



Garrett
ADVANCING MOTION

SUSTAINABILITY

REPORT 2021

This report may contain “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of fact, that address activities, events or developments that Garrett Motion Inc. (the “Company”) or the Company’s management intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. Although the Company believes forward-looking statements are based upon reasonable assumptions, such statements involve known and unknown risks, uncertainties, and other factors, which may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to those described in the Company’s annual report on Form 10-K for the year ended December 31, 2021, as well as the Company’s other filings with the Securities and Exchange Commission, under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.” You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by the Company’s forward-looking statements.

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We are committed to continuing to develop our Sustainability Report to keep our stakeholders informed about the progress we are making. We welcome comments and questions. The team can be contacted via email at sustainability@garrettmotion.com.



MESSAGE FROM OUR PRESIDENT & CEO

EMISSION-REDUCING TECHNOLOGIES:



OF GARRETT REVENUE



OF GARRETT R&D INVESTMENT

At Garrett, **our mission to enable cleaner, more efficient and connected vehicles** is at the heart of our contribution to society. Our world-class engineering expertise and cutting-edge transformative technologies help optimize fuel efficiency, reduce harmful emissions and manage growing vehicle complexity, all of which are critical areas on the road to a clean transportation future.

We are pioneering electric vehicle technologies that enable the sector’s transformation toward zero-emission transportation. With in-house expertise from a growing team of highly specialized engineers, we are developing solutions for both fuel cell and vehicle electrification, working closely with our customers to help solve key industry challenges.

Throughout this **2021 Garrett Sustainability Report**, you will discover the many things we do to accomplish our mission and enable a more sustainable future of mobility while supporting the vehicles of today to be more efficient. Across every level of the company, we conduct our business ethically and in a way that is socially and environmentally viable for the long term while optimizing financial returns.

Our corporate sustainability framework, called **WeCare4**, starts from our mission, which helps ensure our business performance and sustainability performance go hand-in-hand, as one cannot thrive without the other. WeCare4 is built on two main pillars – **Investing in a culture of innovation and operating responsibly to ensure long-term impact.**

As you will see deeper in this report, we have made great strides in **further cultivating our culture of innovation**; our Garrett team knows continuous learning is essential for personal development and company success. In 2021, together we grew training hours by 34% reaching 66,000 hours, which translates to 17 hours per employee. We made progress toward our 2025 ambition to reach 25% female employees, growing to 21.8% in 2021. We continued our focus on educating future innovators and grew our STEM (Science, Technology, Engineering, Mathematics) initiatives both in terms of activities and reach. We were recognized as an employer of choice in both Slovakia and the U.S. in 2021.

Operating responsibly is a cornerstone of our sustainability strategy. Our Health, Safety and Environment management system helps drive continuous improvements. We maintain our focus on ethical business practices and 100% of employees completed training on the Garrett Code of Business Conduct in 2021. The rigor of our management of ESG (Environment, Social and Governance) topics are being recognized, too – we earned a B score for CDP Climate Change, an A- CDP Supplier Engagement Rating, and a silver medal from EcoVadis, which placed us in the top 5% of the auto industry.

The world around us is changing fast, and we will ensure that Garrett anticipates these changes, staying relevant to our customers and society at large. What we do truly matters – we’re developing solutions for automakers’ toughest sustainability challenges, with **99% of our revenue and 99% R&D spend focused on emission-cutting technologies.**

Finally, I want to extend a big thank-you to all our Garrett colleagues around the world who have gone above and beyond despite the challenges of the pandemic and a volatile business environment over the past year. **Each of us play an important role to drive progress on sustainability from within.** As Garrett has always demonstrated, we can achieve great things when we are all working as one team.

Thank you,

Olivier Rabiller
President & CEO
Garrett Motion



A STRONG MISSION

Garrett is one of the most iconic brands in the automotive industry with more than 65 years of delivering industry-first differentiated technologies that advance motion. Our mission is to develop cutting-edge solutions that enable vehicles to become cleaner, more efficient and connected.

SERVING CUSTOMERS WORLDWIDE

Our customers consist of more than 60 of the world's leading vehicle manufacturers of passenger and commercial vehicles. In many cases, the close partnerships with our customers are decades long. We also supply the vehicle aftermarket industry with a network of 250 specialized distributors in 160 countries.

Our highly engineered products help improve the performance and energy efficiency, while reducing emissions of passenger vehicles, commercial vehicles, and off-highway heavy machinery across a wide array of powertrains, including conventional internal combustion engines (ICE), hybrid electric, and hydrogen fuel cell electric vehicles.

GARRETT DNA

	G	A	R	R	E	T	T
BEHAVIORS How We Act	BE GROWTH AND BUSINESS ORIENTED	BE CUSTOMER CENTRIC	LEARN AND INNOVATE	BE TRANSPARENT AND TAKE OWNERSHIP	DEMONSTRATE PASSION AND ENGAGEMENT	ACT WITH SPEED AND THOUGHTFULNESS	HAVE COURAGE AND RESILIENCE
FUNDAMENTALS How We Operate	INTEGRITY AND COMPLIANCE		SAFETY		DIVERSITY AND INCLUSION		WORKPLACE RESPECT

OUR GLOBAL FOOTPRINT

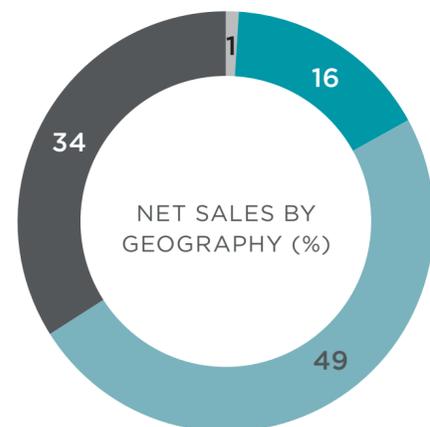


13 STATE-OF-THE-ART MANUFACTURING SITES
5 R&D CENTERS

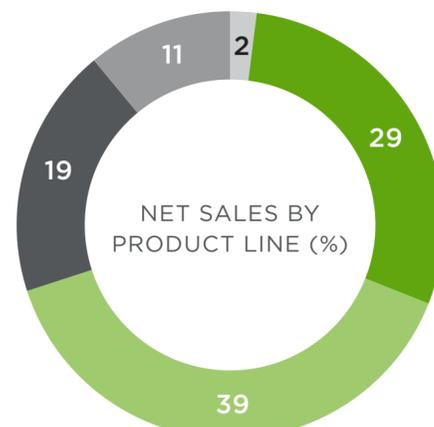
5 SOFTWARE DEVELOPMENT CENTERS
11 CLOSE-TO-CUSTOMERS ENGINEERING CENTERS

GARRETT IN FIGURES

NET SALES IN 2021



■ NORTH AMERICA ■ ASIA
■ EUROPE ■ OTHER



■ DIESEL ■ COMMERCIAL VEHICLE
■ GAS ■ AFTERMARKET
■ OTHER

EMPLOYEES IN 2021

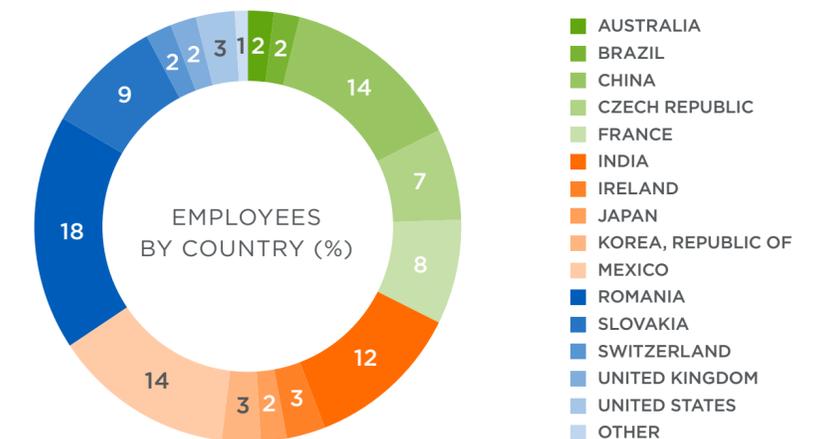
~8,700

EMPLOYEE NATIONALITIES

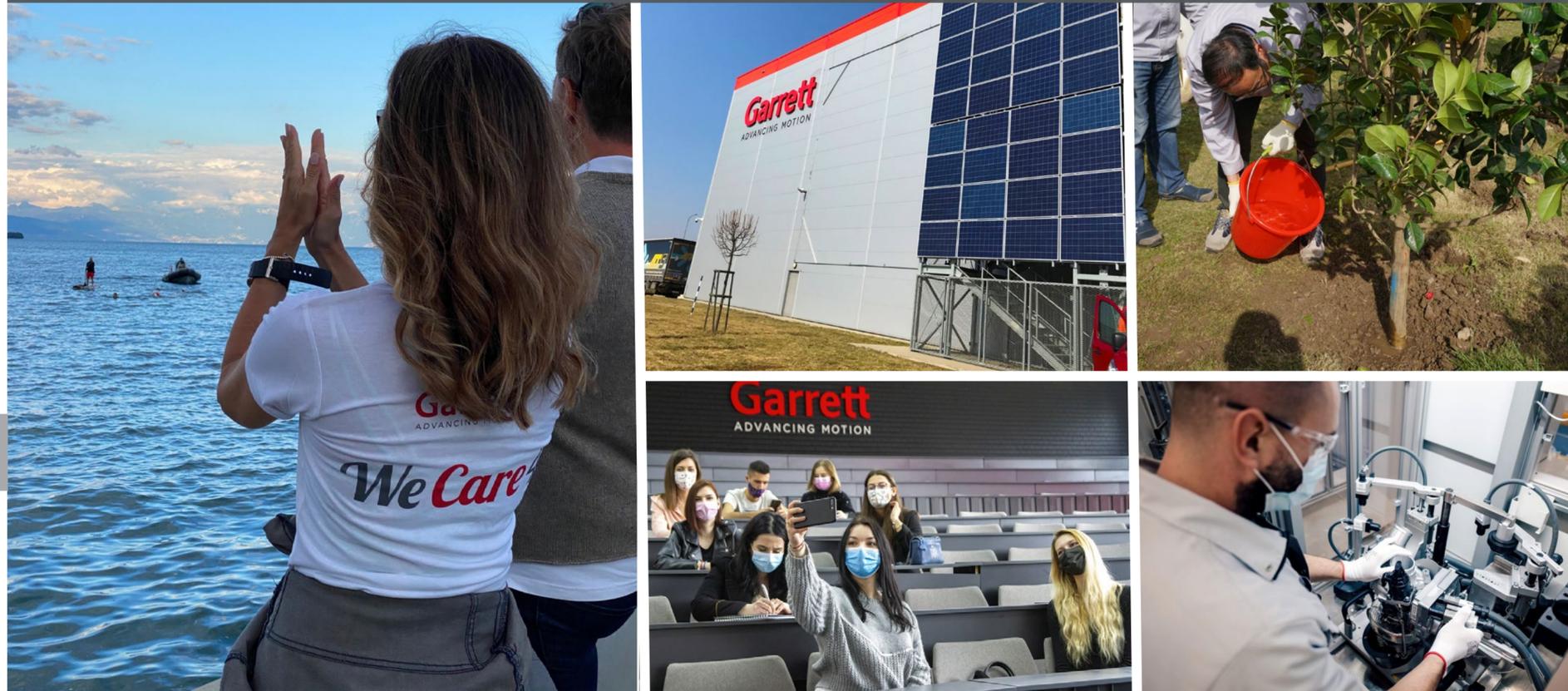
60+

COUNTRIES

20+



OUR SUSTAINABILITY APPROACH



WeCare4



CLEANER, MORE EFFICIENT VEHICLES

We help make vehicles cleaner, more efficient and connected through cutting-edge technologies



CULTURE OF INNOVATION

We invest in a culture of continuous innovation to deliver on our mission



RESPONSIBLE OPERATIONS

We operate responsibly to ensure the long-term impact of our mission

SUSTAINABILITY ROADMAP

Since becoming an independent company in October 2018, Garrett has taken key steps to shape its sustainability approach. These steps include defining the 2024 strategy, reinforcing core processes, establishing governance, setting initial targets and defining the roadmap toward developing a long-term sustainability strategy.

