





# **DATA** BOOK 2021



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## OUR APPROACH TO HEALTH, SAFETY AND ENVIRONMENT

#### WHY HSE IS ESSENTIAL

Based on the sustainability materiality assessment completed in 2019 we concluded that Energy, GHG Emissions, Effluents & Waste, Water and Occupational Health & Safety and Environmental Compliance are material topics for Garrett (See Sustainable Material Topics on page 6, Sustainability Report 2021).

#### HOW HSE IS IMPORTANT TO OUR STAKEHOLDERS

Internally, safety and regulatory compliance are fundamental parts of how we operate and taken very seriously. Energy, water and waste are significant expenses.

We also monitor what HSE topics are important to our stakeholders:

- Civil society and the general public hold a tremendous interest in the impact of fossil fuel energy on the global climate, especially since the latest Intergovernmental Panel on Climate Change AR6 report. Related topics are in focus such as inefficient use of energy and renewable energy. There is growing engagement across a number of topics, including single-use plastics, water scarcity, inefficient production and disposal of waste, other effluents and emissions, as well as corporate transparency and sustainability reporting. The COVID-19 pandemic has given new importance to work-related illness and injury.
- Our customers expect strong systems and improving performance toward netzero negative impacts. Not only for energy, water, waste and emissions, but also for health, safety and environmental compliance. Today, approximately 80% of our top 20 customers have net-zero or science-based carbon targets.
- Investors' engagement is increasing on HSE topics as part of their ESG (environment, social and governance) focus.
- Governments also have an interest. Our European sites are subject to the Energy Efficiency Directive that requires regular audits and provide consistent improvement actions toward energy efficiency. The US and EU regulate Conflict Minerals Reporting. Each country where we operate has strict local compliance requirements on environment, occupational health, and safety.

#### **OUR HSE BOUNDARIES**

The HSE Management System applies to all Garrett organizations, subsidiaries and joint ventures worldwide where Garrett has operational control, including all laboratories, offices, facilities, processes, services and products. Activities include, but are not limited to, product and project design and development, changes to products and processes, manufacturing, supply, distribution, and use of raw materials, products and waste.

Garrett considers that all people on their locations (employees, contractors, visitors, as well as employees working or traveling outside a Garrett location) are covered by the HSE Management for their Health and Safety.

For emissions, Garrett is working hard to widen its boundary toward suppliers, upstream transportation and third-party warehouses, employees and other indirect sources of greenhouse gas emissions (Scope 3).

## MANAGEMENT ACCOUNTABILITY AND EMPLOYEE INVOLVEMENT

Garrett's senior leadership are accountable for effective health and safety management and our HSE management system is designed to provide a framework to minimize risks across all Garrett locations. Our CEO is presents HSE updates quarterly to the whole company, including safety performance, incidents and main HSE improvement initiatives.

Our grievance mechanism is covered under Responsible Business Conduct (page 26, Sustainability Report 2021). There were no HSE related grievances raised in 2021.

## **HEALTH SAFETY & ENVIRONMENT (HSE)** MANAGEMENT SYSTEM

We work to integrate the HSE Management System with business planning and performance processes throughout the organization.

## **MATERIAL HSE TOPICS AND OUR HSE MANAGEMENT SYSTEM**

#### ENERGY

Our Energy Management systems and procedures encompass monitoring of legal requirements, energy performance, project implementation, live metering, and forecasting; generation and implementation of energy saving ideas and energy efficiency projects; management of new equipment and operational controls; keeping data and ISO certifications up to date; energy use mapping; and training.

#### WATER

The water-related parts of our HSE management system includes water balance, stress analysis, risk identification, regulatory compliance, conservation measures, water metrics and tracking, and requirements for potable, storm and waste water,

#### EMISSIONS

Our management system includes various aspects, including industrial air emissions inventory and maintaining legal compliance. We also have a greenhouse gas emissions (GHG) inventory management procedure, guiding our carbon accounting. It is aligned to the GHG Protocol.

## **EFFLUENTS & WASTE**

Our Waste management systems and procedure ensures local legal requirements, keeping waste inventories with waste classifications, regular review and continuous improvement, safe and compliant storage and accumulation, offsite waste management and treatment including facility reviews, recordkeeping, and risk management.

**OCCUPATIONAL HEALTH & SAFETY, AND ENVIRONMENTAL COMPLIANCE** Garrett's HSE systems ensure compliance with both our global standards and with local regulatory requirements, monitored through an annual company-wide audit process. We develop, implement and monitor process improvement and corrective action plans, and carry out regular health and safety training on risks and best practices, based on our Learning Needs Assessment and Training Plan. Objectives and targets are set — and progress monitored — to reduce incidents, mitigate risks, ensure compliance, and facilitate other HSE improvements. We also have procedures for hazard identification risk assessment and risk reduction, such as our Non-Routine Risk Assessment process and we have developed an emergency response plan at corporate level with individualized plans per site, covering all potential site emergencies.

More than 90% of workers of the main sites (Manufacturing & Labs) are represented by formal joint management worker health & safety committees.

