



2023
SUSTAINABILITY REPORT
MOVING MOBILITY FORWARD

A Letter from our President and CEO

I am proud to present Stoneridge’s inaugural 2023 Sustainability Report, *Moving Mobility Forward*, a milestone that reflects our commitment to integrating sustainable practices throughout our business. At Stoneridge, we recognize the importance of sustainability and the role it plays in shaping our future. We understand the impact our operations can have on the environment and the communities in which we operate. We believe creating value for our stakeholders is linked to our ability to operate sustainably, responsibly, and ethically.

Sustainability at Stoneridge begins with our well-positioned, technology-forward portfolio and innovation. This includes a diverse product portfolio focused on improving vehicle safety and efficiency through driver vision systems, connectivity solutions, control systems, and more. More recently, Stoneridge has taken a deeper look at sustainability throughout our organization. We established an Environmental, Social, and Governance Committee that brings together a cross-functional team to collectively consider our current work, what our stakeholders expect of Stoneridge, and what the evolving legal and regulatory landscapes require.

Our sustainability efforts are defined by four pillars – **Our Products, Our Operations, Our People, and Our Governance**. Throughout this report, you will gain insight into our efforts to reduce our environmental footprint, optimize our supply chain, and innovate towards more sustainable products and solutions. You will also learn about our commitment to fostering a diverse and inclusive workplace, ensuring the health and safety of our employees, and benefiting the communities in which we operate.

I invite you to explore our inaugural Sustainability Report and join us in our journey as we continue to deliver on our commitment to sustainability. Your partnership is invaluable as we work towards a common goal of a more sustainable and inclusive world.



Jim Zizelman
President and CEO

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Who We Are

At Stoneridge, we design and manufacture technologies that are *Moving Mobility Forward*.

Headquartered in Novi, Michigan, we are a global supplier of the latest electronic systems and technologies to the world's leading automotive, commercial vehicle, and off-highway vehicle manufacturers. Our products drive safe and efficient mobility.

2023 Full-Year Revenue
\$976 million

Employees
4,850 full-time and temporary employees worldwide

86% located outside of the U.S.

Supply Chain
782 suppliers in over **25** countries



Business and Operating Segments

Stoneridge leverages its global engineering footprint and technology expertise to drive long-term value for our shareholders. The Company reports in three segments – Control Devices, Electronics, and Stoneridge Brazil – each positioned for long-term success in the transportation industry.



Control Devices

Our Control Devices segment delivers products that monitor, measure, or activate vehicle functions with an emphasis on safety and efficiency for the passenger vehicle end markets.



■ Percentage of 2023 total revenue

Electronics

Our Electronics segment develops advanced driver assistance products, vision systems, connectivity, and compliance solutions for the commercial truck, bus, and off-highway end markets.



Stoneridge Brazil

Our Stoneridge Brazil segment provides vehicle tracking devices and monitoring services, security alarms, audio and infotainment devices, driver information systems, and telematics solutions primarily for the automotive and commercial vehicle markets.



Our Values

Our Core Values are the foundation of our [Code of Conduct](#) and the way we do business.

Integrity

All that we do will be done honestly, ethically, and respectfully.

Customer Orientation

We are committed to understanding and meeting the requirements of our customers, and we will strive to exceed their expectations.

Teamwork

We will work to continuously improve, show enthusiasm, and work closely as a team to meet our commitments and contribute to the success of Stoneridge.

Adaptability

We will be fast and flexible in adapting to or initiating change to achieve the best possible outcome.

