive leadership panel discussion on data security, representing an over 240% increase in employee attendance from the prior year. As we continue to raise awareness of cybersecurity, we look forward to providing more educational opportunities and resources that align with our emphasis on knowledge sharing and capacity building for information security.

## | DATA PRIVACY WEEK CELEBRATION



To strengthen privacy practices in our day-to-day activities, we celebrated Data Privacy Week and Data Protection Day in January 2023 by providing team members with easily accessible resources and hosting an informative session to raise awareness concerning data privacy in various aspects of our business and the automotive industry, including:

- A data privacy overview document with recommendations on personal information management and online privacy protection best practices;
- A spotlight story focusing on privacy-related impacts on our business activities and our management approach; and
- A global live discussion on the topic of Connected Vehicles and Privacy to share insights into personal data collection and sharing, privacy-related implications, and information protection in connected vehicles.

## PERFORMANCE

In 2023, we had zero data breaches or complaints regarding data privacy. For additional data, please refer to [Appendix C](#).



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





# Supply Chain Management

At Tenneco, our commitment to sustainability drives our efforts to foster responsibility and accountability across our entire value chain. In 2023, we remained dedicated to enhancing supply chain management, focusing on initiatives aimed at achieving our supply chain goals and risk mitigation objectives. Our efforts were centered on promoting responsible sourcing, human rights, and ethical conduct within our supplier network while striving to maintain resiliency and dependability in our supplier base, including:

- > Updated the Supplier Code of Conduct to align with regulatory requirements;
- > Continued the implementation of a supplier sustainability performance assessment program in partnership with EcoVadis and co-founded the Accelerate Initiative for supporting capacity building toward a sustainable automotive supply chain;
- > Strengthened human rights and environmental risk management in supply chain by appointing a responsible person for human rights; and
- > Held supplier capacity building and networking events to share sustainability best practices.

Goal	2023 Progress
 <p>100% of strategic partners reaffirm their commitment to the Tenneco Supplier Code of Conduct.</p>	<ul style="list-style-type: none"> <li>• Required all suppliers doing business with Tenneco to comply with our Supplier Code of Conduct, which is linked to supplier purchasing terms and conditions and other vendor requirements documentation.</li> </ul>
<p>100% of Tenneco’s top sustainability “high-risk” and/or “high-impact” suppliers complete a self-assessment questionnaire annually.</p>	<ul style="list-style-type: none"> <li>• Continued the rollout of EcoVadis sustainability assessments to additional high-risk/high-impact suppliers following the initial evaluations of our top 200 suppliers.</li> <li>• Co-founded the Accelerate Initiative, a program administered by EcoVadis to drive decarbonization, sustainable procurement, and supplier engagement in the automotive, vehicle, and mobility supply chain.</li> </ul>

## MANAGEMENT STRATEGY

We deploy a multifaceted approach to supply chain sustainability that includes robust policies, due diligence procedures, trainings, supplier assessments, and audits. Our processes and commitments to ethical and responsible sourcing are outlined in our [Code of Conduct](#), [Supplier Code of Conduct](#), [Supplier Requirements Manual](#), [Global Terms and Conditions of Purchase](#), and [Statement on Efforts to Prevent Modern Slavery and Human Trafficking](#) that ensure clearly defined ethical conduct, ESG, and quality requirements throughout the supplier due diligence, onboarding, and engagement processes. The documents describe our expectations for suppliers and include clauses regarding business integrity, human rights, sustainability, cybersecurity, regulatory compliance, audits, and other quality and performance standards that we require suppliers to follow, which are aimed at ensuring ethical practices and accelerating sustainable actions within our supply chain.

The design and review of our policies reflect collaboration from a cross-functional team, which consists of our global law department, the Purchasing Council, and Purchasing teams across the enterprise. The team has consolidated our business segment-specific purchasing processes into a centralized framework and modernized our policies in alignment with market conditions, regulatory changes, and industry best practices to manage our global supply chains. In response to the increasing focus on supply chain sustainability, in 2023, we updated the Supplier Code of Conduct to ensure alignment with the German Supply Chain Due Diligence Act.