In 2019, the company formed a Senior Executive Sustainability Committee, conducted an initial materiality assessment and defined the WeCare4 sustainability framework. The following year, in 2020, the Board of Directors approved the WeCare4 approach, and the team forged ahead with the initial stages of the 2020-2024 WeCare4 roadmap. In 2021, we published our first Sustainability Report for the year 2020.

WECARE4 SUSTAINABILITY FRAMEWORK

Our WeCare4 global sustainability framework starts from our mission to **enable cleaner, more efficient vehicles** by spearheading technology development and continuing to deliver industry-first innovations. Our mission is supported by two pillars: invest in our people — and in the innovators of tomorrow — to stimulate a strong **culture of innovation**, and to **operate responsibly** by adopting best-in-class, robust practices and policies throughout our business. This is our sustainability framework. Collectively, these commitments drive our environmental, social and governance ambitions and accountability.

SUSTAINABILITY RATINGS

Garrett ranked in the top 5% among companies in the automotive supply industry in EcoVadis with a silver rating. We maintained our B score on CDP Climate Change and received an A- CDP Supplier Engagement Rating for climate change.



GOVERNANCE

Our Sustainability Committee, formed in 2019, is composed of the CEO and several members of Garrett’s senior leadership team. The mandate of this committee is to oversee Garrett’s sustainability strategy definition, development and deployment. Given that our core business relies on innovative solutions that help our customers develop more efficient vehicles and transformation toward electrified powertrains, the Sustainability Committee is sponsored by our Chief Technology Officer.

Garrett’s Board of Directors reviews the company’s annual operating plans and strategic plans twice a year, which includes the review of research and development (R&D) investments in emission-reducing technologies. The Board’s Nominating and Governance Committee is responsible for reviewing and reporting to the Board on the company’s policies and programs relating to compliance with its Code of Business Conduct and corporate citizenship commitments.

More information on the company’s governance is available in the 2021 Garrett Annual Report on www.garrettmotion.com.

SUSTAINABILITY MATERIALITY TOPICS

We carried out a preliminary sustainability materiality assessment in 2019 that we plan to revisit by 2023. The materiality assessment was based on interviews with Garrett leaders, a survey of internal stakeholders and an industry benchmark. We identified and prioritized the topics that are material for our business. This led to the development of our WeCare4 sustainability framework and our first sustainability roadmap, which was approved by Garrett’s Board of Directors in February 2020.

Our most material issue, and contribution to society, is developing cutting-edge technologies that enable our customers to transition to sustainable mobility. To achieve this, we depend on attracting and retaining people with the right skills, nurturing a culture of innovation and ensuring ethical behavior in everything we do. These are all first-tier material issues.

The second-tier of material issues includes the environmental impacts of our operations (including Greenhouse Gas emissions, energy, waste and water), how we care for people both inside and outside of Garrett and customer satisfaction. The people-related material topics range from the safety and wellbeing of all employees to diversity and inclusion, skills development and promoting human rights.



SUSTAINABILITY MATERIALITY TOPICS MATRIX



- PRODUCT AND SERVICES
- PEOPLE AND PARTNERSHIPS
- ENVIRONMENT
- GOVERNANCE & ETHICS

1. INNOVATIVE SOLUTIONS FOR SUSTAINABLE MOBILITY
2. PRODUCT SAFETY AND QUALITY
3. PRODUCT LIFECYCLES, LONGEVITY & MATERIALS EFFICIENCY
4. SUSTAINABLE SOURCING OF RAW MATERIALS
5. CUSTOMER SATISFACTION
6. EMPLOYEE ENGAGEMENT, ATTRACTION AND RETENTION
7. WORKFORCE SKILLS DEVELOPMENT
8. OCCUPATIONAL HEALTH, SAFETY AND WELLBEING
9. DIVERSITY AND INCLUSION
10. MULTI-STAKEHOLDER PARTNERSHIPS & COMMUNITY ACTION
11. ENVIRONMENTAL IMPACT OF OUR OPERATIONS
12. OPERATIONAL WASTE
13. BIODIVERSITY
14. BUSINESS ETHICS
15. HUMAN RIGHTS
16. SUPPLY CHAIN MANAGEMENT, RESPONSIBLE PROCUREMENT
17. DATA AND IT SECURITY
18. TRANSPARENCY AND ACCOUNTABILITY





ABOUT THIS REPORT

HOW WE REPORT

As a responsible business, we are committed to transparent reporting. This is the second consecutive year we publish a corporate Sustainability Report. Download all the reports on garrettmotion.com.

This Sustainability Report describes our approach to and performance on our most material environment, social and governance issues for the financial year January 1 to December 31, 2021. It covers all subsidiaries that are controlled by Garrett. This scope includes 13 manufacturing sites, 5 R&D centers, 5 software development centers and 11 close-to-customer engineering centers.

We also reference how we contribute to the UN Sustainable Development Goals (SDGs). We provide an overview of our main focus areas on this page and cover our contribution in more detail in the various sections of the report.

For the first year, we are using the Global Reporting Initiative (GRI) framework as a reference point to cover relevant topics in the Sustainability Report. The Health, Safety and Environment content is reported in alignment with GRI. A GRI reference index is included on [page 28](#).

EXTERNAL ASSURANCE

Garrett achieved limited level of assurance by Lloyd's Register Quality Assurance (LRQA) for GHG data - all Scope 1 and 2, and 4x Scope 3 categories (capital goods, upstream transportation and distribution, waste generated from operations, and business travel), energy data and OHS data. These were assured against the GHG Protocol and Global Reporting Initiative (2016) standards 302 Energy and 403 Occupational Health and Safety. (For more details see HSE Data Book 2021)

2021 ANNUAL REPORT

Our 2021 Annual Report available on the [Investors section](#) on the company website covers more detailed information about the company and governance, which is not duplicated in the Sustainability Report.

HOW WE CONTRIBUTE TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals (UN SDGs) is an ambitious plan to create a better world by 2030. At Garrett, while we contribute to many of the SDGs, we have identified five that are most relevant to our business and where we primarily focus.

SUSTAINABLE DEVELOPMENT GOALS

UN SUSTAINABILITY DEVELOPMENT GOALS FOCUS @ GARRETT

CLEANER, MORE EFFICIENT VEHICLES

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Living our mission to enable cleaner, more efficient and connected vehicles, Garrett invests heavily in R&D to support the transformation toward tomorrow's low and zero emission vehicles. We have 5 R&D centers and 5 software development centers across the world and over 1,250 highly specialized engineers.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Garrett supports responsible consumption by developing solutions that increase vehicle efficiency, reduce fuel consumption and emissions, and enable the transition to zero-emission vehicles. We report on this performance through the annual sustainability report, as well as CDP and EcoVadis disclosures.

A CULTURE OF INNOVATION

4 QUALITY EDUCATION

Garrett actively supports STEM education to grow the number of future innovators. Activities range from engaging younger school children to activities with university students to cultivate more interest in STEM topics and offer development opportunities.

RESPONSIBLE OPERATIONS

7 AFFORDABLE AND CLEAN ENERGY

At Garrett we focus on continuous energy efficiency improvements — both at no/low cost and annual investment projects to drive energy efficiency across all operations. Furthermore, we annually invest in renewable energy installations.

8 DECENT WORK AND ECONOMIC GROWTH

Garret employs ~8,700 people, representing more than 60 nationalities, and delivered \$3.6 billion in revenue in 2021. We are committed to ethical business practices, we live by our Code of Business Conduct and all employees train on our Code annually.

Health and Safety is part of the company's DNA.

OTHER UN SUSTAINABLE DEVELOPMENT GOALS THAT GARRETT IS CONTRIBUTING TO

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

13 CLIMATE ACTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS



CLEANER, MORE EFFICIENT VEHICLES

GARRETT IS A GLOBAL TECHNOLOGY LEADER WITH A 65-YEAR LEGACY AS AN INNOVATOR AND PROBLEM SOLVER.

Garrett's in-house experts are driving the future of sustainable mobility for both passenger and commercial vehicles, from internal combustion engine turbocharging and hybridization, to hydrogen fuel cell, electrification solutions and connected vehicle software.

QUEST FOR VEHICLE EFFICIENCY



Our mission to enable cleaner and more efficient vehicles means we are focused on advancing core turbocharging technologies and electric boosting systems for conventional gasoline and diesel internal combustion engines (ICE), hybrid powertrains and hydrogen fuel cell electric vehicles (FCEVs). Garrett is also assessing breakthrough technologies to support our customers in enabling mass adoption of electric vehicles in the domains of energy consumption, driving range, and thermal management.

Our more than 1,250 highly specialized engineers are innovating new industry-first solutions, like the premiere passenger vehicle Electric Turbocharger, while increasing performance and efficiency of existing technologies. We launch an average of 100 new applications each year.

LOWERING CO2 AND OTHER EMISSIONS

Turbos are one of the most effective technologies for helping global automobile and truck manufacturers meet increasingly strict standards for greater fuel economy and lower emissions. While electric vehicle offerings increase yearly, ICE-based powertrains, including hybrids, will be in high demand for many years to come. This is why Garrett continues to invest in turbocharging technology to make every kind of ICE-based vehicle - including hybrids - more efficient.

Our ICE-based product applications simultaneously improve fuel efficiency and reduce harmful emissions while enhancing the drivability of passenger cars and strengthening the productivity of commercial vehicles. These technologies apply for multiple fuel types — diesel, gas, natural gas, bio-fuels, hydrogen and other e-fuels.

MAKING EXISTING VEHICLES MORE EFFICIENT AND CIRCULAR

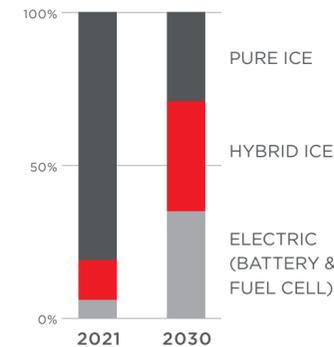
An important part of Garrett's business is our turbocharger aftermarket operations, with a distribution network of more than 250 specialized distributors across 160 countries. Using original remanufactured parts will ensure consistent emissions and fuel efficiency and extend the life of vehicles that are in use.

We are also contributing to a more circular economy through our aftermarket remanufacturing operations. In Europe, our distributors return the old turbochargers that have been replaced. The parts are dismantled and processed to be reused; these remanufactured original equipment parts are a sustainable, environmentally friendly and cost-effective solution for vehicles in a later stage of life.

EVOLUTION OF LIGHT VEHICLES

The overall light vehicle production is forecasted to grow from 77 million in 2021 to 100 million vehicles in 2030.