Garrett hasn't identified any high-risk activity from an occupational health standpoint performed by Garrett Employees. Nevertheless, Garrett implemented controlled strict rules and specific organization limiting drastically the risk of COVID spreading. This was adapted as the local situations evaluated.

## HSE FINANCIAL, HUMAN AND TECHNICAL RESOURCES

Plant Managers, Facilities and HSE teams at each Garrett site take responsibility for maintaining these procedures to ensure high performance. We employ highly credentialed professionals, and allocate responsibility in accordance with the materiality of these issues for the site. We also work with experts to regularly audit our sites to identify efficiency and risk reduction opportunities, while also leveraging the engagement and expertise from our employees on-the-ground. These audits/surveys are focused on Loss Prevention, Occupational Health, Machine Safety or Legislative Compliance.

We have a dedicated expenditure for HSE risk reduction and resource efficiency - both operational and capital. We see value in bringing external expertise to support our goals. Our vendors for integrated facilities management and energy procurement also support us.

We also invest and utilize technical resources to support us. We use online software platforms to perform our HSE and Energy management systems, monitor resource consumption live, monitor emerging regulations and regulatory trends, maintain HSE compliance, and manage our metrics.

For energy, we have widely deployed physical technologies such as energy submetering and LED lighting, and continue to explore other energy efficiency and renewable energy technologies. We also have implemented smart compressor and HVAC control systems that help us to control better and reduce energy.

For waste, recycling systems are implemented in 2 sites and plan to deploy in other sites based on the significance.

Garrett's senior leadership are accountable for effective health and safety management and we involve our employees in the decisions we make, formally or informally across our sites. The Plant Managers, Facilities and HSE teams sit within the Integrated Supply Chain Function, which is ultimately responsible for achieving our management approach. The Health, Safety & Environment Team provides crucial support to sites to deliver the management system, implement projects, complete reporting, and continuous improvement. It also supports ISC leadership to review performance on a monthly basis. The responsibilities of HSE are linked to team and individual performance evaluation and incentives

#### **HOW WE EVALUATE HSE**

All sustainability material HSE topic processes, procedures, and systems are evaluated monthly as part of the Maturity Assessment process in our HSE Management System. Additionally, the HSE team run internal audits for sites on a regular basis where all HSE topics are part of the agenda. Sites also organize local audits in order to prepare for their annual ISO audits (discussed in external evaluation).

HSE metrics are evaluated internally for each site in monthly site reviews, and across the portfolio of sites in monthly operations meetings. The Senior Leadership, Plant Managers, Facilities and HSE teams all pay attention to our performance and take accountability/responsibility to ensure improvements.

Garrett prioritizes ISO certifications and each site is required to maintain certification of the HSE Management System (45001), Environmental Management System (14001) and Energy Management System (50001). Sites are audited every 3 years to maintain certification.

Environmental accounts are audited by a third-party as part of the external assurance of our Sustainability Report. This scope covers Energy, Carbon Emissions and Occupational Health & Safety metrics in this report, and will capture Other Emissions, Water, and Waste next year. More details about the process can be found in the assurance statement in this HSE Data Book.

CDP Climate Change, CDP Water, and EcoVadis are important external ratings to Garrett. We respect these section sub-scores and strive to improve our responses to the questions and adapting to the evolution of the methodology. There are also several customer-oriented platforms, such as NQC and DRIVE, which we also use to evaluate our performance.

We informally benchmark our sustainability reporting performance against our peers to ensure we are not falling behind. We also benchmark against the sustainability reports and supplier environmental requirements of our customers to ensure we are meeting their expectations and following their direction.

#### **OUR HSE TARGETS**

We set targets to address our stakeholder needs; they are not enforced by regulations and are not mandatory government requirements.

These targets are monitored on a monthly, guarterly & annual basis.

We monitor progress toward our environmental targets regularly.

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WATER TARGET	MO
WASTE TARGETS	мо
GHG EMISSION TARGETS	QU

#### **HSE PERFORMANCE**

We use two main safety performance indicators to monitor and improve safety performance. Total Case Incident Rate (TCIR) applies everywhere Garrett operates. Our other main indicator is related to HSE Maturity and applies to 18 sites (the 13 manufacturing sites and 5 laboratories). The Maturity Score (MAT) assesses the full HSE maturity of each site versus the HSE Garrett Management System and is the primary HSE metric monitored through Garrett Excellence Model (GEM). This metric merge self-assessment by the sites and auditing by the Garrett HSE Central Department.

Employees are involved in the decisions we make, formally or informally across our sites. More than 90% of workers of the main sites (Manufacturing & Laboratories) are represented by formal joint management worker health and safety committees.

## **APPLYING BEST PRACTICE STANDARDS**

Our management systems apply global standards for Operations Health & Safety that are currently transitioning from OHSAS 18001 to ISO 45001, which aim to provide protection of human health and safety during normal and emergency situations. Today, 12 of 13 manufacturing sites and 1 of 3 significant laboratories have already certified to ISO 45001. All sites are planned to be certified ISO 45001 by end of 2025.