## SUPPLIER ASSESSMENTS AND AUDITS

To manage supply chain risks and support responsible and ethical conduct in the automotive supply chain, we remain committed to investing in the evaluation and monitoring of supplier performance and compliance with our policies and sustainability principles. We apply multiple layers of assessment and audit requirements throughout supplier engagement stages, including a screening process for onboarding new suppliers, due diligence for financial health and regulatory compliance, sustainability assessments, and on-site audits for quality management.

For all new suppliers, we use our various policies to guide our screening of new vendors against our requirements, including social and environmental criteria. We complete restrictive 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 of 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.

As part of our efforts to promote a sustainable supply chain, we partner with EcoVadis on a systemic supplier sustainability assessment and management approach to drive year-over-year supplier sustainability improvement. The strategy enables us to detect and pursue opportunities for enhancing sustainability performance in our supply chain by capturing ESG risks in our vendor base, completing a gap analysis, and creating a corrective action planning process. Following the announcement of our assessment requirements, we actively engage and facilitate 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 programs and performance, and encourage the sharing of best practices. To mitigate risks effectively, we track suppliers' progress against improvement areas identified from EcoVadis assessments and reserve the right to implement disciplinary measures if corrective actions are not made or cannot be agreed upon. Following initial assessments of our top 200 suppliers by spend, in 2023, we expanded the EcoVadis evaluation requirements to additional suppliers to comprehensively capture the sustainability performance of our prioritized, high-risk, or high-impact suppliers.

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

Our unwavering commitments of respecting human rights and protecting the environment are deeply embedded in our approach to sustainability. We strictly prohibit child and forced labor in any form, including human trafficking and slavery. We implement a due diligence process and offer training sessions to equip our global team members with tools and resources to mitigate social and environmental risks in our supply chain, including a mandatory Preventing Global Modern Slavery training for all salaried employees that covers requirements of the German Supply Chain Due Diligence Act.

To facilitate supply chain risk management in line with the German Supply Chain Due Diligence Act, we have rolled out a formal due diligence procedure and appointed a responsible person who oversees and manages the program, provides at least an annual update to the Chief Ethics and Compliance Officer, and prepares an annual report in alignment with German regulatory requirements. The 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.

## SUPPLIER TRAINING AND COLLABORATION

We continue to communicate our supplier standards to our team members and vendors and participate in industry partnerships to advance supply chain sustainability. In 2023, we co-founded the Accelerate Initiative to accelerate the decarbonization and sustainability improvement in the automotive, vehicle, and mobility supply chain. In collaboration with EcoVadis and other leading companies, we are engaged in the approval and execution of action plans that are focused on supplier improvement and capacity building to support the industry's sustainability priorities, such as energy management, GHG emissions reduction, and labor and human rights protection. For our supply chain, we continued to host 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.

To ensure our requirements are properly executed, we request that every direct material supplier maintains 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 self-assessment and complete the AIAG Supply Chain Sustainability e-learning module.

## WHISTLEBLOWING STRATEGY

If there are any ethics or compliance issues identified in supplier interactions, we take actions to remediate the issue immediately 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

We believe that diversity improves the strength of our supply chain and the continuity of our operations, and we actively pursue partnerships that 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 businesses. Our Director of Supplier Diversity and Corporate Services received the 2023 President’s Award from the National Veteran Business Development Council and the Volunteer of the Year Award from the Great Lakes Women’s Business Council, reflecting our successes and dedication to supplier diversity. Additional noteworthy accomplishments and initiatives throughout 2023 include:

- > Began utilizing LinkedIn to highlight our participation in procurement-related events, tradeshow, and matchmaker programs, and expanded our communication through existing platforms to attract diverse suppliers;
- > Reinforced company-wide understanding of the mission and goal of our supplier diversity program and ensured consistency in the communication of our commitment and available training resources during team member onboarding through a standardized template; and
- > Improved the data consolidation and tracking of diversity spend.

We accept supplier diversity certifications from various organizations in the U.S., including:

- > National Minority Supplier Development Council;
- > Women’s Business Enterprise National Council;
- > National Veterans Business Development Council;
- > Small Business Administration (8(a), HUBZone, small disadvantaged business, and women-owned small business [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 U.K., China, South Africa, and Canada. Our goal is to increase spend with qualified underrepresented vendors while meeting our standards for quality and performance.