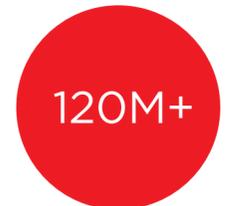
Data source IHS Light vehicle forecast



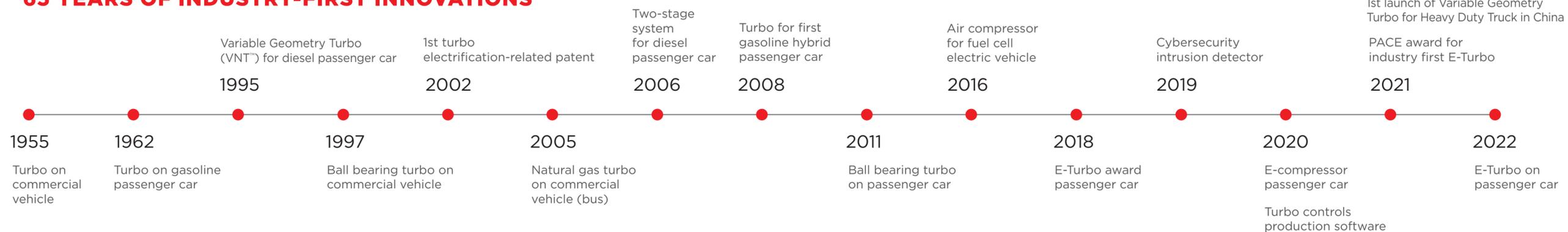
PATENTS



GARRETT SOLUTIONS IN USE IN VEHICLES GLOBALLY IN 2021



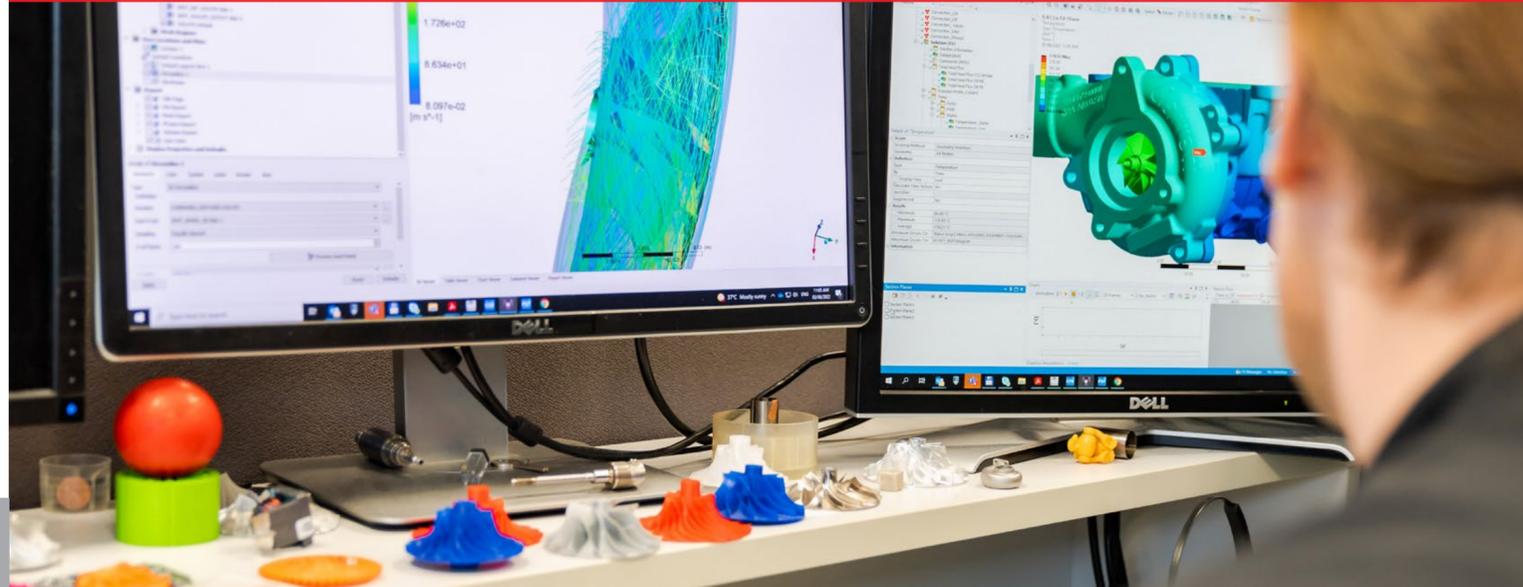
65 YEARS OF INDUSTRY-FIRST INNOVATIONS



ALTERNATIVE ZERO-EMISSION FUELS

In addition to hybrid vehicles, there are other developments toward low and zero-emission alternative fuels for ICE. We supplied the first natural gas turbo for buses in 2005, but the next frontier is zero-emission hydrogen fuel for ICE.

TRANSFORMATIVE TECHNOLOGIES



ADOPTION OF TURBOCHARGER TECHNOLOGY IN HYBRID VEHICLES

Since the industry-first launch of a turbocharger used on a hybrid vehicle in 2008 with BMW, Garrett has been at the center of automakers' adoption of turbocharging technology and electric boosting solutions for hybrid vehicles. A key enabler of this progress has been Garrett's proprietary Variable Nozzle Turbine (VNT) technology. Pioneered by Garrett and first introduced for diesel applications in the mid-1990s, the introduction of VNT for gasoline engines — an industry-first launch with VW in 2016 — has been a step-change in CO2 emissions reduction, with "diesel-like" CO2 emission achieved on gas engines. These powerful results can be further improved by coupling VNT turbo technology to the entire range of hybridized powertrains.

10
ACTIVE GLOBAL PROGRAMS
ACROSS DIFFERENT VEHICLE
SEGMENTS THAT USE GARRETT
E-BOOSTING TECHNOLOGIES



ELECTRICALLY ASSISTED BOOSTING

The next major step toward the most optimized fuel economy and CO2 reductions for hybrid powertrains can be achieved with another technology leap - the introduction of electric boosting.

Garrett unveiled its first-generation Electric Turbo (E-Turbo) in 2019. This advanced technology brings unique performance, fuel economy and CO2 reduction benefits by enabling extreme downsizing and making further exhaust energy recuperation possible to generate electricity and recharge the battery of hybrid vehicles. In 2021, this breakthrough technology received the PACE (Premier Automotive Suppliers' Contribution to Excellence) Award for outstanding innovation, and production has started in 2022.



Garrett's Electric Compressor (E-Compressor) solutions electrify the boosting system in combination with a turbocharger. We are launching our first-generation E-compressor, which performs better than the industry standard: smaller and lighter than previous iterations while providing greater power and faster response with optimized fuel economy and reduced emissions. The technology supports increased efficiency of mild hybrid, full hybrid and plug-in hybrid vehicles (including SUVs), and will be in mass production in 2024.

CO2 SAVINGS USING GARRETT PRODUCT SOLUTIONS

VEHICLES	GARRETT TECHNOLOGIES	CO2 SAVING
GASOLINE AND DIESEL ICE	TURBOCHARGERS	10-15%*
MILD HYBRID (ELECTRIFIED ASSISTANCE)	TURBOCHARGERS + ELECTRIC BOOSTING TECHNOLOGIES (E-COMPRESSOR, E-TURBO)	20-30%*
HIGH VOLTAGE HYBRID (PLUG-IN ELECTRIC)		60-90%*
HYDROGEN FUEL CELL AND BATTERY ELECTRIC VEHICLES	FUEL CELL COMPRESSOR, ADVANCED DIAGNOSTIC & PROGNOSTIC SOFTWARE NEW PIONEERING TECHNOLOGIES IN DEVELOPMENT	100%**
HYDROGEN ICE	TURBOCHARGERS	100%**

* CO2 savings versus naturally aspirated internal combustion engine. Source: Garrett industry research

** Not including CO2 emissions for production of hydrogen or electricity production



PIONEERING ELECTRIC AND SMART VEHICLE TECHNOLOGIES

SOLVING ELECTRIFICATION CHALLENGES

As the auto industry's transformation toward zero-emission vehicles continues, Garrett is pioneering advanced electric technologies for use in electrified vehicle powertrains. Increased investment in our people, design offices, test labs and manufacturing facilities is resulting in exciting new innovations that enhance performance and efficiency of electric vehicles.

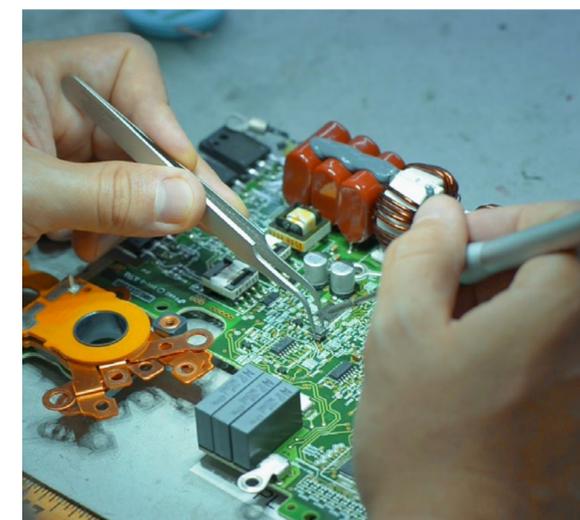
One of Garrett's core differentiators is its in-house research and development (R&D) capabilities to drive innovation that help solve challenges for manufacturers of electric vehicles, including expertise in high-speed, high-power density machines. We are pioneering new and exciting electrification technologies. We are integrating state-of-the-art ultra-high-speed electric motors and generators with advanced power electronics and sophisticated control software.

With a growing team of highly specialized engineers, Garrett is supporting the transformation toward zero-emission mobility, transportation, agriculture, construction and mining. Our dedicated E-labs are developing solutions for both fuel cell and battery electric vehicles.

AIR COMPRESSOR FOR HYDROGEN FUEL CELL ELECTRIC VEHICLES

In fuel cell electric vehicles, the primary energy is stored as hydrogen in a high-pressure vessel, instead of electrons in a battery. In the fuel cell stack, this hydrogen is combined with oxygen contained in the air to generate electricity, powering the vehicle on-demand. This is the major reason why fuel cell vehicles rely heavily on an electric boosting system to get the necessary air intake and pressure.