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ONTHLY & QUARTERLY

ONTHLY & QUARTERLY

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## **INVESTING IN OCCUPATIONAL HEALTH AND SAFETY**

Garrett works with external specialists to prevent risks or assess the exposure of employee to both physical and chemical hazards. Fire inspection and thermography campaigns are conducted at each site. New or significantly modified equipment are assessed from the design phase to fulfill with the highest standards of "Machine" Guarding." Furthermore, sites are supported with specific Occupational Health surveys including Noise, Ergonomics, Chemical, Combustible Dust.

## **MANAGING HEALTH & SAFETY THROUGH COVID-19**

2021 was the second year managing through COVID-19. Garrett's global Health and Safety team continued to work tirelessly to deliver and implement best practice safety guidelines relating to COVID-19. As physical visits to the plants were limited, virtual Gemba Walks were held with members of the Garrett Senior Leadership Team to monitor the implementation of the safety guidelines within our plants.



## **OPERATIONAL HEALTH & SAFETY**

## STANDARDS, METHODOLOGIES, ASSUMPTIONS, AND/OR CALCULATION TOOLS USED IN CALCULATING METRICS

METRICS	COMMENTS
Significant fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations.	Information provided by the 13 plants & 6 Labs
Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by formal joint management- worker health and safety committees.	Information provided by the 13 plants & 6 Labs: Yes/No % calculated with the census of the 19 sites
Percentage of formal agreements with trade unions that cover health and safety topics.	Information provided by the 13 plants & 6 Labs: Yes/No % calculated with the census of the 19 sites This OHS metric was not third-party assured due to a post-audit update.
Number of injury for all employees (excluding contractors): • First Aid	The type of injuries is defined according to the US OSHA and Garrett procedure:
Recordable with Lost Work Days	<ul> <li>Pirst Ald → Medical actions done in the site</li> <li>Recordable without Lost Work Days → Medical actions done out of the site, no LWD.</li> </ul>
<ul> <li>Recordable without Lost Work Days</li> </ul>	"All Employees" included the temporally employees supervised by Garrett managers
<ul> <li>Transportation incidents</li> </ul>	
Injury rate for all employees	Based on the formula of the US OSHA injury rate: #injuries*200000/#exposure hours of the 19 sites. It includes also the first aid.
injury fate for an employees	Nevertheless, the Total Case Incident Rate used within Garrett considers only the Recordable cases (US OSHA rules)
	It includes only the Occupational disease confirmed by local Authorities.
	Covid cases aren't included
Occupational disease rate for all employees	The distribution by gender is based on the 2020 Sustainability report (roughly 20% female & 80% males)
	% calculated with the census of the 19 sites
Number of injury for all workers (excluding employees) whose work or workplace is controlled by Garrett	It includes only the contractors not supervised by Garrett Managers but working on Garrett locations
%Absenteeism	Not available in each country or no distribution by gender. Only available in Ansan, Brno, Guarulhos (aggregated between genders), Kodama, Mexicali Thermal and Mexicali Turbo (aggregated between genders and the 2 sites), Presov (aggregated between genders), TLV and Wuhan. Data is not consistent between sites as they calculate as per country regulations. No standard calculation as of this moment so we considered as not available
Lost Work Day	Number of days provided by sites.       Potential discrepancies in the counting method

## METRIC DATA TABLE

METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMA
Significant fines or non-monetary sanctions for non-complia	nce with environmental la	aws and/or regulations	
Total monetary value of significant fines	\$ 79.00	\$ 0.00	\$ 0.00
Total number of non-monetary sanctions	1	2	1
Cases brought through dispute resolution mechanisms	1	1	2
Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by formal joint management-worker health and safety committees	90.91%	91.83%	92.01%
Percentage of formal agreements with trade unions that cover health and safety topics	28%	28%	28%
Number of injury for all employees (excluding contractors)	52	29	21
Breakdown by Region			
APAC	3	8	4
First Aid	3	4	1
Recordable with Lost Work Days	0	4	2
Recordable without Lost Work Days	0	0	1
Transportation incidents	0	0	0
EMEA	25	14	13
First Aid	19	13	10
Recordable with Lost Work Days	4	0	2
Recordable without Lost Work Days	1	0	1
Transportation incidents	1	1	0
Americas	24	7	4
First Aid	21	7	2
Recordable with Lost Work Days	2	0	1
Recordable without Lost Work Days	1	0	1
Transportation incidents	0	0	0
	1	·	1







METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANCE
Breakdown by Gender			
Male	43	24	18
First Aid	36	19	11
Recordable with Lost Work Days	5	4	5
Recordable without Lost Work Days	1	0	2
Transportation incidents	1	1	0
Female	9	5	3
First Aid	7	5	2
Recordable with Lost Work Days	1	0	0
Recordable without Lost Work Days	1	0	1
Transportation incidents	0	0	0
Injury rate for all employees (excluding contractors) (#injury*20000/#exposure hours): Note: Minor-level injuries such as first aid are included in the injury rate. There have been no fatalities, but according to our procedure would not be included in the injury rate.	0.88	0.51	0.32
Breakdown by Region			
APAC	0.16	0.42	0.18
EMEA	0.93	0.58	0.48
Americas	1.70	0.49	0.25
Breakdown by Gender			
Male	0.73	0.42	0.28
Female	O.15	0.09	0.05
<b>Occupational disease rate for all employees:</b> Note: Refers to disease arising from a work-related situation or activity, or from a work-related injury.	0.01%	0.01%	0.03%
Breakdown by Region			
APAC	0.00%	0.00%	0.00%
EMEA	0.03%	0.03%	0.06%
Americas	0.00%	0.00%	0.00%

METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANCE
Breakdown by Gender			
Male	0.02%	0.02%	0.04%
Female	0.00%	0.00%	0.00%
<b>Lost day rate for all employees:</b> Note: "Days" refers to calendar days and the lost days count begins 1 day after the accident occurs.	76	56	207
Breakdown by Region			
APAC	0	56	13
EMEA	46	0	125
Americas	30	0	69
Breakdown by Gender			
Male	48	56	207
Female	28	0	0
<b>Absentee rate for all employees:</b> Note: Refers to absence from work in any capacity, not just the result of work-related injury or disease	N/A	N/A	N/A
Breakdown by Region			
APAC	N/A	N/A	N/A
EMEA	N/A	N/A	N/A
Americas	N/A	N/A	N/A
Breakdown by Gender			
Male	N/A	N/A	N/A
Female	N/A	N/A	N/A
Work-related fatalities:	0	Ο	Ο
Breakdown by Region			
APAC	0	Ο	Ο
EMEA	0	0	0
Americas	0	0	0
Breakdown by Gender			
Male	0	0	0
Female	0	0	0

# Garrett Motion HSE DATA BOOK 2021



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METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANCI
Number of injury for all workers (excluding employees) whose work or workplace is controlled by Garrett:	18	13	7
Breakdown by Region	·	,	,
APAC	5	5	2
First Aid	5	4	2
Recordable with Lost Work Days	0	0	0
Recordable without Lost Work Days	0	1	0
Transportation incidents	0	0	0
EMEA	7	4	5
First Aid	6	2	2
Recordable with Lost Work Days	0	1	2
Recordable without Lost Work Days	0	1	1
Transportation incidents	1	0	0
Americas	6	4	0
First Aid	6	4	0
Recordable with Lost Work Days	0	0	0
Recordable without Lost Work Days	0	0	0
Transportation incidents	0	0	0
Breakdown by Gender			
Male	14	11	7
First Aid	13	9	4
Recordable with Lost Work Days	0	0	2
Recordable without Lost Work Days	О	2	1
Transportation incidents	1	О	О
Female	4	2	О
First Aid	4	1	0
Recordable with Lost Work Days	0	1	0
Recordable without Lost Work Days	0	0	0
Transportation incidents	0	0	0

METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANCE
<b>Injury rate for all workers (excluding employees) whose</b> <b>work or workplace is controlled by Garrett:</b> Note: Minor-level injuries such as first aid are included in the injury rate. There have been no fatalities, but according to our procedure would not be included in the injury rate.	1.87	1.35	0.73
Breakdown by Region			
APAC	1.42	1.42	0.57
EMEA	1.72	0.98	1.23
Americas	2.97	1.98	0.00
Breakdown by Gender			
Male	1.82	1.43	0.91
Female	2.08	1.04	0.00

## MATURITY SCORE

## **SELF-ASSESSMENT:**

Each site has MAT goals as a primary safety performance metric, which are tracked monthly. A self-assessment is triggered by a site when they consider that significant improvement can be submitted for review and approval by the Central HSE Department. Central HSE Department also triggers assessment of any new or modify element or simply for a regular update.

The MAT included assessment of 53 different elements covering:

- Management System (ISO Based): 17 standards
- General HSE: 3 standards
- Safety: 12 standards
- 6 standards • Environment:
- Health Management: 4 standards
- Industrial Hygiene: 8 standards
- 3 standards • Loss Prevention:

## **AUDIT:**

During 2021, due to COVID-19 travel restriction, Garrett has replaced HSE onsite audit by "Virtual Audits" focused on 28 key standards, including all related to risk for life.

The final MAT score includes the self-assessment, which is reviewed and approved by Garrett HSE Central Department, and the audit results.

## HSE Maturity score (MAT) = Self-assessment + Audit

All identified corrective and improvement actions are tracked until completion.







## **ENERGY**

## **BASELINE YEAR: 2019**

- This year was selected as it was the first year with full coverage of total energy data across the Garrett organization under our operational control. Prior inventories had missing locations and sources that were material.
- The 2019 baseline energy consumption was 152,909 MWh.
- No significant changes have occurred to trigger recalculations of the baseline.

## **DATA SOURCE:**

The energy data for all the Manufacturing sites and R&D sites are available in the internal centralized database and are reported by each site on a monthly basis. Certain estimates are applied for non-reporting sites (basically offices) based on site size (in square foot) and the principal building activity. The energy consumption is estimated using factors provided by the US Department of Energy from its Commercial Buildings Energy Consumption Survey (CBECS).

## **CONSOLIDATION APPROACH FOR EMISSIONS:**

Operational control.