Accountability

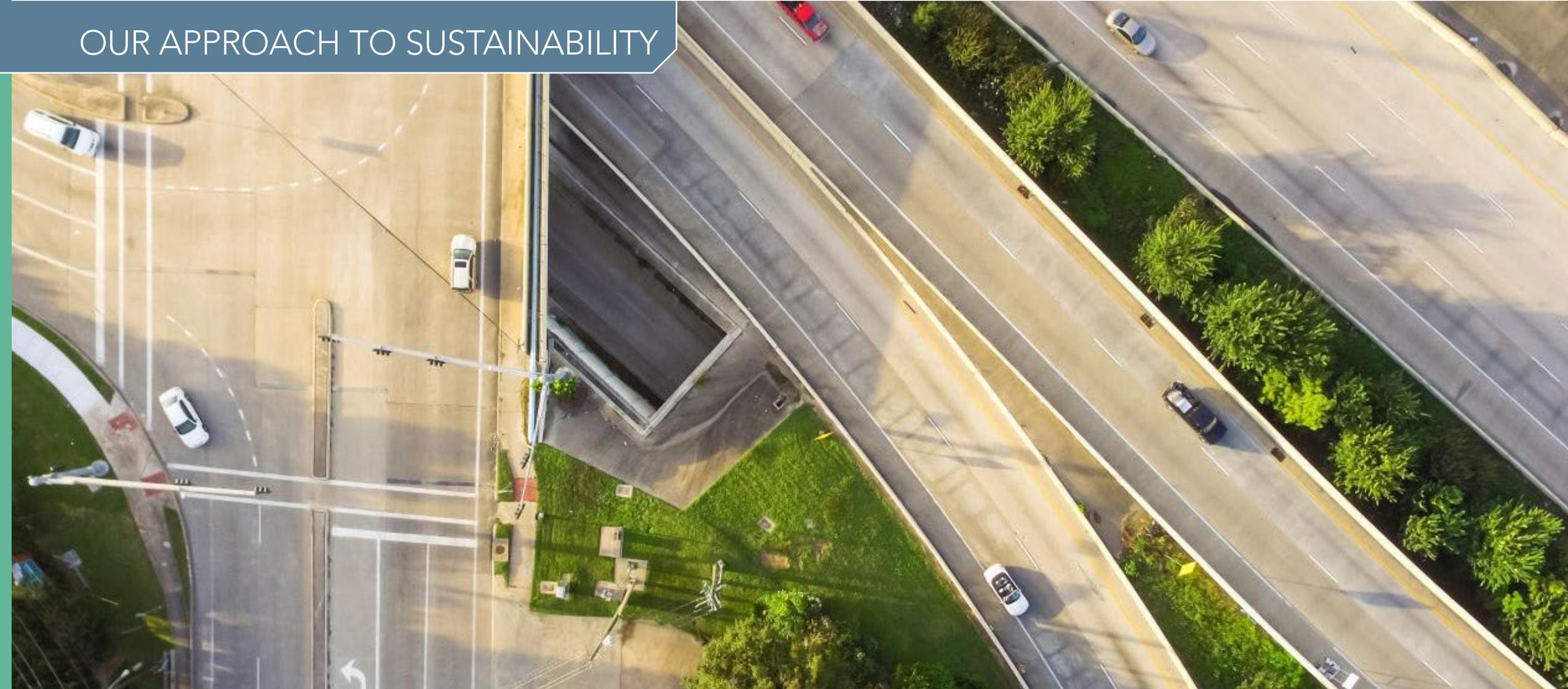
Our actions will produce sustainable financial results and create value for our employees, customers, and investors.

Social Responsibility

We will operate our business and personally conduct ourselves in our workplace in a manner that supports employee safety, treats all people equally and respectfully, benefits our communities, and remains mindful of our impact on the environment.



OUR APPROACH TO SUSTAINABILITY



Our Approach to Sustainability

Strategy

In 2020, Stoneridge established our cross-functional Environmental, Social, and Governance (ESG) Steering Committee, comprised of members from Compliance, Environmental, Health and Safety, Procurement, and Investor Relations. Building on an established base, the ESG Steering Committee began focusing on Stoneridge’s environmental impact as well as the Company’s efforts on health and safety and diversity, equity, and inclusion (DEI).

The ESG Steering Committee delivered significant improvements in implementing foundational steps to structurally enhance data collection systems, define our approach, and report transparently. We will continue to build, improve, and integrate with this expanded focus and a specific eye on upcoming ESG-related regulatory reporting requirements. Our ESG efforts continue to expand, building a broader, more comprehensive consideration of sustainability across our business. Our four pillars define our approach:

Our Products

- » Stoneridge Innovation
- » Accelerating Sustainable Products

Our Operations

- » Environmental Management and Compliance
- » Quality
- » Supply Chain Engagement

Our People

- » Global Human Rights
- » Diversity and Inclusion
- » Employee Management and Development
- » Health and Safety
- » Community Engagement

Our Governance

- » Corporate Governance
- » Ethics and Integrity
- » Enterprise Risk Management
- » Cybersecurity



Our Approach to Sustainability

Highlights through 2023

2019 » Set first company-wide environmental targets

2020 » ESG Steering Committee creation

2021 » Global DEI Steering Committee and DEI strategy creation

» First public response to CDP (a global environmental disclosure platform) Climate Change and Water Security disclosures including reporting progress on environmental targets

2022 » Public response to CDP Climate Change and Water Security disclosures including reporting progress on environmental targets