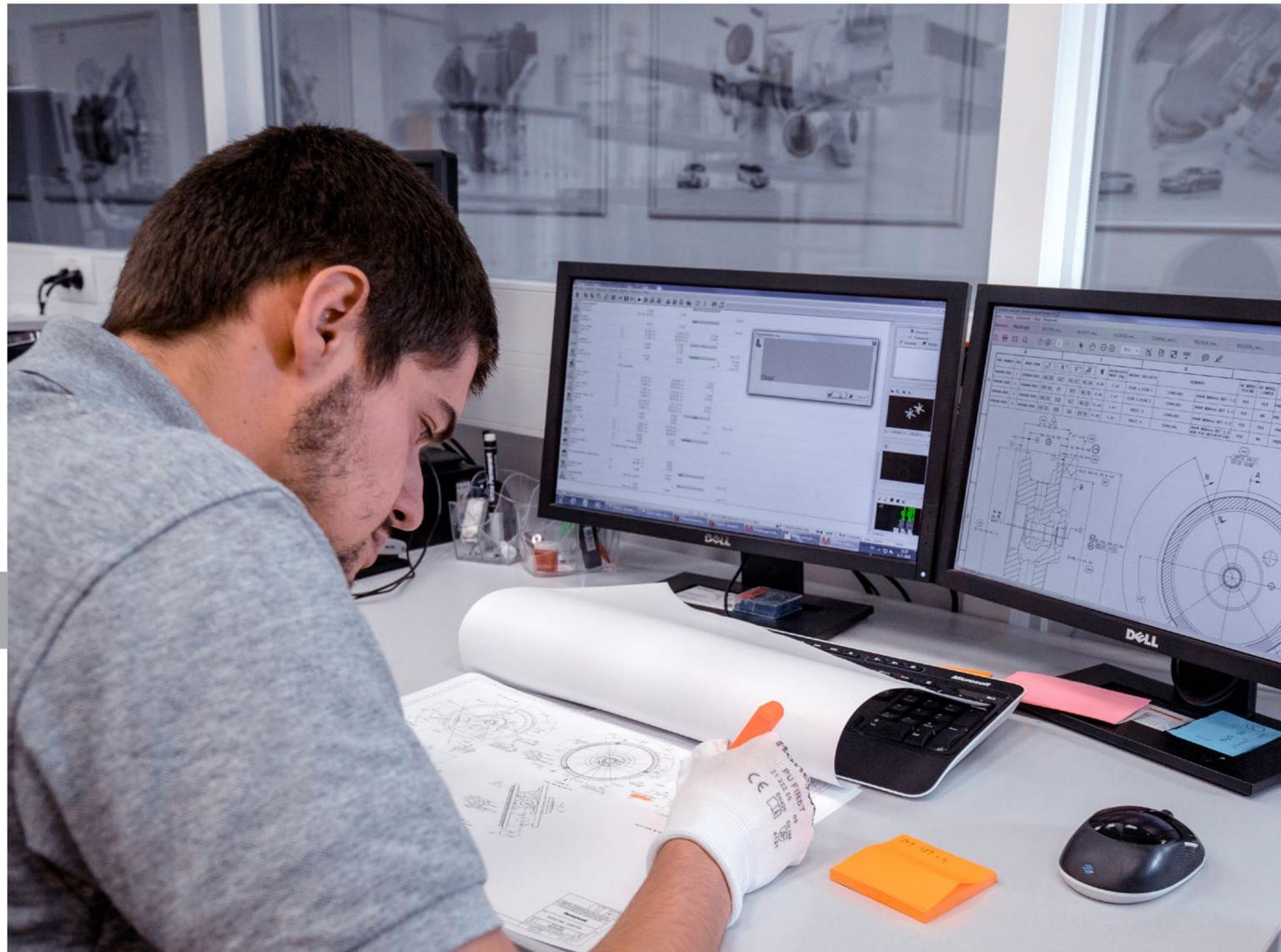
We have accelerated the development of air compressor technology to meet automakers' current and future needs, with a focus on improving efficiency, and to meet the required price point to support rapid technology adoption. With the air compressor being the second largest electricity consumer on a fuel cell electric vehicle, efficiency is critical to reduce hydrogen consumption and improve range. Garrett develops air compressor solutions for both zero-emission hydrogen powered passenger cars and commercial vehicles.



CONNECTED VEHICLE SOLUTIONS

Garrett's Connected Vehicle software solutions not only help car manufacturers meet regulatory compliance and improve efficiency, they also support the transition to electrification. The solutions are split into three main areas to secure, optimize and maintain vehicles.

Our cybersecurity solutions address the significant security and safety-related challenges facing the automotive industry resulting from increasing vehicle complexity and connectivity. In the realm of vehicle energy management, Garrett is accelerating the fuel-to-electric transition by applying Model Predictive Control (MPC) systems to optimize system performance and efficiency. To maintain vehicle health, our software teams are also deeply involved with the industry's implementation of Integrated Vehicle Health Management (IVHM) to save on warranty and maintenance costs while keeping vehicles on the road; Garrett is a founding member of the Health-Ready Component & Systems Consortium (HRCS™), created in 2020 under the SAE (Society of Automotive Engineers) umbrella.



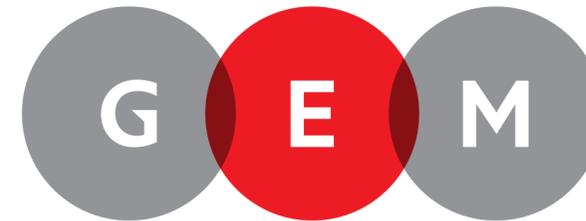
BEING A TRUSTED PARTNER

Meeting stringent design, performance and quality standards while achieving capacity and delivery timelines is at the heart of Garrett's enduring success. Our Garrett Excellence Model business operating system combined with our regional

R&D and manufacturing capabilities are a key advantage in helping us to supply our customers as they expand geographically and shift toward standardized engines and vehicle platforms globally.

LEARNING FROM OUR CUSTOMERS EXPERIENCE

We are working closely with a vast majority of global automakers to develop their next generation of vehicles. An integral part of this close partnership with customers is that we continually track their experience working with Garrett through a Net Promoter Score system. We continually monitor the verbatim feedback and review with Garrett's CEO monthly. We are constantly working to improve our service and interaction based on the customer feedback.



GARRETT EXCELLENCE MODEL

GARRETT EXCELLENCE MODEL

The Garrett Excellence Model (GEM) is a result-oriented business operating system that sustainably drives continuous improvement across the company in full alignment with our strategic priorities. It is an end-to-end business excellence philosophy which brings consistency in how we operate and strengthens our performance culture. Leveraging Six Sigma and Lean methods, GEM provides a framework, tools and expert coaching to the entire company to assess and continuously improve the maturity of our processes and our performance in everything we do.

QUALITY MANAGEMENT SYSTEM

In line with GEM, our Quality Management System aims to differentiate our offerings through the continuous improvement of flawless launches and on-time delivery of defect-free products and services. This is only possible by enabling a proactive quality approach of predicting and preventing issues to ensure all processes are the right ones for fully satisfying all product requirements and customer expectations.



Garrett's quality policy, called our "Quality Commitment," is approved by our CEO and reviewed annually by senior leadership, who also define and measure the results of annual quantifiable goals that strive for continuous improvement and enhanced business performance.

Our Quality team is responsible for ensuring that Garrett policies and procedures are observed and applied throughout the organization. This includes maintaining a system that meets all the requirements of ISO 9001:2015, IATF 16949:2016 and ISO 14001 in addition to any customer specific needs. It also includes the development of technologies and procedures that create continual improvement of quality, processes, controls and products, with a specific focus on defect prevention thereby reducing the cost of poor quality. All our manufacturing plants are certified with either IATF 16949:2016 or ISO 9001:2015 standards.



CULTURE OF INNOVATION

PEOPLE DRIVE US FORWARD.

At Garrett, we place a high value on developing the right working environment and the right skillsets — both within and outside our company — to advance our performance culture, support our growth strategy and ensure that the world at large can continue to benefit from breakthroughs in sustainable mobility.

A WEALTH OF GLOBAL TALENT



A RICH RANGE OF BACKGROUNDS, EXPERIENCES AND IDEAS

We promote respect and encourage all our employees to fulfill their potential. As we strive for diversity, equity, and inclusion we strengthen our global organization. This is evident in the rich range of backgrounds, ideas, and experiences of our ~8,700 employees that represent more than 60 nationalities of which 97% are non-US based. Working together, we generate new and better ideas. This leads to a competitive advantage in the market, increased innovation and customer-centric decision making.

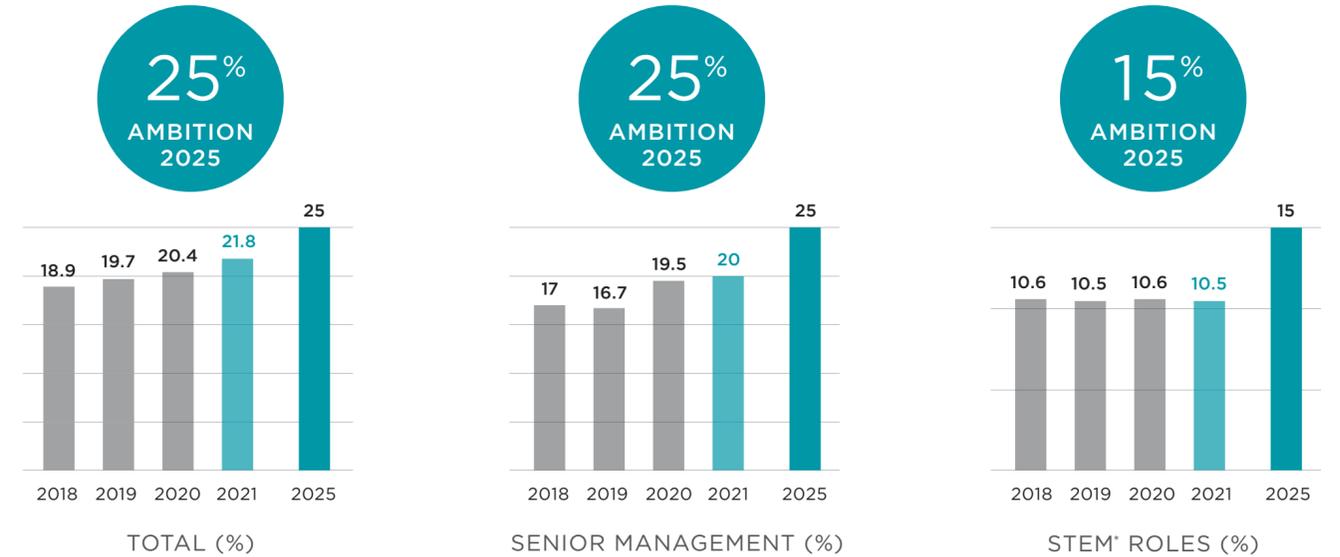
In 2021 we continued to grow in this area, striving to ensure that our employees are each involved, supported, respected, and connected. As part of Garrett's Global Diversity and Inclusion Council, our 14 Diversity and Inclusion Champions spread around the world activate global initiatives and develop local D&I initiatives. These include both awareness activities and actions to drive an inclusive culture.



I truly believe our biggest and best ideas come from our collective differences, and encouraging one another to be more inclusive than ever before will surely help our current and future success!

— OLIVIER RABILLER —
Garrett President & CEO

FEMALE REPRESENTATION



*STEM: Science, Technology, Engineering and Mathematics.

DIVERSITY IN LEADERSHIP

Our top 70 leadership team members represent 15 nationalities, bringing with them a wide variety of perspectives and experiences. In continuing with the company's gender diversity ambition for 2025, there was an increase in percentages of women in the total workforce, senior management, and STEM (Science, Technology, Engineering or Mathematics) roles in 2021. Garrett's Board of Directors had 38% representation from women at the end of the year.

DIVERSITY & INCLUSION WEEK 2021

In October, Garrett continued its annual tradition of hosting the Diversity and Inclusion Week based on the theme "Small Actions, Big Difference." Fourteen sites and hundreds of employees participated in various activities highlighting collaboration and worked together to host events and share their passion for a diverse and inclusive workplace.

"SMALL ACTIONS, BIG DIFFERENCE" D&I WEEK ACTIVITIES 2021

- Gender diversity workshop (with female rally driver)
- Workshop to understand generational differences
- Games, sessions with employees' children to educate diversity principles
- Employees' cultural exchange sessions, with a cuisine sharing theme





EMPOWERING GROWTH AT ALL LEVELS

CONSTANT DEVELOPMENT

At Garrett, we fuel our employees' skills and capabilities by providing a comprehensive Performance and Talent Management system. From annual goal-setting and all levels of training, to globally accessible tools that make engaging in learning easy, we empower employees to own their development and career paths.