## 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 suppliers that meet eligibility requirements for diverse-owned business certifications and assist them in working with certifying councils to gain validation and secure business with our company.

We are proud of the actions we completed throughout 2023 to advance supplier diversity in our organization, including:

- > Strengthened partnerships with advocacy organizations by participating in activities including the development of a supplier pitch evaluator, tradeshow materials preparation, and presentations to diverse businesses;
- > Engaged our Black/African Heritage BRG in supplier diversity activities;
- > Promoted diversity certification within our supplier base;
- > Enhanced supplier diversity knowledge and awareness through internal communication channels; and
- > Supported global and regional advocacy organizations.

We maintain active memberships in consortiums that promote the value of a diverse supply chain. In 2023, 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

We collaborated with advocacy organizations on a variety of initiatives in 2023, including:

- > Sponsored five diversity advocacy events;
- > Hosted pitch sessions for four small/diverse businesses to showcase their capabilities to internal stakeholders;
- > Participated in six volunteer opportunities with advocacy organizations; and
- > Participated in 31 supplier-buyer outreach and matchmaker events with advocacy groups and our customers.



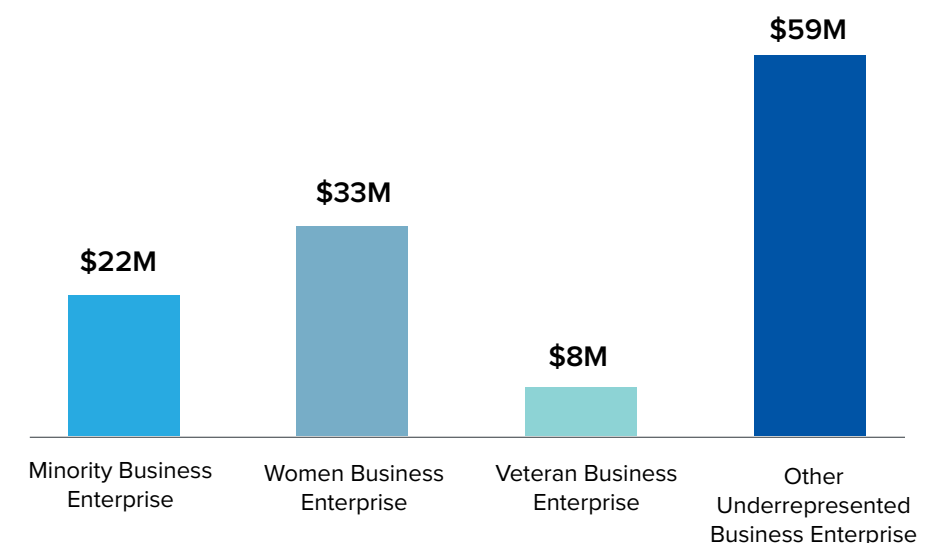
## FOSTERING SUPPLIER DIVERSITY IN OUR VALUE CHAIN

We are dedicated to having a diverse supplier base that is representative of our customers, team members, and the communities where we have a presence. Through our streamlined e-introduction process, we have connected 28 qualified, certified, and diverse suppliers to several internal stakeholders for their corresponding commodities or services that they procure. As a result, 11% of the participants were given the chance to demonstrate their capabilities through a bid or a one-on-one conversation. Through this approach, we seek to efficiently connect with diverse suppliers and advance supplier diversity for our operations and products.

## PERFORMANCE

In 2023, our total spend with diverse suppliers decreased due to cost savings initiatives and a reduced number of supplier diversity certifications. We will continue to pursue procurement opportunities with underrepresented vendors to build a diverse supplier base as we grow our business.<sup>10</sup>

### 2023 Diverse Supplier Spend (USD)




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

<sup>10</sup> Other underrepresented business enterprises include HubZone, Small Business, LGBTQ, Service Disabled Veteran, and Disadvantaged Businesses.



## Conflict Minerals

As outlined in 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 Act and European Commission laws 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), one of the DRC adjoining countries, or countries classified as conflict-affected and high-risk areas (CAHRAs).