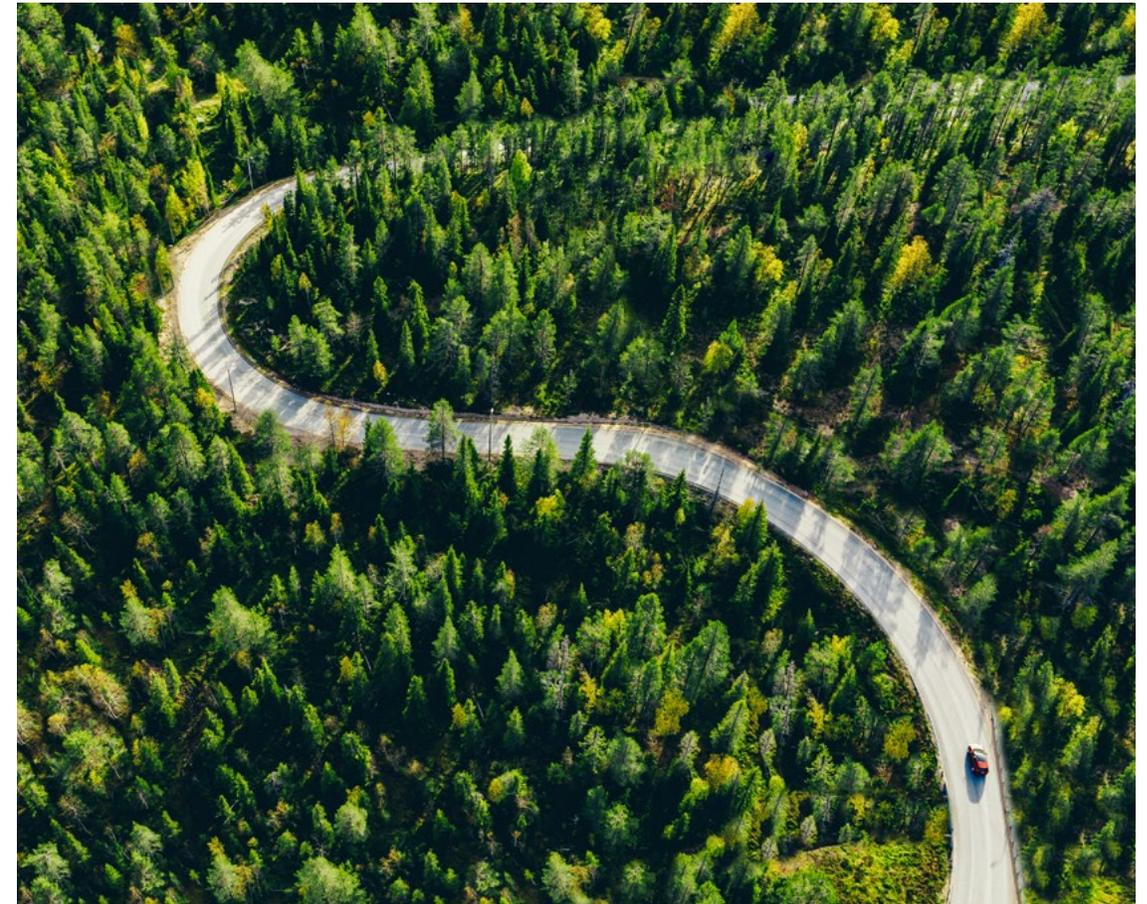
» Model science-based targets for Scope 1 and Scope 2 greenhouse gas (GHG) emissions with guidance from methods outlined in the SBTi Sectoral Decarbonization Approach and the Absolute Contraction Approach

» Model science-based targets for Scope 3 GHG emissions for eight Stoneridge facilities using the SBTi Scope 3 tool and the Absolute Contraction Approach, Economic Intensity Method, and Physical Intensity Method

2023 » EcoVadis Bronze Rating

» Stoneridge Asia-Pacific won Best Employer Award by the Suzhou Industrial Park Human Resource Development Co.

» Public response to CDP Climate Change and Water Security disclosures including reporting progress on environmental targets



Our Approach to Sustainability

Stakeholder Engagement

Stoneridge engages with our stakeholders through formal and informal processes, to identify key ESG issues and proactively manage emerging ESG-related expectations, risks, and opportunities. Our key stakeholders include investors, employees, customers, suppliers, and our local communities.

Investors

Stoneridge has over 100 institutional investors, primarily in the U.S. and Canada. Stoneridge provides reliable information to investors through financial reporting, quarterly earnings calls, and other public disclosures and forums. We also engage with investors regularly through attending industry conferences, small group meetings, and one-on-one meetings to discuss a broad variety of topics, including ESG-related matters.

Employees

Our employees are key stakeholders in our success. Stoneridge provides a variety of ways for employees' voices to be heard. We conduct periodic global employee engagement surveys, an Annual Ethics Survey, quarterly global and local Town Hall meetings, and small format conversations with executives. We also encourage employees to attend quarterly earnings calls for insight into what is being shared with external stakeholders.