GLOBAL LEARNING & DEVELOPMENT

Our "Learn up" learning environment offers employees access to more than 1,000 online self-paced trainings that address a wide range of functional competencies, technical and human skills. In 2021 we launched our first Global Learning program consisting of Virtual Instructor-Lead Training (VILT) courses on five topics related to leadership and business skills. A total of 435 worldwide employees attended in 2021.

We've also invested heavily in developing our engineering team and enabling them to grow and excel across many new domains and we've dedicated several development initiatives to strengthen our leaders' capabilities of managing high-performing teams. We also continued to grow our peer-to-peer learning community that allows employees to create learning courses specific to their functions and topics of interest. The community generated more than 60 courses, which almost 2,000 employees accessed in 2021.

From 2020 to 2021 we saw an increase in average learner satisfaction for technical training courses, with an 8.7/10 rating (up from 8.5 in 2020).

MEASURED & ALIGNED GROWTH PLANNING

Garrett uses regular talent reviews to strengthen the company's internal development processes and to calibrate assessment of individual performance. Twice per year we hold succession planning meetings, up to and including the executive level, during which the bench-strength of teams are scrutinized and development plans for talent are reviewed. Ahead of both annual and mid-year performance reviews, leaders hold calibration meetings to ensure that assessment ratings are consistent and fair among peer groups.



EMPLOYEE TRAINING

	2020	2021
TOTAL HOURS	43,000	66,000
HOUR PER EMPLOYEE	11	17
AVERAGE LEARNING SATISFACTION	4.4/5	4.4/5
AVERAGE RATING TECHNICAL COURSES	8.5/10	8.7/10

SHAPING THE EMPLOYEE EXPERIENCE



INVESTING IN OUR GLOBAL TEAM

Ensuring that our talented team is rewarded for their performance is a key priority, and we invest significant time and resources in establishing compensation programs that are both competitive and equitable. We constantly evaluate our positions for market competitiveness and adjust when necessary with the goal of ensuring the retention of top talent and continuation of equitable pay practices. Garrett's Recognition practices include global awards for outstanding individual and team contributions and a process we call BRAVO that encourages employees to recognize their peers.

PERFORMANCE REVIEW



END OF YEAR 2021
REVIEW COMPLETION

EMPLOYEE SURVEY (OCTOBER 2021)



PARTICIPATION
RATE

53,000+

INDIVIDUAL
COMMENTS PROVIDED

DIALOGUE AND ENGAGEMENT

Garrett's Performance Management system aims to ensure that two way dialogue is ongoing between employees and managers, punctuated by both an annual and a mid-year review, which provide employees the opportunity to express their opinions and ideas in terms of their development goals and career aspirations.

In 2021 Garrett launched its first ever global Employee Engagement Survey, "Pulse," which measures engagement against a variety of factors. The survey achieved a strong participation rate of 87%, with more than 53,000 individual comments provided.

Garrett also conducts exit interviews with employees that leave the company to define improvement actions. As of December 2021, the Company's annual voluntary turnover for 2021 was 11.3% compared to 9% in 2020.

REPRESENTATION

Garrett's strategy is to build positive, direct, business-focused working relationships with all employees in order to drive business results. Garrett respects employees' rights and their wishes to be part of employee representative bodies including Unions, Works Councils and Employee Forums.

The company understands the value of collective bargaining in its labor and employee relations strategy and the importance of trust in its working relationships. Approximately 50% of the company's permanent employees (including both full-time and part-time employees) are represented by unions and works councils under current collective bargaining agreements.

PRIORITIZING EVERYONE'S WELLBEING

We have continued to actively engage employees to support their overall wellbeing, particularly as restrictions and constraints due to the COVID-19 pandemic continued through 2021.

We hosted eight Energizer Moments, attended by over 2,500 employees. These educational virtual sessions hosted by external experts gave useful tips focused on mind, body, or purpose to boost employees' moods, reduce their stress and refresh their minds.

Garrett also offers an Employee Assistance Program (EAP) that is available in every country, which offers an external counselling service designed to assist employees with personal, family or workplace matters.



BEST-IN-CLASS EMPLOYER - THE U.S.

Garrett was recognized as a Best-in-Class Employer in the U.S. for its strong efforts to continuously improve employee and organizational wellbeing in Gallagher's 2021 Benefits

Strategy & Benchmarking Survey. The motivation includes being a company that provides innovative solutions for creating organizational structures, workplace policies and total rewards, which inclusively engages and motivates its employees.



TOP 5 EMPLOYER - SLOVAKIA

In 2021, Garrett's state-of-the-art plant in Presov, Slovakia, was honored as a Top 5 employer by Profesia, a popular job portal. Each year, Profesia selects finalists

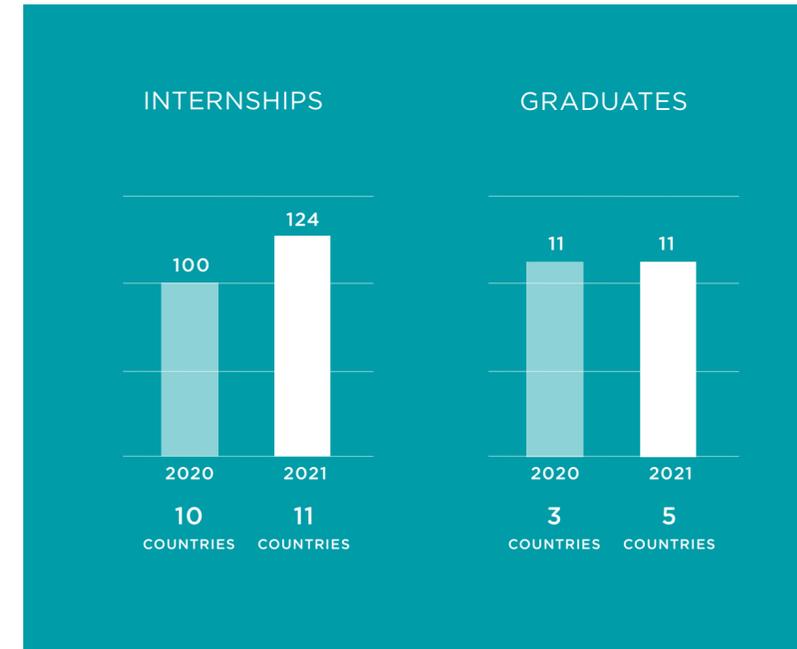
based on brand appeal, visibility, candidate feedback and number of job views. Then employees, former employees and candidates cast votes to determine the final scoring. Garrett ranked in the Top 5 across all companies in the "Production and Industry" category.



OPENING DOORS FOR YOUNG INNOVATORS

DEVELOPING SKILLS FOR SUCCESS

Garrett places a high value on Science, Technology, Engineering and Mathematics (STEM) mentorship and learning opportunities that provide young people with the skills needed to develop the future of sustainable mobility. Our Garrett Internship and Graduate programs are designed to support innovative young people as they take their first steps in a professional environment.



INTERNSHIP PROGRAM

Garrett's Internship Program allows students to connect theoretical knowledge to practical responsibilities in the spirit of "living laboratories." Students take ownership of business projects and define tactics to meet project goals. Garrett's internship opportunities increased in 2021 as well; of 124 internships offered across 11 countries, half were in Engineering, 19% were in IT, 10% were in Integrated Supply Chain, and the remainder were in Finance, HR and Marketing and Sales.



GRADUATE PROGRAM

Garrett's Graduate Program provides a unique two-year opportunity to gain experience and exposure to our cutting-edge technologies, while at the same time building leadership skills in a fast-paced and professional work environment. In 2021 Garrett provided this opportunity to 11 graduates in five countries, increasing the program's global reach.



EDUCATION IN ACTION

The company sponsors the racing cars Formula SAE (Society of Automotive Engineers) and Formula Student teams in several countries. In 2021 Garrett also sponsored the largest international technical competition in Central Europe, the European BEST Engineering Competition (EBEC), where Garrett defined an assignment for 24 students around the concept of sustainable future mobility.

PARTNERING WITH INSTITUTIONS



PROMOTING STEM EDUCATION

We are partnering with schools and higher education institutes in several countries to promote STEM education. From student sponsorships to engineering competitions, Garrett employees are passionate about helping young people acquire the vital skills needed to become tomorrow's solution-finders.

TEAMING UP WITH UNIVERSITIES

We are collaborating with leading universities across our regions with three focus areas. We look to secure a talent pipeline by offering internships. We share problem statements with universities that we can solve together by sponsoring PhDs, theses or projects. We also create training curriculums with universities to upskill and retrain employees.



GARRETT'S STEM MONTH

For the second year, Garrett research and development centers, plants and offices opened their doors throughout February 2021 for students, employees' families and educators to inspire more passion for STEM-based fields for the next generation of innovators. More than 2,400 employees joined the live STEM Hour events, with more than 3,100 visits to the STEM Question of the Day quiz.

Events were held across Garrett's global footprint, including three Tech Talks in India, an international panel discussion with the Garrett Women's Network and young female talents, contests for children held in Romania and Slovakia, four events with schoolchildren and students in India and the U.S..

Furthermore, Garrett hosted live online events for more than 200 students, from middle schools to universities, in Brno, Czech Republic, Bucharest, Romania, and Torrance, U.S. Two girls-focused STEM webinars were hosted in Bucharest and Torrance. Garrett also hosted science conferences in Bucharest.



WECARE4 SCHOLARSHIP PROGRAM IN INDIA

As part of Garrett's WeCare4 community outreach program, we aim to ensure that financial constraint is no obstacle to academic and professional achievement for talented young women and men developing knowledge in STEM fields. Through this program, Garrett supports 15 young people each year through merit-based financial grants covering 80% of their tuition fees.

In partnership with three colleges in India — the College of Engineering in Pune city, the National Institute of Technology Karnataka in Mangalore city, and the Thiagarajar College of Engineering in Madurai city. Garrett is currently supporting 29 young people through the scholarships provided in the last two years. By 2023, the program aims to support 60 students including more than 30 female students.

COMMUNITY OUTREACH

SUPPORTING THE COMMUNITIES WHERE WE OPERATE

While partnering with schools and higher education institutes to support STEM education is our primary focus, Garrett and Garrett volunteers are also active citizens in the communities where we operate, focusing on topics related to health, safety, and environment.

During 2021, the second year marked by the COVID-19 pandemic, Garrett continued to support its local communities by helping front-line workers and aiding underprivileged communities.



EDUCATING CHILDREN FROM UNDERPRIVILEGED COMMUNITIES - PUNE, INDIA

Education is a focal point for Garrett worldwide. Our partnerships and community involvement actions in India underpin our commitment to helping young people better their education.

Garrett has been supporting throughout 2021 the education of 2,500 students, from grade four to grade eight. Located near the city of Pune, home to Garrett's India manufacturing facility, students from the village Purandar have been benefiting from two educational programs: Sikshana@Home and Prerana, developed by Sikshana Foundation.

CLOSE TO THE COMMUNITY DURING TOUGH TIMES



DONATING COVID-19 LIFE-SAVING VENTILATORS - PUNE, INDIA

As COVID-19 continued to impact the community in 2021, Garrett donated five life-saving adult ventilators to the Sassoon Hospital in Pune, India, for its intensive care unit.