## SCOPE:

All the direct and indirect usage of energy such as Natural gas, Diesel, LPG, Gasoline and Kerosene in our sites for stationary combustion are considered. In terms of indirect usage, purchased electricity and own electricity is used in our operations. Our ratio of Electricity to Natural gas usage is 3:1. In most of the sites, natural gas is used for heating purposes and the other fuels are used in DG sets, testing and other purposes. We generate our own electricity onsite in 2 sites (Pune, India) and (Presov, Slovakia). Fuels used in the mobile combustion within our boundary are excluded as data collection and quantification process is not set currently.

## **QUANTIFICATION:**

We follow the standard guidelines, recommendations and tools as described in the GHG protocol to quantify the energy used and report it.

## **SUPPLY CHAIN:**

As a first time in 2021, we initiated a survey for our direct suppliers to collect the information on most of the environmental metrics including energy consumption and we have received a good response from the suppliers and the data gets consolidated to assess our supply chain impact.

Notes related to total energy consumption of suppliers:

- 2021 result based on a supplier questionnaire piloted to a sample of suppliers. 60 suppliers answered the energy question, which represents 42% of number of direct suppliers with spend over \$1,000 USD and with demand at the time of the start of preparing the review (Nov 2021).
- Results are based on responses from selected suppliers at their group level. Compared to 2020, in 2021 we plan to extend our supplier target to 96% of direct procurement spent and increased the number of suppliers to report on Energy consumption by 5%.

## **ENERGY METRICS TABLE**

r	METRICS	2019 BASELINE	2020 PERFORMANCE	2021 PERFORMANCE	202 TAR
	Total energy consumption GTX (GJ)	547,379	469,532	498,911	
	Renewable fuel consumption, including fuel types (GJ)	8,031	36,313	39,604	16,C
	Electricity	8,031	36,313	39,604	16,C
	Non-Renewable fuel consumption, including fuel types (GJ)	154,825	130,952	135,596	
	Natural Gas	129,457	112,385	112,992	
	Liquid fuels (Gasoline, Diesel, LPG, Kerosene)	25,368	18,567	22,604	
	Electricity/heating/cooling/steam consumption (GJ)	384,523	302,267	323,800	
	Electricity/heating/cooling/steam sold (GJ)	0	0	0	
	Total energy consumption GTX (MWh)	152,909	132,134	139,982	
	Renewable fuel consumption, including fuel types (MWh)	2,231	10,087	11,001	4,4
	Electricity	2,231	10,087	11,001	4,4
	Non-Renewable fuel consumption, including fuel types (MWh)	43,866	38,084	39,036	
5	Natural Gas	36,737	32,874	32,675	
	Liquid fuels (Gasoline, Diesel, LPG, Kerosene)	7,129	5,210	6,361	
	Electricity/heating/cooling/steam consumption (MWh)	106,812	83,963	89,945	
	Electricity/heating/cooling/steam sold (MWh)	0	0	0	
	Energy intensity ratio per product				
	Note: calculated by total energy consumption (MWh) — Excluding Offices and Labs ÷ total turbos manufactured (products)	0.0082	0.0079	0.0074	0.00
	Total energy consumption (Excluding Liquid fuels)	108,342	95,198	101,206	
	Total turbos manufactured	13,239,261	12,045,853	13,732,655	
	Reduction in energy efficiency improvements, types of energy	gy included in the	e reductions (MWh)		
1	Compressor	318	12	140	
4	HVAC	693	734	560	
	Lighting	374	249	25	
	Others	78		64	
	Solar	95			
	Total energy consumption GTX (MWh)				
	Note: 2021 result based on a supplier questionnaire piloted to a sample of suppliers. 60 suppliers answered the energy question, which represents 32% of number of direct suppliers	Not	measured	5,479,379	







## **GHG EMISSIONS**

## **OUR CLIMATE CHANGE APPROACH**

While Garrett's primary contribution to society as a technology leader in emissions-reducing products, we are also tackling climate change within our own operations. Our 2021 CDP Climate Change score of B is a testament to that.

Our commitment to reducing GHG emissions and improve energy productivity is detailed in our HSE Policy. We have a dedicated capital expenditure budget for energy and CO2 reduction projects and our HSE Management System is designed to identify opportunities, monitor and carry out improvement studies and audits.

## **GHG EMISSIONS PERFORMANCE**

Business travel remained low due to pandemic restrictions, but the commuting transport increased as employees started to return to work in the Garrett locations. Although small, our emissions from waste doubled due to increased volumes.