Customers

Our customers place a strong emphasis on reducing their overall value chain carbon footprint and have implemented various sustainability requirements for their suppliers. Stoneridge engages with our customers on sustainability-related inquiries through a variety of reporting platforms and surveys including NQC Supplier Assurance, EcoVadis, CDP, and others.

Suppliers

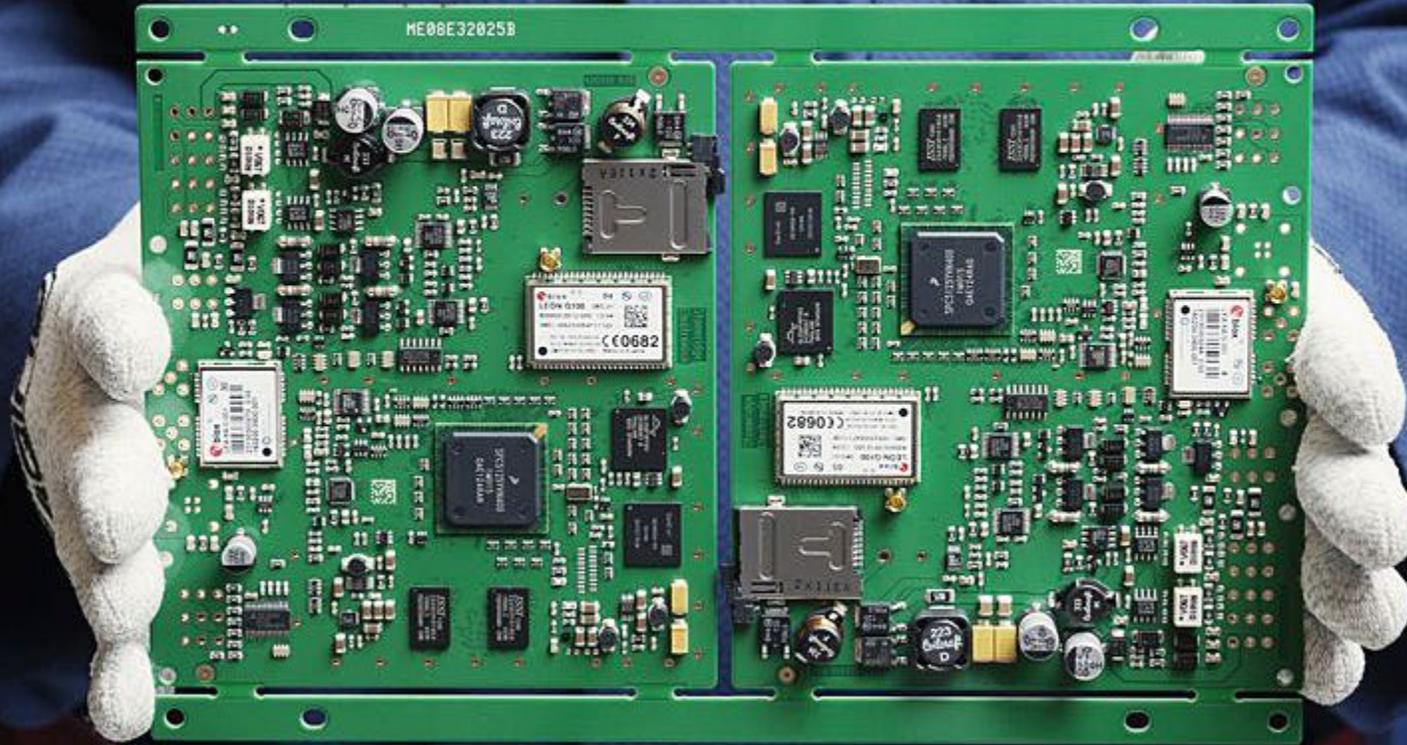
Stoneridge has a global supply base consisting of direct suppliers, indirect suppliers, and third party providers. Stoneridge engages with our direct suppliers through initial qualification and periodic audits, various ESG-related compliance reporting processes, annual business reviews, and by offering periodic supplier conferences. In addition, Stoneridge engages with contractors and indirect suppliers to drive activities that will result in lower emissions through meetings with energy providers, collaborative projects, energy audits, and procuring renewable energy.

Communities

Stoneridge is committed to benefiting the various communities in which we work. Our employees are encouraged to contribute their valuable time and support to local community causes and needs. Our community engagement activities vary by region and country as well as local issues and needs. Some examples of our community engagement activities include food drives, supporting student programs, volunteering with non-profit organizations, and charitable donations.