Goal	2023 Progress
 <p>At least 96% of Tenneco's smelters and/or refiners, as declared annually by surveyed suppliers, come from sources that are ethical and conflict-free.</p>	<p>99% of smelters and refiners were classified as Conformant and Active through Responsible Minerals Initiative's (RMI's) third-party audit process.</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 audit 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 their next tier of vendors. We expect all suppliers to exercise this level of due diligence and report the chain of custody of the minerals to Tenneco. Members of our leadership and Purchasing 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 2023, we contacted 103 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 accessed additional resources to conduct an 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 2023, we achieved 99% of smelters and refiners classified as Conformant and Active through RMI's third-party audit process, representing a 3% 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 the expectations of AIAG and OEMs, we have included cobalt and mica reporting in our annual due diligence process to prevent potential human rights violations such as poor working conditions and child labor. To gain clarity on the smelters and/or refiners that have an impact on our business through our supply chain, we surveyed eight relevant suppliers in 2023 to seek responses to RMI's Extended Minerals Reporting template, a cobalt- and mica-specific disclosure module. To verify that the responses from relevant suppliers matched the materials they supplied, we utilized the IMDS to improve our efficiency and ability to confirm the accuracy of their responses. We observed an improvement in the scope of reported smelters, with a nearly 38% increase in the number of reported smelters.

We will continue to work with suppliers who report these minerals 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 as applicable into our reporting process to monitor performance in our supply chains.

### INDUSTRY COLLABORATION

We are actively involved in multiple associations to monitor and anticipate emerging focus areas of responsible sourcing and prepare to report on additional minerals. In 2023, we contributed thought leadership to the following industry working groups:

- > Responsible Materials Work Group
- > AIAG Smelter Engagement Team; and
- > Co-chair of AIAG's Global Requirements and Raw Materials Sourcing Subgroup.

Participating in 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 our support of these partnerships and promoting conflict-free minerals.





# APPENDICES

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## SKIP TO

[Appendix A – Stakeholder Engagement](#)

[Appendix B – GRI Index](#)

[Appendix C – 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
<b>Team Members</b>	<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 Steering Committee 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>
<b>Customers</b>	<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 step-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>
<b>Apollo Global Management (Private Equity)</b>	<ul style="list-style-type: none"> <li>• Align on ESG targets</li> <li>• Evaluate ESG priorities</li> <li>• Share best practices</li> <li>• Participate in periodic webinars</li> <li>• Attend biennial sustainability conference</li> </ul>	<ul style="list-style-type: none"> <li>• ESG performance</li> <li>• Corporate governance</li> <li>• Regulatory Compliance</li> <li>• Environmental Responsibility</li> <li>• Regulatory risks</li> <li>• Sustainability-related risks and opportunities</li> </ul>
<b>Communities</b>	<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>
<b>Suppliers</b>	<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> <li>• Implement supplier sustainability questionnaires and request corrective actions</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> <li>• Human rights due diligence</li> <li>• Sustainability programs</li> </ul>
<b>Government and Regulatory Agencies</b>	<ul style="list-style-type: none"> <li>• Engage with the Environmental Protection Agency on emissions reduction strategies on an ongoing basis</li> <li>• Conduct due diligence to ensure compliance with the German Supply Chain Act and other related regulations</li> <li>• Prepare for emerging ESG reporting requirements including the European Union (EU) Corporate Sustainability Reporting Directive (CSRD) and California's climate disclosure laws</li> </ul>	<ul style="list-style-type: none"> <li>• Air quality</li> <li>• Compliance</li> <li>• Greenhouse gas emissions</li> <li>• Waste</li> <li>• Water</li> <li>• Public health and safety</li> <li>• Supplier Human Rights due diligence</li> <li>• ESG disclosure</li> <li>• Double materiality</li> </ul>
<b>Trade Associations</b>	<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 Motor and Equipment Manufacturers Association</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> <li>• Sustainability-related risks and opportunities</li> </ul>

**APPENDIX B – 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, 2023, with reference to the GRI Standards.
<b>GRI 1 Used</b>	GRI 1: Foundation 2021