## GHG METRICS TABLE

METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANCE	2024 TARGE	
Total Scope 1 & 2 GHG emissions (tCO2e)	54,909	45,919	47,046	<75,00	
Gross direct (Scope 1) GHG emissions (tCO2e)	8,342	6,912	7,022		
Gross energy indirect (Scope 2) GHG emissions (tCO2e) – market-based	n/a	n/a	35,298		
Gross energy indirect (Scope 2) GHG emissions (tCO2e) – location-based	46,567	39,007	40,024		
Total Scope 3 GHG emissions (tCO2e)	1,387,000	1,233,636	1,429,634		
Purchased goods & services	1,206,541	1,076,422	1,283,281		
Capital goods	107,830	90,090	38,460		
Fuel and energy-related activities	4,182	3,317	3,860		
Upstream transportation & distribution	47,278	53,785	92,211		
Waste generated in operations	394	329	651		
Business travel	8,262	1,699	918		
Employee commuting	12,513	7,994	10,253		
Total Scope 1, 2 & 3 GHG emissions (tCO2e)	1,441,909	1,279,555	1,476,680		
Note: calculated by total Scope 1 & 2 GHG emissions (CO2e) ÷ total revenue (USD million) Scope 1 & 2 GHG emissions intensity per USD million revenue	16.91	15.14	12.95	16.23	
Scope 1, 2 & 3 GHG emissions intensity per USD million revenue Note: calculated by total Scope 1, 2 & 3 GHG emissions (CO2e) ÷ total revenue (USD million)	444	422	407		
Production, import and export of ozone-depleting substances (tCFC11e)	We do n	ot collect this data.	It is not material to G	arrett.	
Total significant air emissions (kg)	We do n	ot collect this data.	It is not material to G	arrett.	
NOx	We do	not collect this data.	It is not material to Ga	arrett.	
SOx	We do not collect this data. It is not material to Garrett.				
Persistent organic pollutants (POP)	We do	We do not collect this data. It is not material to Garrett.			
Volatile organic compounds (VOC)	We do	not collect this data.	It is not material to Ga	arrett.	
Hazardous air pollutants (HAP)	We do	not collect this data.	It is not material to Ga	arrett.	
Particulate matter (PM)	We do	not collect this data.	It is not material to Ga	arrett.	







## STANDARDS, METHODOLOGIES, ASSUMPTIONS, AND/OR CALCULATION TOOLS USED IN CALCULATING METRICS

## **GASES INCLUDED IN THE CALCULATIONS:**

- Gross direct (Scope 1) GHG emissions Natural Gas, Gasoline, Diesel, LPG and Kerosene
- Gross energy indirect (Scope 2) GHG emissions Purchased Electricity
- Gross other indirect (Scope 3) GHG emissions

## **BASELINE YEAR: 2019**

- This year was selected as it was the first year with full coverage of Scope 1 and 2 emissions across the Garrett organization under our operational control. Prior inventories had missing locations and sources that were material.
- The 2019 baseline GHG emissions was 54,909 tonnes of CO2e.
- No significant changes to Scope 1 and 2 emissions have occurred to trigger recalculations of the baseline.

## SOURCES OF EMISSIONS FACTORS:

- Gross direct (Scope 1) GHG emissions Cross sector tools from GHG protocol website.
- Gross energy indirect (Scope 2) GHG emissions IEA (International Energy Agency and USEPA eGRID factors and CBECS.
- Gross other indirect (Scope 3) GHG emissions UK Government Defra GHG Conversion Factors for Company Reporting.

## **CONSOLIDATION APPROACH FOR EMISSIONS:**

Operational control.

## **OUT OF SCOPE:**

- Physical or chemical processing: We do not have process emissions as none of our processes emit GHG emissions.
- Transportation of materials, products, waste, and employee: Not included in the scope as the data collection process is not set up.
- Fugitive emissions: Quantification process is not set for refrigerants used in the sites.
- Mobile combustion Data collection and quantification process is not set as of now and have a plan to address this in future.

## THE FOLLOWING GHG EMISSIONS ARE REPORTED:

- Carbon Dioxide CO2
- Methane CH4
- Nitrous Oxide N2O

## SIGNIFICANT AIR EMISSIONS:

• Garrett does not collect data for ozone depleting substances or significant air emissions (NOx, SOx, POP, VOC, HAP, or PM). It does report on VOC for individual locations if a customer or regulator requests it.

## **QUANTIFICATION:**

We follow the standard guidelines, recommendations and tools for Scope 1, 2 and 3 as described in the GHG protocol. Almost 90% is covered for Scope 1 and 2 and we are progressing as a stage wise for Scope 3 by adding 1 category per year as assessing GHG emissions across the entire value chain is complex. Our proportion of actuals compared to estimates in most of the scenarios is increased thus enabling us to increase the transparency around disclosure for all scopes.

## CONTINUOUS IMPROVEMENT OF SCOPE 3

As part of continuous improvement in our methodology and to assure our Scope 3 emissions, we had few improvements in the Upstream transportation and Distribution. We have improved significantly in our methodology which represents 5.8% of the total Scope 3 emissions. With the help of our centralized database for all the inbound shipments data including the transportation distance we could able to allocate the emissions for each shipment and aggregate the total emissions at the company level. This helps in granularity and streamlined approach to get our metrics assured by the third party in 2022. It also serves as an opportunity to analyze, set the target and reduce our footprint strategically.

In addition to transportation, we increased transparency around the actual data from the warehouses. We have 20 external warehouses located in all 3 regions and operated by a third party and started to collect the data from each warehouse. Actual data acts as a basis to consolidate the emissions from our warehouses.