OUR PRODUCTS



Our Products

Stoneridge maintains a diverse product portfolio, and we are passionate about developing technologies that enable safe and efficient mobility. We are committed to designing and manufacturing products that are applicable to evolving engine types and maintain sustainable attributes, including reducing GHG emissions and improving vehicle safety and efficiency. We use advanced engineering to innovate and introduce technologies that enable our customers to meet stringent global emissions regulations while supporting their corporate sustainability goals.

85% of all EVs produced in North America feature Stoneridge products

Approximately **88%** of 2023 sales are related to drivetrain-agnostic technologies

Stoneridge Innovation

Innovation is key to our success. We are driven by a team of entrepreneurial thinkers and innovators and are backed by an organizational commitment to research and development. Stoneridge's U.S. and foreign IP portfolio includes 155 granted patents and 310 pending applications across approximately 150 patent families. In 2023, we were granted 22 new patents and filed 69 additional applications.

2023 Stoneridge Patents

22 patents granted

69 applications filed



Our Products

Accelerating Sustainable Products

Stoneridge is positioned to support the global transportation industry evolution toward more vehicle electrification. Our product lines deliver a drivetrain-agnostic and technology-forward portfolio. This strategy offers flexibility to customers as they adapt to market changes and evolving emissions requirements.

Sustainable outcomes are aligned with this strategy, offering safety, efficiency, and emissions-reducing attributes for electric vehicles (EVs), hybrid electric vehicles (HEVs), and internal combustion engine (ICE) vehicles without compromising performance.

Improving Vehicle Safety and Efficiency

Delivering Vehicle Efficiency through our Actuation Systems

As the demand for electrified vehicles continues to increase, manufacturers are challenged with designing vehicles that maintain performance expectations while maximizing the positive environmental impact of electric vehicles. Stoneridge's actuation solutions offer performance and efficiency benefits for all drivelines, including EV, HEV, and ICE vehicles. Our electro-mechanical and electro-magnetic actuation business bridges electronics and software capabilities with mechanical design capabilities; this combination is unique to Stoneridge and gives us a strong platform to serve our customers better and expand our relationships.

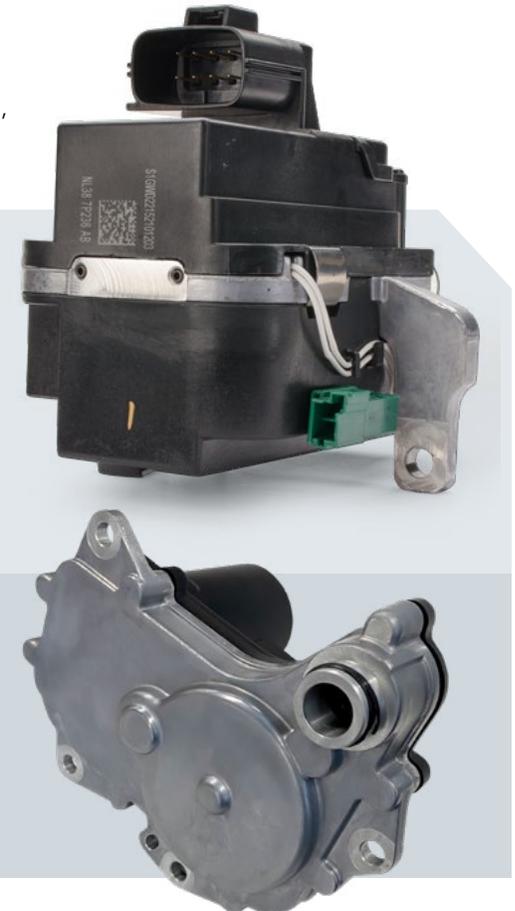
SPOTLIGHT

Integrated Park Module (IPM)

Stoneridge's IPM is the industry's first internally mounted actuator for EV, HEV, and ICE vehicles. The IPM operates inside the transmission, eliminating traditional linkages and cable assemblies. Free from mechanical packaging constraints, hybrid and electric driveline system designs can now support new configurations and placement of essential functions, such as the park lock actuator. The IPM's efficiency electronics minimize power consumption, improving battery range. In production since 2020, the actuator includes an integrated fail-safe technology which returns the vehicle to a safe state in the event of a power loss.

Drive Unit Clutch Actuator (DUCA)

Stoneridge's DUCA is designed for electrified driveline systems in EV, HEV, and ICE vehicles. In production since 2023, the actuator disconnects the e-axle or shift gears in multi-speed e-axle applications to improve safety and performance.