<b>GRI Standard</b>	<b>Disclosure</b>	<b>Report Location and Response</b>
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	Tenneco Overview
	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 seek to provide accurate information. Any restatements and explanations of changes are provided in the footnotes to the relevant data.
	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 C
	2-8 Workers who are not employees	Talent Attraction and Retention; Appendix C The 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 The total number and nature of critical concerns communicated to the highest governance body are 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 investor and shares ESG information with the entire Board.
	2-18 Evaluation of the performance of the highest governance body	Not available — information is considered confidential to our business.
	2-19 Remuneration policies	Not available — information is considered confidential to our business.
	2-20 Process to determine remuneration	Not available — information is considered confidential to our business.
	2-21 Annual total compensation ratio	Not available — information 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
	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 C
	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>• Motor and Equipment Manufacturers Association</li> <li>• American Society for Quality</li> </ul>





GRI Standard	Disclosure	Report Location and Response
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 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 C
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 C
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 C
	302-3 Energy intensity	Energy and Greenhouse Gas Emissions; Appendix C
	302-4 Reduction of energy consumption	Energy and Greenhouse Gas Emissions; Appendix C
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 C
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 C
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and Greenhouse Gas Emissions; Appendix C
	305-4 GHG emissions intensity	Energy and Greenhouse Gas Emissions; Appendix C
	305-5: Reduction of GHG emissions	Energy and Greenhouse Gas Emissions; Appendix C
GRI 306: Waste 2020	3-3 Management of material topics	Operational Waste and Water
	306-3 Waste generated	Operational Waste and Water; Appendix C
	306-4 Waste diverted from disposal	Operational Waste and Water; Appendix C
	306-5 Waste directed to disposal	Operational Waste and Water; Appendix C
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 C
	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	Labor Relations and Human Rights; Appendix C



GRI Standard	Disclosure	Report Location and Response
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	Occupational Health and Safety
	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 C
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 C
	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 C
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 C
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 C
<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 C – PERFORMANCE DATA****Business Overview**

	2021	2022	2023
<b>Business Profile</b>			
Revenue (million USD)	18,035	18,854	19,208 <sup>11</sup>
Number of manufacturing sites	196	196	184
Number of aftermarket distribution centers and warehouses	29	28	24
Number of globally networked engineering and technical centers	38	37	39

**Environment<sup>12</sup>**

	2021	2022	2023
<b>Greenhouse Gas Emissions<sup>13</sup></b>			
Direct (Scope 1) GHG emissions (metric tons CO <sub>2</sub> e)	235,465	212,143	207,373
Energy indirect (Scope 2) GHG emissions (metric tons CO <sub>2</sub> e)	1,080,791	991,709	994,109
Emissions intensity (Scope 1 and Scope 2) (metric tons CO <sub>2</sub> e/million USD revenue)	73	64	63
<b>Energy Use</b>			
Total energy consumption (gigajoules)	13,277,253	12,877,061	12,142,114
Energy intensity (gigajoules/million USD revenue)	736	683	632
Percentage of renewable energy consumption	10%	6%	6%
Total renewable energy consumption (gigajoules)	1,268,421	766,853	730,207
<b>Environmental Management System<sup>14</sup></b>			
Percentage of sites certified to ISO 14001 Environmental Management System	84%	86%	88%
Percentage of sites certified to ISO 50001 Energy Management System	12%	12%	12%
<b>Waste<sup>15</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%)	186,271 (100%)
Hazardous waste (metric tons)	33,229 (21%)	27,110 (15%)	28,262 (15%)
Non-hazardous waste (metric tons)	126,703 (79%)	150,058 (85%)	158,008 (85%)
Waste Intensity (metric tons/million USD revenue)	8.87	9.40	9.70

11. Includes only external and third-party sales. Intersegment or intercompany revenue is excluded.

12. We have restated our 2022 total renewable energy consumption in this report. The change can be attributed to enhancements in our calculations and data quality.

13. 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 the U.S. Environmental Protection Agency (EPA) and used global warming potential (GWP) rates from the Intergovernmental Panel on Climate Change (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.