## WATER MANAGEMENT

## ADDITIONAL INFORMATION WASTE MANAGEMENT

## **OUR TARGETS**

- We set targets to address our stakeholder needs; they are not enforced by regulations and are not mandatory government requirements. Our targets refer to everywhere we operate, were set to a baseline of 2019 and we aim to achieve them by the end of 2024.
- Water sources significantly affected by water withdrawal
- No water sources were significantly affected by withdrawals by the company in 2021.

## WATER PERFORMANCE

To achieve this result, we undertook several actions to improve water management. Currently, Garrett prioritizes raising awareness of efficient water conservation behaviors at site level, encouraging improving operational controls to identify "lowcost-no-cost" savings, and cooperating with integrated facilities management to find solutions.

The last two years have been unusual due to COVID-19, with the pandemic causing a fluctuation of the water use due to site closures, employees working from home and a significant increase in cleaning and washing.

## WATER METRICS TABLE

METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANC
Total volume of water withdrawn (liters)	240,037,000	271,213,000	254,867,000
Surface water	n/a	n/a	n/a
Ground water	n/a	n/a	n/a
Rainwater collected and stored by the organization	n/a	n/a	n/a
Municipal water supplies or other public/private utilities	240,037,000	271,213,000	254,867,000
Total volume of water recycled or reused (liters)	5,088,784	5,749,716	5,403,180
As a percentage of total water withdrawn	2.12	2.12	2.12

## STANDARDS, METHODOLOGIES, ASSUMPTIONS, AND/OR CALCULATION TOOLS USED IN CALCULATING METRICS

We have Manufacturing sites, R&D sites and Offices/Engineering centers worldwide. We measure and monitor all our manufacturing and R&D sites water withdrawal using either invoices or meter data on a monthly basis. Small & medium sites (Offices and Engineering centers) have water service included in the lease agreement and do not track the water withdrawal quantity. Our key performance indicator across the company are the absolute and intensity water withdrawal metrics. To align with our public target, we have developed an internal strategic plan that guides us how to achieve our targets.

We have a monthly score card and one of the indicators focuses on water withdrawal metrics and we have the absolute site level targets and has been monitored monthly once. Our metrics are not assured by any external agency. Our intensity target (m3/ turbo) is calculated by dividing the total water withdrawal by the number of turbochargers manufactured at our facilities. We have absolute targets on the total water withdrawal and do not dive into subcategories of the different water sources. Water usage is managed on a local basis, with each site working toward its own targets for year-over-year improvement.

## **BASELINE YEAR: 2019**

- This year was selected as the baseline as we had very minimal uncertainties and the trend was realistic.
- The 2019 water withdrawal was 240,037 cubic meters.
- No significant changes to infrastructure have occurred to trigger recalculations of the baseline.

## **SOURCES OF DATA:**

- The water withdrawal data for all manufacturing and R&D sites are available in an internal centralized database and reported by each reporting site monthly.
- Majority of our sites water withdrawal are from municipal sources, and we have limited capability of the sites who track the different sources of water sources.
- Overall, 69% of water is being used for sanitary and domestic purposes while remaining 31% of water is used in the production processes. Water withdrawal data from non-reporting sites (offices and engineering centers) are excluded from the baseline and targets.













## WASTE MANAGEMENT

## ADDITIONAL INFORMATION WASTE MANAGEMENT

## **OUR TARGETS**

- We have targets for waste intensity per turbo, and waste diversion rate. Our production volumes increased in 2021.
- We set targets to address our stakeholder needs; they are not enforced by regulations and are not mandatory government requirements. Our targets refer to everywhere we operate, were set to a baseline of 2019 and we aim to achieve them by the end of 2024. We have targets for waste intensity per turbo, and waste diversion rate.

## WASTE PERFORMANCE

- In addition to reducing waste, we seek to increase diversion rates from landfill and reduce hazardous waste overall. We undertook several actions in 2021 to improve the waste and effluent management. These included an inventory management process, improved procedural elements, strengthening the key performance indicators and monitoring process. In a number of Garrett sites, the storage and segregation of waste has been improved to avoid the deviations and abnormalities of reporting.
- Our production volumes increased in 2021, and as a consequence our total waste generation increased by 6% compared to 2019 baseline. We achieved our internal milestone absolute and intensity targets for 2021 that we have set toward our public target. We already achieved the 2024 target for waste diversion rate – 1% improvement from 2019 baseline – and now turn our focus to maintaining and improve further through 2022-2024. We are monitoring our targets on a monthly basis.
- Focusing on single-use plastics (SUP), we worked together on identifying small process changes with large potential impacts. MACE, our facility management vendor, conducted a waste and single use plastics (SUP) site audit at Cheadle. Several opportunities for SUP reduction were identified, including the replacement of single use plastic cups for refreshments, and the removal of individual workstation waste bins. The SUP waste audit has also been shared with other Garrett sites (across Czech Republic, Slovakia, France and Romania) to self-audit. The next steps are to take the collective results from the waste audits and to develop, a baseline of the SUP across the sites. This will enable reporting against the target to eliminate SUP from operations.
- During the year, recycling systems were implemented in two sites and we plan to deploy in other sites based on the significance. We expanded the scope of our brand-new integrated facilities management partner, Mace, to include energy, water, and waste efficiency support

## GAP ASSESSMENT

• We conducted a detailed gap assessment by an external agency for all the Manufacturing and R&D sites to assess the effectiveness of the current process and identify opportunities for waste reduction and feasibility of circular economy concepts. The result of the assessment identified several gaps which has been closed to improve our process around quantification, internal transfers and final disposal.