Our Products

Improving Vehicle Safety and Efficiency

Delivering Safety and Efficiency with Advanced Driver and Vision Systems

Stoneridge provides industry-leading vision solutions that are driving the future of North American and European commercial vehicle, bus, and off-road transportation markets to improve driver safety through better all-around vehicle visibility and improved fuel economy. Our commercial vehicle application, MirrorEye® Camera Monitor System, is the foundation of the Company's vision system technology.

SPOTLIGHT

Supporting Future Innovation through the SuperTruck II Program

Launched in 2016, the U.S. Department of Energy SuperTruck II program develops and demonstrates technologies that can achieve a 120% increase in Class 8 freight efficiency compared to SuperTruck I.

MirrorEye, featured on all four SuperTruck II program vehicles, is helping to achieve those targets through improved fuel economy and aerodynamic design.



SPOTLIGHT

MirrorEye® Camera Monitor System

MirrorEye® Camera Monitor System replaces traditional rear and side view mirrors with five digital cameras, making the roads safer through driver vision enhancement. The system significantly improves safety by eliminating blind spots, making drivers more aware of dangers around the vehicle, and providing enhanced vision in operating environments where it is difficult to see with traditional mirrors. In addition to the safety benefits of MirrorEye, replacing conventional mirrors with MirrorEye results in reduced vehicle drag and a 2-3% increase in fuel efficiency, translating into direct operating cost reduction for carriers.

For a typical Class 8 long-haul truck, driving approximately 100,000 miles or 160,000 km per year, this translates into a reduction of nearly 5,000 lbs. or 2.5 tons of CO₂ emissions per year, approximately the avoided emissions of burning 281 gallons of gasoline.*



2-3%
Fuel Savings
When conventional mirrors are replaced with MirrorEye

40+
Fleets
In North America operating with MirrorEye

Award-Winning Technology



*Source: Greenhouse Gas Equivalencies Calculator

Our Products

Enabling Reduced Carbon Emissions

Considering impact through sensor and valve technology innovation

Global emissions standards are dictating the development of new vehicles, and meeting these standards is becoming increasingly more difficult. At the same time, consumer demands are shifting to larger vehicles with more trucks and sports utility vehicles on the road.

Additionally, powertrain systems are becoming more complex as the competition for range heats up. Smaller engines for weight-savings coupled with turbochargers or cylinder deactivation technologies increase fuel economy, but at the expense of an engine's vacuum.

Stoneridge's industry-leading sensors and valves help customers accurately monitor and manage vehicle emissions to meet exhaust, fuel economy, and other regulations. In addition, these products help our customers improve fuel economy without compromising vehicle performance or durability. Product development considers environmental impact with improvements made through advancements in packaging, mounting flexibility, and improved environmental resistance.



SPOTLIGHT

Canister Vent Solenoid

Stoneridge canister vent solenoid (CVS) is a key technology that supports and meets on-board diagnostic (OBD) evaporative fuel emissions requirements and enables well-controlled delivery of stored vapor for clean combustion.



Vapor Blocking Valve

Stoneridge vapor blocking valve (VBV) solutions are built on the expertise and foundation of our CVS technology. VBVs enable fast, controlled vapor delivery for clean combustion on hybrids and highly efficient engines.