14. The scope of management system certification percentages includes manufacturing sites.

15. Data represents approximately 80% of manufacturing sites.



	2021	2022	2023
<b>Total Waste by Disposal Method (metric tons and percentage total)</b>			
Recycled	125,165 (78%)	137,609 (78%)	146,343 (78%)
Sent to landfill	30,394 (19%)	24,620 (14%)	27,524 (15%)
Incinerated and all other disposal operations	4,373 (3%)	14,938 (8%)	12,404 (7%)
<b>Hazardous Waste by Disposal Method (metric tons and percentage total)</b>			
Recycled	-	9,417 (35%)	9,612 (34%)
Sent to landfill	-	9,946 (37%)	9,028 (32%)
Incinerated and all other disposal operations	-	7,747 (29%)	9,623 (34%)
<b>Non-hazardous Waste by Disposal Method (metric tons and percentage total)</b>			
Recycled	-	128,193 (85%)	136,731 (86%)
Sent to landfill	-	14,674 (10%)	18,496 (12%)
Incinerated and all other disposal operations	-	7,192 (5%)	2,781 (2%)
<b>Water</b>			
Total water withdrawal (megaliters)	7,305	7,455	7,645
Surface water	-	95	83
Groundwater	-	1,464	1,634
Seawater	-	0	0
Produced water	-	0	0
Third-party water	-	5,897	5,928
Total water withdrawal from areas with water stress (megaliters)	2,320	2,309	2,347
Surface water	-	30	30
Groundwater	-	699	768
Seawater	-	0	0
Produced water	-	0	0
Third-party water	-	1,609	1,549
Water intensity (megaliters/million USD revenue)	0.41	0.40	0.40





## Health and Safety<sup>16</sup>

	2021	2022	2023
<b>Occupational Health and Safety</b>			
OSHA recordable incident rate <sup>17</sup>	0.55	0.50	0.46
Lost time injury frequency rate <sup>18</sup>	1.33	1.15	1.17
Number of recordable work-related injuries	468	425	379
Number of hours worked	170,606,895	168,868,534	165,438,688
Percentage of sites certified to ISO 45001 Health and Safety System	56%	57%	59%

## Talent Attraction and Retention

	2021	2022	2023
<b>Average Annual Training Hours Per Salaried Team Member (Hours)</b>			
Asia Pacific	10	11	5
Americas	14	12	7
EMEA	9	8	4
Global	11	10	5
<b>Global Workforce</b>			
Number of team members	71,000	72,880 <sup>19</sup>	65,800
<b>Permanent</b>			
Female	23%	23%	23%
Male	77%	77%	77%
<b>Total Employees by Employment Contract, by Region<sup>20</sup></b>			
<b>Permanent</b>			
Asia Pacific	20%	20%	20%
Americas	41%	41%	42%
EMEA	39%	38%	38%
<b>Temporary</b>			
Asia Pacific	71%	63%	57%
Americas	13%	15%	3%
EMEA	16%	22%	40%

16. 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. Our 2019 recordable incident rate and the number of hours worked have been restated to 0.66 and 177,729,330 to reflect improved data quality.

17. 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.

18. 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.

19. Due to an improvement in our human resources system, we have restated our 2022 number of team members.

20. 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 human resources system. Only active and inactive company employees were included. We did not include system splits in termination reporting.



## Talent Attraction and Retention (cont'd)

	2021		2022		2023	
	Number	Percentage	Number	Percentage	Number	Percentage
<b>New Hires<sup>21</sup></b>						
<b>By Region</b>						
Asia Pacific	2,986	20%	2,738	19%	1,300	10%
Americas	12,258	40%	13,985	46%	4,958	18%
EMEA	2,416	8%	3,024	11%	2,114	9%
<b>By Gender</b>						
Female	4,633	28%	5,384	32%	5,993	12%
Male	13,023	23%	14,293	25%	2,372	16%
<b>By Age</b>						
< 30 Years	8,969	78%	9,488	83%	3,560	35%
30-50 Years	7,458	18%	8,907	21%	4,136	11%
>50 Years	1,233	6%	1,345	7%	777	4%
<b>Turnover<sup>22</sup></b>						
<b>By Region</b>						
Asia Pacific	3,075	21%	3,194	22%	2,955	23%
Americas	13,137	43%	13,940	46%	10,341	41%
EMEA	3,457	12%	3,608	13%	2,310	9%
<b>By Gender</b>						
Female	5,174	31%	5,207	31%	4,341	26%
Male	14,494	25%	15,501	27%	12,258	23%
<b>By Age</b>						
< 30 Years	7,900	69%	8,442	74%	5,650	54%
30-50 Years	8,503	20%	9,336	23%	7,925	20%
>50 Years	3,266	16%	2,962	14%	3,039	16%