DISASTER RELIEF KITS FOR HUNDREDS OF FAMILIES - PUNE, INDIA

Following the floods in Maharashtra, close to Garrett's Pune manufacturing site, the company organized transportation and distribution of hygiene kits to nearly 900 families impacted by the floods.

SPORT WITH A CAUSE



VOLUNTEERING TO RAISE FUNDS FOR BREAST CANCER RESEARCH - WATERFORD, IRELAND

Garrett Waterford volunteers took part in a national event, the 100 km in 30 Days challenge, to help raise funds for Breast Cancer Ireland. More than 50 employees walked, ran or wheeled to raise money for the cause.



EMPLOYEES SWIM TO RAISE MONEY FOR CHILDREN FIGHTING CANCER - GENEVA, SWITZERLAND

Garrett co-sponsored the 2021 Swim4Hope fundraising event in Geneva, Switzerland, encouraging employees to attend and swim for the cause. The full initiative successfully raised more than \$50,000CHF for three child cancer organizations: CANSEARCH Foundation, Intervalle Association, and Léman Hope.

SPRING CLEANING COMMUNITY ACTIONS



TREE PLANTING - SHANGHAI & WUHAN, CHINA

Garrett employees in China volunteered to make the environment around the site more pleasant for the community by planting trees around Garrett's campus.



CLEAN PLANT SURROUNDINGS - ANSAN, KOREA & KODAMA, JAPAN

Employees in Japan and Korea volunteered to pick up trash in the community near the plant to make the surroundings more pleasant for everyone that lives and works in the area.

PLASTIC CAPS RECYCLING FOR A SOCIAL CAUSE - BUCHAREST, ROMANIA

Garrett employees in Bucharest have recycled plastic caps to raise funds for a local charity that is helping people with disabilities. More than 11,000 plastic caps have been collected in dedicated bins placed in the office during a dedicated campaign. Funds from recycling the caps were used by the local NGO to fund support devices for people with disabilities.

SAFER ROADS WITH SOLAR POWERED STREETLIGHTS - PUNE, INDIA

Garrett's solar street lighting initiative is addressing safety concerns by enabling better street lighting near Garrett campus in Pune, India. Garrett implemented the installation of 45 solar streetlights, keeping in mind the safety and convenience for everyone who frequents the area, including Garrett employees, employees from other companies and pedestrians around Garrett's campus. In keeping with Garrett's strong focus on sustainability, the streetlights run on solar energy.





OPERATING RESPONSIBLY

HOW WE BEHAVE IS AS IMPORTANT AS WHAT WE DO — BOTH AS A COMPANY AND AS INDIVIDUALS.

This is why we are committed to operate responsibly by caring for the health and safety of our employees, reducing the environmental impact of our operations and behaving ethically at all times.





A SAFE AND HEALTHY WORK ENVIRONMENT

OUR COMMITMENTS

Safety is one of the fundamentals to how Garrett operates.

Our management systems for Health, Safety, Environment and Energy apply a global standard that provides protection of the environment during normal and emergency situations and reducing global emissions.

All manufacturing sites hold active ISO certifications for the Occupational Health & Safety Management System ISO 45001, Environmental Management System ISO 14001 and Energy Management System ISO 50001.

All our locations and entities are covered by our global HSE policy, which is approved by our CEO and was first issued on Oct. 1, 2018, and most recently reviewed on Feb. 17, 2021.

GARRETT HSE MANAGEMENT SYSTEM

The Garrett Health, Safety and Environment (HSE) Management System is designed to provide a systematic framework for minimizing HSE risks and associated liabilities. We have implemented processes that monitor, identify and control risks associated with the design, production and delivery of products and services including intended

use through disposition. We apply a framework for continual improvement of the management system and the fulfillment of conformity to applicable statutory, regulatory and stakeholder requirements.

All 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.

OUR PERFORMANCE

In 2021, we maintained the Total Case Incident Rate (TCIR) related to recordable accident at a low level, an industry benchmark, and stable for the third consecutive year. The COVID-19 pandemic did not impact Garrett's TCIR performance. These targets are monitored on a monthly, quarterly and annual basis.

Due to COVID-19 travel and site restrictions, Garrett replaced onsite HSE audits by "Virtual Audits" focused on 28 key standards, including all related to risk for life; 17 of 18 sites were subjected to virtual audits in 2021; 15 of 18 sites achieved their HSE Maturity score (MAT) target and the expected level according to Garrett Excellence Model (GEM) in 2021. Three of the laboratories did not reach their targets and their recovery plans are in progress.

In 2021, we invested approximately \$2 million in 52 Safety projects across 15 sites aimed to further decrease risk levels. The completion of these safety projects was tracked monthly and we reached 100% completion by the end of 2021. For more details, see the HSE Data Book 2021.



INCREASING FORKLIFT SAFETY

Targeted improvement initiative focused on forklift trucks. Virtual Gemba walks were conducted in each site with the HSE Regional Leader. A total of 53 improvement actions to reduce risks of incidents with forklift trucks were defined in 18 sites and fully completed by the end of 2021.



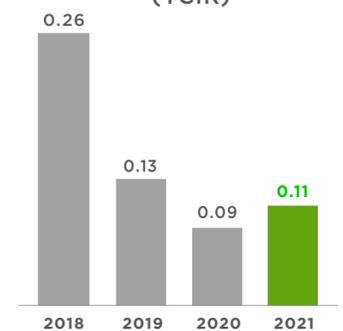
REDUCING ERGONOMIC RISKS

Each site conducted a refreshment of the Ergonomics Risk Assessment, which resulted in 89 actions being identified in 22 sites, and 74 improvement actions were completed by the end of 2021. Garrett occupational health advisors also reviewed the ergonomics procedure and assessment tools provided by Garrett sites.

LOST WORK CASE INCIDENT RATE (LWCIR)



TOTAL CASE INCIDENT RATE (TCIR)



LWCIR: Number of Lost Work Case injuries and illnesses x200,000 / Employee total hours worked

TCIR: Number of recordable injuries and illnesses x200,000 / Employees total hours worked



MANAGING OUR ENVIRONMENTAL FOOTPRINT

COMMITTED TO REDUCE OUR IMPACT

In addition to the considerable positive impact our technologies have on reducing harmful emissions from vehicles, we are committed to reducing our own impact on the environment. We believe that strong systems and processes drives performance and our HSE management system is designed to provide all global Garrett locations and facilities with a systematic framework for minimizing risks, monitoring performance and driving continuous improvements.

Garrett’s commitments to environmental protection focus on our most material issues: carbon, energy, waste and water. Our HSE policy underlines these commitments to create awareness, use natural resources more efficiently, reduce emissions, monitor and report performance, and engage with stakeholders.

ENVIRONMENTAL REPORTING

In 2021, we continued to improve our environmental metrics through increased data collection and automation. This enabled us to strengthen our internal and external environmental reporting, particularly on energy and carbon. In 2021 we maintained the score for Carbon Disclosure Project (CDP) Climate Change (B), achieved a strong CDP Supplier Engagement Rating score (A-) and EcoVadis silver medal (score 63), putting us in the top 5% of the auto industry.

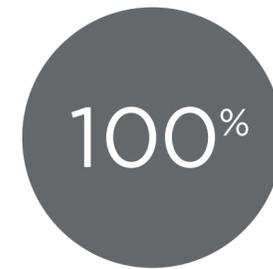
Adherence to the ISO 14001 global environment standard continues to play a key role in assuring that Garrett is compliant with environmental regulation, sets clear roles and responsibilities, regularly trains and educates employees, maintains environmental performance records, conducts environmental audits, and addresses corrective actions to stimulate continuous improvement. In 2021 100% of our manufacturing sites were ISO 14001 certified.

LIFE CYCLE APPROACH TO OUR PRODUCTS

We adopted a cradle-to-gate model at Garrett for product life cycles — this incorporates supplier parts, transportation to Garrett, and our own production. Reports are aligned to ISO 14040 and are available to customers on request. Our products are designed in accordance with the European End of Life Vehicle Directive, meaning that 95% of our hardware is recyclable and 99% is recoverable. In addition, our teams continue to investigate opportunities to increase recycled content in our product parts without compromising performance and quality, in line with the Kaizen continuous improvement methodology deployed throughout our operations.

OUR ENVIRONMENTAL PERFORMANCE TARGETS

We set targets that help deliver on our ambitions and 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 in 2019 and we aim to achieve them by the end of 2024. For more details, see HSE data book 2021.



OF MANUFACTURING SITES ARE ISO 14001 CERTIFIED



MANAGING GHG EMISSIONS AND ENERGY

MANAGING GHG EMISSIONS

Our carbon accounting, reporting methodologies and processes are aligned with the GHG protocol, and our inventory management plan outlines the methods, processes and methodologies for GHG management.

We are working hard to calculate and improve our Scope 3 emissions to ensure our stakeholders have a comprehensive picture of our true carbon footprint. In 2021 our focus was on continuous improvement of our Scope 3 emissions calculation methodology. We achieved assurance for Upstream Transportation and Distribution, and we set the stage for future improvements in other Scope 3 categories.

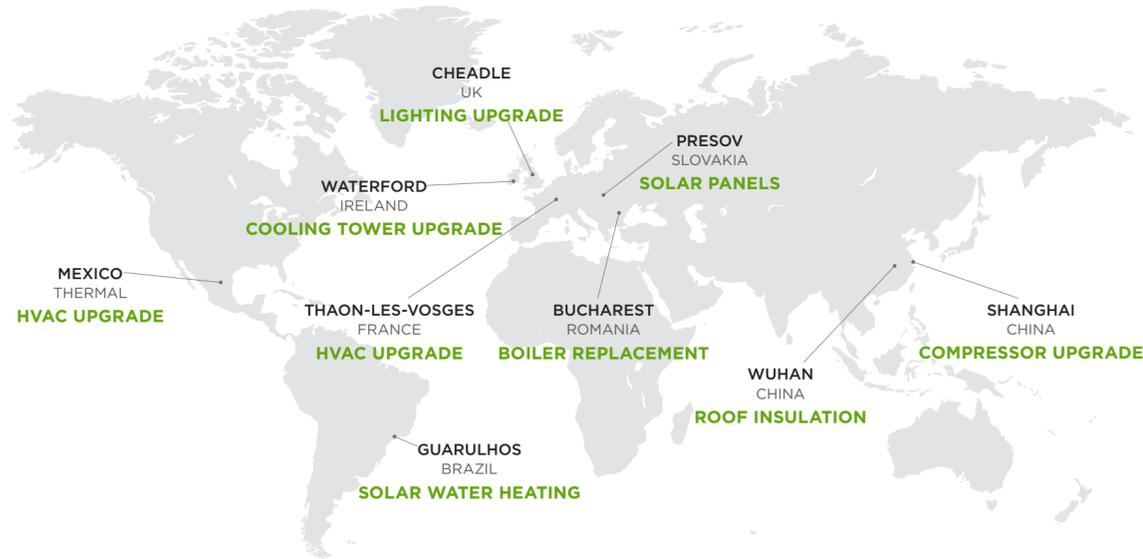
MANAGING ENERGY

Energy efficiency is a constant focus at Garrett. The company has implemented processes around energy management and savings opportunity identification, guided by internal targets for energy reduction. We improved on several aspects in 2021 including increased number of energy monitoring systems implemented at sites, improved procedural elements and improved operational control. We also strengthened our monitoring process during the year.