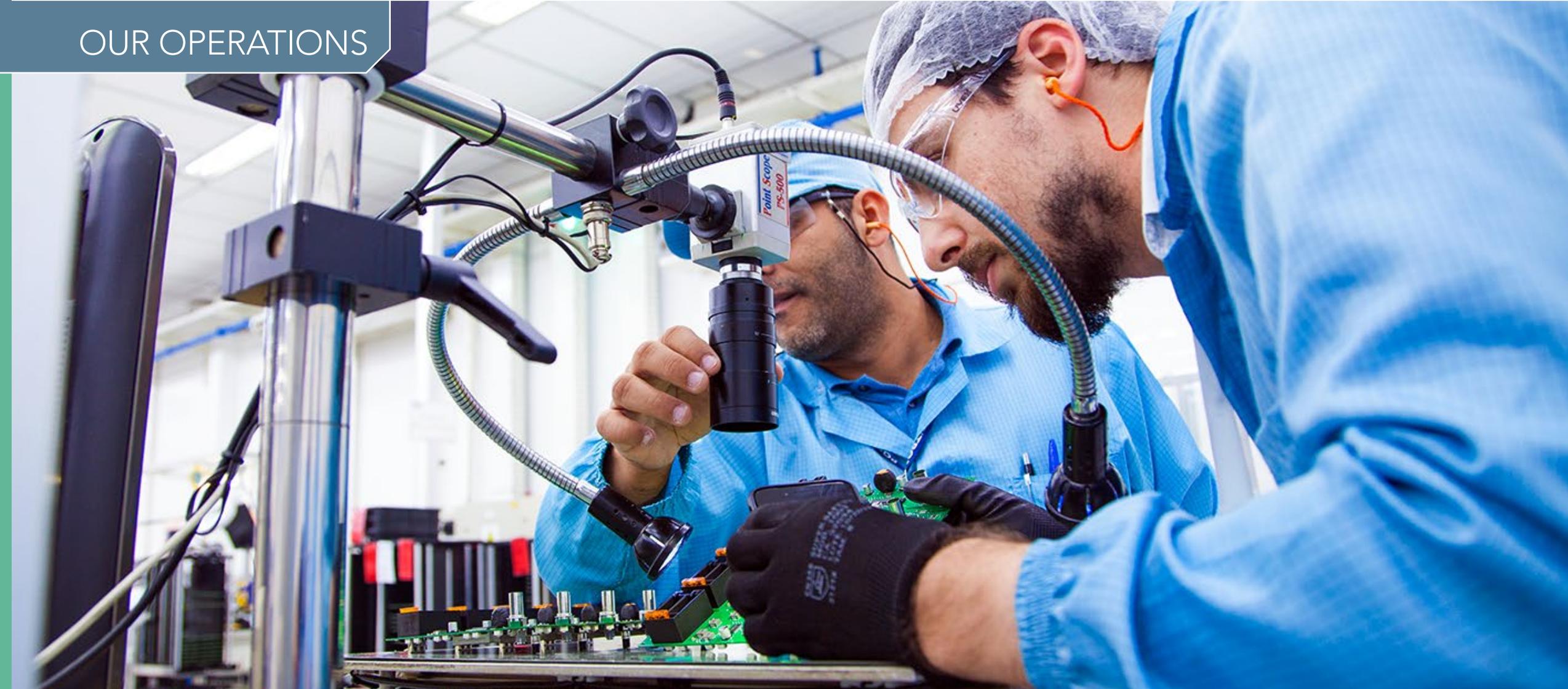


Exhaust Gas Temperature Sensors

Stoneridge exhaust gas temperature (EGT) sensors are critical for diagnostic regulatory compliance as they measure and control the temperature of exhaust gas, vehicle fluids, and surfaces such as batteries.



OUR OPERATIONS



Our Operations

Effective operations require strong management of policy, process, and practice. Stoneridge additionally considers the environmental impact of its own operations and that of its suppliers. Our teams aim for an ongoing optimization approach throughout operational management.

Environmental Management and Compliance

Stoneridge relies on strong management processes to continuously improve our environmental performance. Our environmental management system (EMS) provides the framework for identifying significant manufacturing environmental aspects and impacts along with the controls to minimize our environmental footprint over time.

All our manufacturing facilities have achieved and sustained a third-party certification of their EMS to the ISO 14001:2015 Environmental Management System standard.

100% of our manufacturing facilities are ISO 14001:2015 certified

In late 2020, our newly-formed ESG Steering Committee set out to evaluate and reduce our carbon footprint and promote more sustainable operations on a global scale. Today, Stoneridge remains committed to operating with the environment in mind and in compliance with all legal requirements, including applicable environmental guidelines.

The ESG Steering Committee drives the Company's environmental agenda, providing quarterly progress updates to the Board's Compliance and Ethics (C&E) Committee. Our environmental strategy has evolved over time and addresses our Company's environmental impact through a focus on three key areas – climate, water, and waste.



Climate

Efficient energy use and reduction of greenhouse gas (GHG) emissions



Water

Responsible water tracking and reduction of overall consumption in water-stressed locations



Waste

Responsible hazardous waste tracking and reduction in waste sent to landfill

Our Operations

Climate

Our approach to climate awareness began with a baseline understanding of our impact. We are guided by the CDP Climate Change questionnaire, which we first responded to publicly in 2021. We have calculated our energy and GHG emissions and now have a good understanding of our baseline. We continue to use this data to inform our overall environmental strategy.

B score on the 2023 CDP Climate Questionnaire

Energy

Stoneridge is committed to increasing the energy efficiency of our operations. We continually evaluate the implementation of more energy-efficient practices throughout our operations such as:

- » Optimizing manufacturing processes
- » Adjusting equipment operating times to match demand
- » Shutting off idling equipment when not in use
- » Replacing traditional incandescent lighting with energy-efficient lighting
- » Procuring renewable energy (where/when possible)

In 2022, students from the University of Dayton conducted an energy audit at our manufacturing plant in Lexington, Ohio, funded by the U.S. Department of Energy, Energy Efficiency and Renewable Energy Division, Advanced Manufacturing Office. The one-day on-site audit emphasized recommendations to improve efficient energy usage in production. Stoneridge plant personnel partnered with the student team to collectively identify six energy-saving opportunities with a potential savings of 249 tons of CO₂ emissions per year. The total potential savings of all recommendations would decrease current plant CO₂ emissions by about two percent and utility costs by about three percent. Based on the results of the energy audit, 2023 efforts included replacing traditional incandescent lighting with more energy-efficient lighting. The next activity under consideration is the replacement of less efficient motor belts with more efficient V-belts in a variety of motors in the Lexington facility.