## SPECIFIC INFORMATION REGARDING SIGNIFICANT SPILLS

• There were no significant spills during 2021. Five spills were recorded but none could be classed as significant.

## SPECIFIC INFORMATION REGARDING WATER BODIES AFFECTED BY WATER DISCHARGES AND/OR RUNOFF

• There were no water bodies affected by water discharges and/or runoff.

## WASTE METRICS TABLE

METRICS	2019 PERFORMANCE	2020 PERFORMANCE	2021 PERFORMANCE	202 TARG
Total volume of planned and unplanned water discharges (liters)	166,873,722	188,547,278	177,183,538	
Treatment facilities	166,873,722	188,547,278	177,183,538	
Total weight of hazardous waste (kilograms), with a breakdown by disposal method:	1,594,678	2,450,129	1,966,990	
Incineration	374,749	575,780	462,243	
Landfill	1,092,354	1,678,338	1,347,388	
Recycle	127,574	196,010	157,359	
Total weight of non-hazardous waste (kilograms), with a breakdown by disposal method:	8,202,002	9,142,350	8,397,809	
Recycled	n/a	n/a	n/a	
Non-recycled	n/a	n/a	n/a	
Total weight of hazardous waste transported (kilograms):	1,594,678	2,450,129	1,966,990	
Total weight of hazardous waste imported (kilograms):	0	0	0	
Total weight of hazardous waste exported (kilograms):	0	0	0	
Total weight of hazardous waste treated (kilograms):	0	0	0	
Total weight of waste (kilograms)	9,796,680	11,592,479	10,364,799	
Waste intensity ratio per product	0.735	0.956	0.747	
Waste diversion rate	72.3	68.1	75.0	
Significant spills				
Total volume	0	0	0	
Total number	0	0	0	







## STANDARDS, METHODOLOGIES, ASSUMPTIONS, AND/OR CALCULATION TOOLS USED IN CALCULATING METRICS

## **DETERMINATION OF WASTE DISPOSAL METHOD:**

- Majority of Hazardous waste is disposed of to the waste contractors within the specified duration as required by the local regulation requirements.
- Limited quantity of Hazardous waste (coolant) is treated in the Mexico site.
- The hazardous waste is either treated or incinerated or dumped as landfill. The exact treatment method and proportion is not provided by all contractors.

## **TOTAL WEIGHT OF HAZARDOUS WASTE TRANSPORTED:**

- All hazardous waste at Garrett is transported by the waste contractors for each location. We have measures in place to ensure our waste contractors are following correct procedure including audits and questionnaires on treatment and transportation.
- Based on information received from waste contractors, no hazardous waste is exported.
- Based on the general knowledge and limited confirmation from the waste contractors, hazardous waste is treated in the following ways in the following locations:
- Ansan Incineration
- Bucharest Incineration, Landfill and Recycle
- Cheadle Recycle
- Landfill • Guarulhos
- Kodama Recycle and Landfill
- Mex Turbo Landfill, Incineration and Recycle
- Landfill and Incineration Mex Thermal
- Presov Recycle and Landfill
- Pune Landfill
- Shanghai Incineration
- Thaon Les Vosges Incineration
- Waterford Recycle, Landfill
- Wuhan Landfill, Incineration and Recycle
- Landfill and Incineration Bangalore Lab
- Mexicali lab Landfill and Incineration
- Torrance Lab Landfill and Incineration
- Brno Lab Incineration
- Shanghai Lab Landfill and Incineration

## **TOTAL WEIGHT OF NON-HAZARDOUS WASTE TRANSPORTED:**

- All non-hazardous waste at Garrett is transported by the waste contractors for each location. We do not treat any nonhazardous inside the facilities.
- Majority of the non-hazardous waste are recycled.
- Based on the general knowledge and limited confirmation from the waste contractors, non-hazardous waste is treated in the following ways in the following locations:
- Ansan Incineration
- Landfill and Recycle Bucharest
- Cheadle Recycle and Incineration
- Guarulhos Landfill and Recycle
- Kodama Recycle, Landfill and Repurposed
- Mex Turbo Landfill and Recycle
- Mex Thermal Landfill and Recycle
- Recycle Presov
- Pune Recycle
- Thaon-Les-Vosges Landfill and Recycle
- Waterford Recycle and Landfill
- Wuhan Recycle
- Bangalore Lab Reuse
- Mexicali lab Landfill and Recycle
- Torrance Lab Landfill and Recycle
- Brno Lab Recycle
- Shanghai Lab Landfill and Recycle
- Shanghai Recycle

We consider a spill significant if it may trigger a safety injury event or environmental incident if not observed or rectified.





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