In 2021, we applied market-based methodology to our inventory and we have kept the same target of doubling the renewable energy target, which is 4,462 MWh of electricity. This triggered us to change our 2019 baseline number.

NINE INVESTMENT PROJECTS IMPLEMENTED

In 2021, we undertook nine projects to reduce Scope 1 and 2 GHG emissions and improve energy productivity. These projects covered a spectrum of different upgrades:



100%
OF MANUFACTURING
SITES ISO 50001
CERTIFIED

GHG EMISSION AND ENERGY PERFORMANCE

(For more details, see the HSE Data Book 2021)

GHG METRICS

	2019 BASELINE	2021 PERFORMANCE	2024 TARGET
TOTAL SCOPE 1 & 2 GHG EMISSIONS (tCO _{2e})	54,909	47,046	<75,000
SCOPE 1 & 2 GHG EMISSIONS INTENSITY PER USD MILLION REVENUE*	16.91	12.95	16.23

ENERGY METRICS

	2019 BASELINE	2021 PERFORMANCE	2024 TARGET
TOTAL ELECTRICITY CONSUMPTION FROM RENEWABLE SOURCES (MWH)	2,231	11,001	4,462
ENERGY INTENSITY RATIO PER PRODUCT**	0.0082	0.0074	0.0061

* Calculated by total Scope 1 & 2 GHG emissions (CO_{2e}) ÷ total revenue (USD million)

** Calculated by total energy consumption (MWh) ÷ total turbos manufactured (products)

MANAGING WATER AND WASTE



HOW WE MANAGE WATER

The water usage in Garrett manufacturing plants is mainly for utilities and production processes. 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 significant increase in cleaning and washing.

In 2021, our water intensity per turbo produced improved significantly from 20.3 for the calendar year 2020, to 16.5 for

this year. Water withdrawal also decreased by 6.2% compared to 2020.

Overall, 69% of water is being used for sanitary, cleaning and domestic purposes while remaining 31% of water is used in the production processes.

In 2021, no water sources were significantly affected by water withdrawal by the company.

WATER PERFORMANCE (for more details see the HSE Data Book 2021)

	2019 BASELINE	2020	2021	2024 TARGET
WATER INTENSITY RATIO PER PRODUCT *	15.5	20.3	16.5	15.4
TOTAL WATER CONSUMPTION (M3)	240,037	271,213	254,867	

HOW WE MANAGE WASTE AND EFFLUENT

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.

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.

WASTE PERFORMANCE (for more details see the HSE Data Book 2021)

	2019 BASELINE	2020	2021	2024 TARGET
WASTE INTENSITY RATIO PER PRODUCT *	0.735	0.956	0.747	0.728
WASTE DIVERSION RATE**	72.3%	68.1%	75.0%	73.0%
TOTAL WEIGHT OF RECYCLED WASTE GENERATED (t)	7,085	7,890	7,776	
TOTAL WEIGHT OF HAZARDOUS WASTE (t)	1,595	2,450	1,967	
% OF WASTE THAT IS HAZARDOUS	16.3%	21.1%	19.0%	
MANUFACTURING SITES THAT RECYCLE	100%	100%	100%	

*Calculated by total weight of waste (kg) ÷ total turbos manufactured (products) **Calculated by total weight of waste disposed to non-landfill methods (kg) ÷ total weight of waste (kg)

IDENTIFYING OPPORTUNITIES TO SAVE MORE WATER

We engaged an external consultant to conduct the water analysis and to identify opportunities for water saving for all our manufacturing sites. We have a plan to expand our analysis scope to identify further opportunities for water saving.



MORE DATA, LESS WATER - CHEADLE, UK

In 2021, we expanded the scope of our new integrated facilities management partner, MACE, to include water efficiency support. With their support, we were able to resolve a significant water leak at the Cheadle site in the UK. Data analysis highlighted the leak has been a problem starting in 2018 and gradually increased. It reached a peak in Q4 2021 with a water loss of 1,743 m3 per month. Since the remedial work in December 2021, the water consumption has significantly reduced to 92 m3 per month expected in 2022.



ENVIRONMENTAL COMPLIANCE

CONTROL AND MINIMIZE RISK

At Garrett, we believe merely complying with regulations is no longer enough. Our dedicated Product Stewardship team helps the company to control and minimize risks and impacts caused by the chemicals present in our products from production to use and disposal.

PRODUCT STEWARDSHIP SYSTEM RESPECT OF REGULATORY REQUIREMENTS

We seek to comply with global regulations, integrating product stewardship across the value chain from the innovation process, to raw materials, production, and end of life. We are engaged with suppliers, manufacturers, distributors and customers, and cooperate with them to develop appropriate risk management plans and to monitor and assess the impact of changes in chemical management regulations worldwide.

GARRETT RESTRICTED AND BANNED SUBSTANCE LIST

We have a Garrett Restricted and Banned Substance List, designed to discourage chemicals banned or restricted by different legislation around the world. Our manufacturing sites screen chemicals before use on site. These must pass a risk assessment, not have safer eco-friendly alternatives, meet globally harmonized system (GHS) requirements, and be able to use and handle in compliance with our HSE Management System. We do not entertain any supplier products that breach regulatory limits or restrictions. Finally, we continue to review our legacy parts, which were in production before certain regulations entered into force.

PRODUCT STEWARDSHIP COMPLIANCE DECLARATIONS

EUROPEAN UNION (EU) RESTRICTION OF HAZARDOUS SUBSTANCES (ROHS)

DIRECTIVE 2002/95/EC

To restrict the use of ten hazardous substances in the manufacture of electrical and electronic equipment. Garrett products have been verified to meet the maximum concentration tolerances (including bans) for substance in accordance with the regulatory requirements.

CONFLICT MINERALS

UNITED STATES (US) 2010 DODD-FRANK WALL STREET REFORM & CONSUMER PROTECTION ACT (SECTION 1502) AND EU REGULATION NO 2017/821

(See [page 27](#), Engaging our Supply Base)

EU REGISTRATION, EVALUATION, AUTHORIZATION AND RESTRICTION OF CHEMICALS (REACH)

REGULATION (EC) NO 1907/2006

Requires article suppliers to inform recipients if an article contains a Substance of Very High Concern (SVHC) over 0.1% by weight. Garrett continuously monitors the presence of substances in our products, ensuring no SVHCs have over 0.1% in our products. We review the substance list frequently to ensure we respond to regulatory changes, and we keep our customers updated on our own product and materials in relation to these limits. Garrett also complies with its requirements around the proper handling and disposal of certain chemical substances.

CALIFORNIA PROPOSITION 65

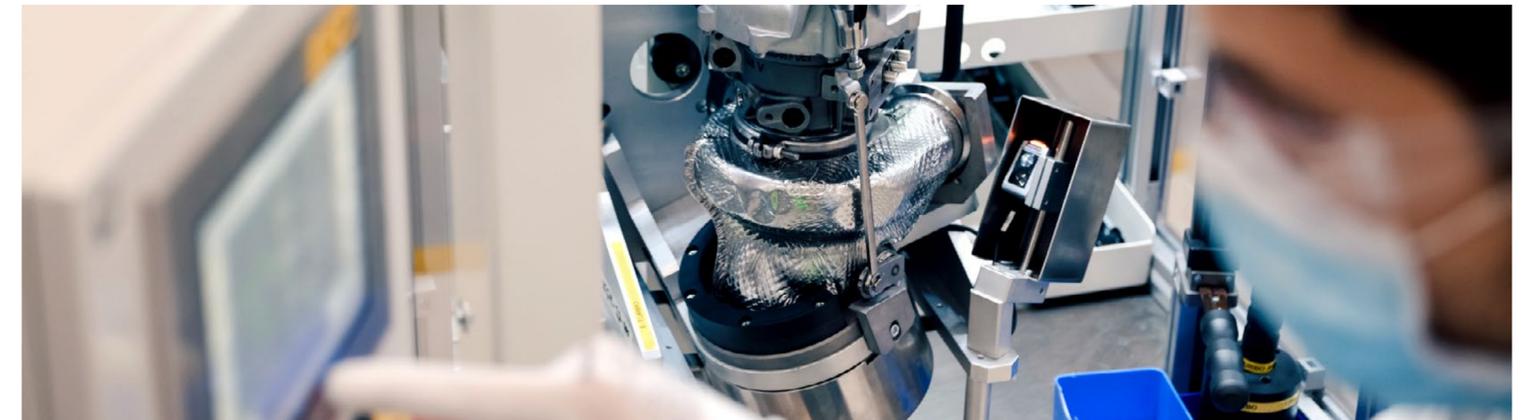
THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986

In accordance with our own strict HSE Management System and in full compliance with local regulations, it has been assessed that anyone in direct contact with our products, including our employees, are not exposed at any levels that require a Proposition 65 warning, and there is no health risk. As a conservative measure we decided to label our individual boxes with a warning statement.

EU END-OF-LIFE VEHICLE (ELV)

DIRECTIVE 2000/53/EC

The End-of-Life Vehicle directive sets recovery targets for recycling of vehicles and components, encourages manufacturers to design their vehicles with part reuse and recycling in mind, and restricts the use of certain heavy metals in new vehicle manufacturing processes or in automotive products. Garrett's materials and engineering teams consider the dismantling, reuse and recovery process of the components it designs and produces. It adheres to the following minimums: reusable and/or recyclable to a minimum of 85% by weight per vehicle, and reusable and/or recoverable to a minimum of 95% by weight per vehicle. Garrett also strives to minimize the use of these hazardous substances as much as possible.





ETHICAL BEHAVIOR AT THE CORE

At Garrett, integrity and compliance, respect, diversity and inclusion are at the center of how we conduct business. Garrett is committed to acting ethically, complying with all applicable laws and regulations, and safeguarding its stakeholders at all times. The Garrett Code of Business Conduct, Garrett Behaviors and Fundamentals (how we operate), backed by management systems, uphold the company's integrity. Ethical behavior is driven by the adoption of best-in-class practices and policies which bind the directors, officers and employees of Garrett.

GARRETT CODE OF BUSINESS CONDUCT

Garrett's Board of Directors has adopted a written Code of Business Conduct that sets forth expectations of how all employees need to act and operate every day to make honest and ethical decisions that will help keep our business and each other safe, compliant and successful.

In 2021, a new section on Labor and Employee Relations, related to how the company values collective bargaining and respects employees' rights to be part of employee representative bodies, was included. The Code of Business Conduct is available on our website where we also post all disclosures that are required

by law or applicable listing rules concerning any amendments to, or waivers from, any provision of our Code of Business Conduct.

INTEGRITY & COMPLIANCE

Garrett's Integrity & Compliance program promotes an organizational culture that encourages ethical conduct and a commitment to compliance with the law. The program is structured to meet the standards set forth in the U.S. Sarbanes-Oxley Act of 2002 (SOX), the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act and other

relevant laws. All Garrett employees are required to complete Code of Business Conduct training and additional mandatory compliance courses are assigned to employees and leaders to ensure compliance with local and global regulations. Compliance training courses, which are available in multiple languages, cover topics such as anti-corruption, antitrust, conflicts of interest and data privacy compliance. In 2021 new mandatory training on avoiding insider trading was added to the curriculum. Throughout the year, more than 20,000 compliance courses were completed, with 14,000 training hours and 100% of employees annually completing Code of Business Conduct training.