## Labor Relations

	2021	2022	2023
<b>U.S. Equal Employment Opportunity Commission Charges (EEOC) and National Labor Relations Act (NLRA) Violations</b>			
Number of EEOC charges filed <sup>23</sup>	3	8	9
Number of NLRA violations	0	0	0
<b>Percentage of Total Employees Covered by Collective Bargaining Agreements</b>			
Percentage of total employees covered by collective bargaining agreements in the U.S.	16%	11%	15%
Percentage of total employees covered by collective bargaining agreements globally	62%	63%	60%
<b>Minimum Notice Periods Regarding Operational Changes<sup>24</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



Inclusion, Diversity and Equity<sup>25</sup>

	2021	2022	2023
<b>Diversity of Board Directors, by Gender, Age Group, and Ethnicity</b>			
Female	36%	25%	25%
Male	64%	75%	75%
<30 Years	0%	0%	0%
30-50 Years	0%	38%	38%
>50 Years	100%	62%	62%
U.S. Ethnic Diversity	9%	25%	25%
<b>Diversity of Workforce, by Gender, Age Group, and Ethnicity</b>			
<b>Senior Management</b>			
Female	18%	19%	20%
Male	82%	81%	80%
<30 Years	0%	0%	0%
30-50 Years	50%	47%	53%
>50 Years	50%	53%	47%
U.S. Ethnic Diversity	17%	18%	20%
<b>Supervisors/Managers</b>			
Female	21%	21%	23%
Male	79%	79%	77%
<30 Years	1%	1%	3%
30-50 Years	65%	64%	69%
>50 Years	34%	35%	28%
U.S. Ethnic Diversity	22%	23%	20%
<b>Professionals</b>			
Female	28%	29%	23%
Male	72%	71%	77%
<30 Years	9%	11%	17%
30-50 Years	65%	65%	57%
>50 Years	26%	24%	26%
U.S. Ethnic Diversity	19%	18%	18%
<b>Ethnic Diversity of Total U.S. Team Members</b>			
U.S. Ethnic Diversity	30%	27%	30%

21. 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.

22. 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.

23. To date, no charge has resulted in a finding in favor of the charging party.

24. 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.

25. 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

	2021	2022	2023
<b>Business Ethics Training</b>			
Number of interactive training sessions for ethics and compliance	993	314	254
Number of team members reached from interactive training	57,032	33,000	17,000
Percentage of total workforce trained on business ethics issues	99%	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	1	0	0
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations (USD)	0	0	0

## Cybersecurity

	2021	2022	2023
<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%	16%
Number of sites certified to Trusted Information Security Assessment Exchange (TISAX)	14	24	43





## Supply Chain Management

	2021	2022	2023
<b>Supplier Base<sup>26</sup></b>			
Number of suppliers	44,567	42,917	42,856
Total supplier spend (million USD)	11,240	12,847	8,640
<b>Supplier Diversity</b>			
<b>Minority Business Enterprise (MBE)</b>			
Number of suppliers	85	105	82
Spend (million USD)	45	58	22
<b>Women Business Enterprise (WBE)</b>			
Number of suppliers	94	112	90
Spend (million USD)	39	52	33
<b>Veteran Business Enterprise (VET)</b>			
Number of suppliers	12	25	23
Spend (million USD)	2	3	8
<b>Other Underrepresented Business Enterprise<sup>27</sup></b>			
Number of suppliers	-	154	107
Spend (million USD)	-	118	59

## Product Management

	2021	2022	2023
<b>Product Safety</b>			
Percentage of manufacturing sites that were certified in accordance with the IATF 16949 and/or ISO 9001 standard	99%	99%	97%
Number of recalls issued <sup>28</sup>	2	1	0
Total units recalled	3,700	15,200	0
<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 noncompliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period	0	0	0

26. 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.

27. HubZone, Small Business, LGBTQ, Service Disabled Veteran, and Disadvantaged Businesses.

28. Data represents National Highway Traffic Safety Administration (NHTSA) recalls in the U.S. and any equivalent recalls in other countries. Tenneco is not aware of additional recalls.