INTEGRITY HELPLINE

To strengthen our culture of integrity and compliance, Garrett continues to strongly support the use of open communication channels that allow employees to share issues and allegations. Employee concerns are taken very seriously. We investigate all allegations brought to the Integrity & Compliance office or raised through our third-party Integrity Helpline. Metrics are shared with Garrett Leadership and the Board of Directors. When allegations are substantiated, the company takes appropriate corrective and disciplinary actions.

INTERNAL CONTROL

The effectiveness of our ethics and compliance control systems is regularly monitored and audited within the SOX framework. Audit observations are shared with Garrett's Board of Directors and a number of actions are subsequently implemented as appropriate, which in the past have included a Compliance Risk Assessment and third-party Due Diligence.

GARRETT RECEIVED AN **ETHICS SCORE OF 70 IN THE 2021 ECOVADIS RATING, UP FROM 60 IN 2020**

SIGNIFICANTLY HIGHER THAN AVERAGE SCORE OF "40" ACHIEVED BY OTHER COMPANIES WITHIN THE INDUSTRY RATED BY ECOVADIS



EMPLOYEE TRAINING

20,700 COMPLIANCE COURSES COMPLETED IN 2021

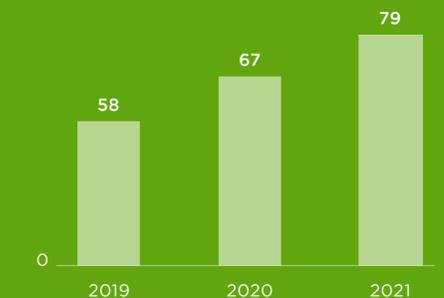
14,000 TRAINING HOURS COMPLETED IN 2021

100%

ALL EMPLOYEES COMPLETED CODE OF BUSINESS CONDUCT TRAINING

INTERNAL INVESTIGATIONS

NUMBER OF INTERNAL INVESTIGATION CASES



98.8%

ON-TIME CLOSURE OF INTERNAL INVESTIGATIONS

20 DAYS

AVERAGE TIME TO CLOSE AN INTERNAL INVESTIGATION IN 2021 (27 IN 2020)

ENGAGING OUR SUPPLY BASE



SETTING CLEAR EXPECTATIONS

Garrett is committed to integrity and compliance in everything we do, including how we engage with our suppliers. We expect our suppliers to comply with our Supplier Code of Conduct and with the laws governing the countries in which they conduct business.

SUPPLIER CODE OF CONDUCT AND SUSTAINABILITY ASSESSMENT

Garrett's Supplier Code of Conduct sets clear expectations for our global supply chain — from ensuring they provide their employees a safe working environment, and treat their workers with dignity and respect, to conducting environmentally sound and sustainable manufacturing processes. Suppliers also commit to our Code of Conduct when they sign our standard Purchase Order, Award Letter's Terms and Conditions for purchase of direct materials. The Supplier Code of Conduct is also readily available on the Garrett website.

We expect our suppliers to foster a culture of open communication, where employees and managers can raise concerns without fear of retaliation, intimidation or harassment. The Garrett Integrity Helpline is communicated as part of our Supplier Code of Conduct to enable interested parties to anonymously voice and record concerns. No calls came in to the Integrity helpline from suppliers in 2021.

RAISING AWARENESS AND CAPABILITY

Training is a key enabler to drive sustainability performance both within our purchasing team and with our suppliers. We have delivered two Garrett Learn-Up modules for Procurement team members (buyers) on CSR fundamentals and CSR Supplier evaluation, and we have provided extended guidance to our suppliers, to support and strengthen capabilities for their reporting requirements toward Garrett.

CONFLICT MINERALS

Garrett is committed to the responsible sourcing of tantalum, tin, tungsten and gold (3TG) throughout our global supply chain and in compliance with the OECD (Organization for Economic Co-operation and Development) requirements on conflict minerals. To determine if our manufactured products contain conflict minerals, we work with a third party to help identify and assess conflict mineral risk in our supply chain. We ask our suppliers to submit the Conflict Minerals Reporting Template (CMRT) and monitor the coverage of suppliers providing that information. We keep our customers and regulators up to date via our own CMRT and conflict minerals reporting each year. Our Conflict Minerals report is published annually on the Garrett website.



SUSTAINABILITY ASSESSMENT
QUESTIONNAIRE TO
SUPPLIERS COVERING



MONITORING SUPPLIERS' COVID-19 SAFETY MEASURES

At the end of 2020, Garrett's procurement team requested all active suppliers to answer 14 questions relating to COVID-19 safety and prevention rules. A list of prioritized suppliers was established and multiple virtual Gemba Walks(1) have since been carried out regularly, using video cameras to assess on-site application of the safety rules. This best practice has enabled Garrett to virtually monitor COVID-19 safety measures with suppliers.

(1) Gemba Walks: In lean manufacturing, a Gemba Walk allows leaders to observe the actual work process on the factory floor.

GRI REFERENCE INDEX 2021

DISCLOSURE	LOCATION
GENERAL DISCLOSURES GRI 102: GENERAL DISCLOSURES 2016	
ORGANIZATIONAL PROFILE	
102-1 Name of the organization	Cover
102-2 Activities, brands, products, and services	Garrett 2021 Annual Report (10-K)
102-3 Location of headquarters	Garrett 2021 Annual Report (10-K)
102-4 Location of operations	Garrett 2021 Annual Report (10-K)
102-5 Ownership and legal form	Garrett 2021 Annual Report (10-K)
102-6 Markets served	Garrett 2021 Annual Report (10-K)
102-7 Scale of the organization	Page 4
102-8 Information on employees and other workers	Garrett 2021 Annual Report (10-K)
102-9 Supply chain	Page 27
102-10 Significant changes to the organization and its supply chain	Garrett 2021 Annual Report (10-K)
102-11 Precautionary Principle or approach	Garrett 2021 Annual Report (10-K)
STRATEGY	
102-14 Statement from senior decision-maker	Page 3
102-15 Key impacts, risks and opportunities	Garrett 2021 Annual Report (10-K)
ETHICS AND INTEGRITY	
102-16 Values, principles, standards, and norms of behavior	Page 4
102-17 Mechanisms for advice and concerns about ethics	Page 26
GOVERNANCE	
102-18 Governance structure	Page 6
REPORTING PRACTICE	
102-45 Entities included in the consolidated financial statements	Garrett 2021 Annual Report (10-K)
102-46 Defining report content and topic Boundaries	Page 6
102-47 List of material topics	Page 6
102-49 Changes in reporting	Page 7
102-50 Reporting period	Page 7
102-52 Reporting cycle	Page 7
102-53 Contact point for questions regarding the report	Page 2
102-54 Claims of reporting in accordance with the GRI Standards	Page 7
102-55 GRI content index	Page 28
102-56 External assurance	Page 7

GRI MATERIAL TOPICS

DISCLOSURE	LOCATION
GRI 300 ENVIRONMENTAL STANDARDS SERIES	
ENERGY	
103-1 Explanation of the material topic and its Boundary	Page 23 and HSE Data Book 2021 (Energy section)
103-2 The management approach and its components	Page 23 and HSE Data Book 2021 (Energy section)
103-3 Evaluation of the management approach	Page 23 and HSE Data Book 2021 (Energy section)
302-1 Energy consumption within the organization	Page 23 and HSE Data Book 2021 (Energy section)
302-2 Energy consumption outside of the organization	HSE Data Book 2021 (Energy section)
302-3 Energy intensity	Page 23 and HSE Data Book 2021 (Energy section)

DISCLOSURE	LOCATION
302-4 Reduction of energy consumption	Page 23 and HSE Data Book 2021 (Energy section)
302-5 Reductions in energy requirements of products and services	Page 23 and HSE Data Book 2021 (Energy section)
WATER	
103-1 Explanation of the material topic and its Boundary	Page 24 and HSE Data Book 2021 (Water section)
103-2 The management approach and its components	Page 24 and HSE Data Book 2021 (Water section)
103-3 Evaluation of the management approach	Page 24 and HSE Data Book 2021 (Water section)
303-1 Water withdrawal by source	Page 24 and HSE Data Book 2021 (Water section)
303-2 Water sources significantly affected by withdrawal of water	HSE Data Book 2021 (Water section)
303-3 Water recycled and reused	HSE Data Book 2021 (Water section)
EMISSIONS	
103-1 Explanation of the material topic and its Boundary	Page 23 and HSE Data Book 2021 (GHG Emissions section)
103-2 The management approach and its components	Page 23 and HSE Data Book 2021 (GHG Emissions section)
103-3 Evaluation of the management approach	Page 23 and HSE Data Book 2021 (GHG Emissions section)
305-1 Direct (Scope 1) GHG emissions	Page 23 and HSE Data Book 2021 (GHG Emissions section)
305-2 Energy indirect (Scope 2) GHG emissions	Page 23 and HSE Data Book 2021 (GHG Emissions section)
305-3 Other indirect (Scope 3) GHG emissions	Page 23 and HSE Data Book 2021 (GHG Emissions section)
305-4 GHG emissions intensity	Page 23 and HSE Data Book 2021 (GHG Emissions section)
305-5 Reduction of GHG emissions	Page 23 and HSE Data Book 2021 (GHG Emissions section)
305-6 Emissions of ozone-depleting substances (ODS)	HSE Data Book 2021 (GHG Emissions section)
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	HSE Data Book 2021 (GHG Emissions section)
EFFLUENTS AND WASTE	
103-1 Explanation of the material topic and its Boundary	Page 24 and HSE Data Book 2021 (Waste Management)
103-2 The management approach and its components	Page 24 and HSE Data Book 2021 (Waste Management)
103-3 Evaluation of the management approach	Page 24 and HSE Data Book 2021 (Waste Management)
306-1 Water discharge by quality and destination	Page 24 and HSE Data Book 2021 (Waste Management)
306-2 Waste by type and disposal method	Page 24 and HSE Data Book 2021 (Waste Management)
306-3 Significant spills	HSE Data Book 2021 (Waste Management)
306-4 Transport of hazardous waste	HSE Data Book 2021 (Waste Management)
306-5 Water bodies affected by water discharges and/or runoff	HSE Data Book 2021 (Waste Management)
ENVIRONMENTAL COMPLIANCE- REGULATORY REQUIREMENTS	
103-1 Explanation of the material topic and its Boundary	Pages 21, 25 and HSE Data Book 2021
103-2 The management approach and its components	Pages 21, 25 and HSE Data Book 2021
103-3 Evaluation of the management approach	Pages 21, 25 and HSE Data Book 2021
307-1 Non-compliance with environmental laws and regulations	Pages 21, 25 and HSE Data Book 2021
GRI 400 SOCIAL STANDARDS SERIES	
OCCUPATIONAL HEALTH AND SAFETY	
103-1 Explanation of the material topic and its Boundary	Page 21 and HSE Data Book 2021 (OHS section)
103-2 The management approach and its components	Page 21 and HSE Data Book 2021 (OHS section)
103-3 Evaluation of the management approach	Page 21 and HSE Data Book 2021 (OHS section)
403-1 Workers representation in formal joint management-worker health and safety committees	HSE Data Book 2021 (OHS section)
403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	HSE Data Book 2021 (OHS section)
403-3 Workers with high incidence or high risk of diseases related to their occupation	HSE Data Book 2021 (OHS section)
403-4 Health and safety topics covered in formal agreements with trade unions	HSE Data Book 2021 (OHS section)

Garrett

ADVANCING MOTION



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