100% renewable electricity used in our Manaus manufacturing site through the purchase of I-REC (Interstate Renewable Energy Council) Certificates



SPOTLIGHT

Solar Panels In the Netherlands In 2017, our facility in Barneveld, Netherlands, took a significant step toward sustainability by installing 410 solar panels on our roof. These panels now contribute approximately 15% of our total annual energy consumption. As of December 2023, our solar panels have helped us reduce our carbon footprint substantially, saving a remarkable 266,248 kilograms (586,976 pounds) of CO₂ emissions in total. This reduction is equivalent to the positive environmental impact of planting 11,728 trees.*

*Source: Greenhouse Gas Equivalencies Calculator

Our Operations

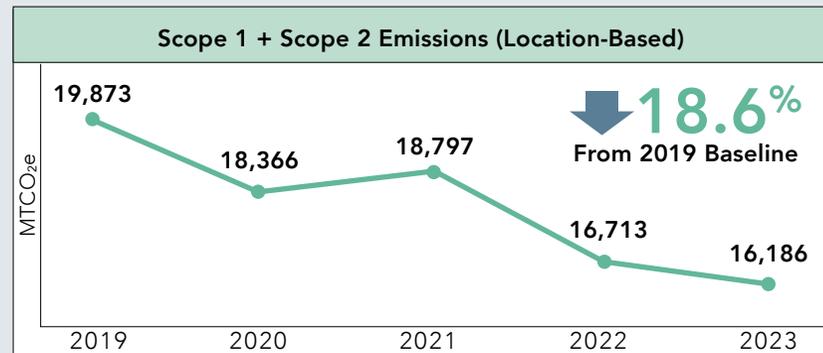
Emissions

SPOTLIGHT

GHG EMISSIONS TARGET:
15% reduction of Absolute Scope 1 and Scope 2 GHG Emissions by 2025 against a 2019 baseline

STATUS: ACHIEVED 18.6% REDUCTION THROUGH 2023

Our energy efficiency and process optimization efforts in manufacturing production resulted in achieving this target in 2022, well ahead of schedule. We gained a majority of savings through a reduction of manufacturing floorspace, shutting off molding presses during off-shifts, and divesting our particle matter sensor line. We will continue to measure progress towards this target until 2025.



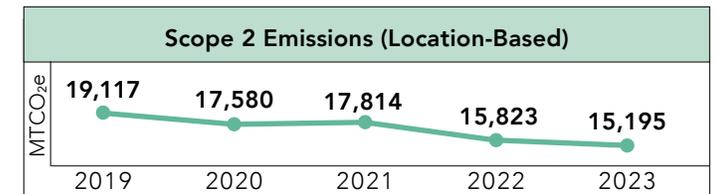
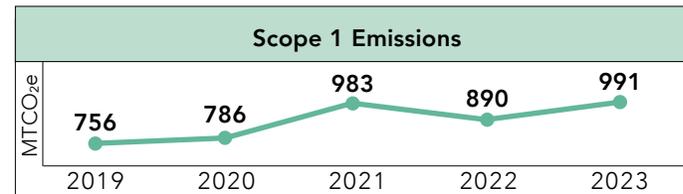
We exclude small facilities from which Scope 1 and Scope 2 emissions are not relevant based on the GHG Protocol.

2023 Emissions Data

Stoneridge is conscious of our environmental impact, and we are committed to reducing our carbon footprint. Each Stoneridge site within scope is required to collect performance metrics on Scope 1 and Scope 2 emissions.

Stoneridge follows the Greenhouse Gas Protocol Corporate Accounting Standard (revised edition) for calculating GHG emissions and is in line with ISO 14064-3 specifications with guidance for the validation of verification of GHG standards. Results reported are drawn from ten major facilities, including our corporate headquarters, engineering laboratories, distribution center, and manufacturing facilities. In 2023, we added our El Paso, Texas distribution center to our Scopes 1 and 2 emissions calculations, resulting in a slight increase in our Scope 1 emissions. Our Scope 2 emissions reduction continued.

In 2022, Stoneridge 2022 GHG emissions data received third-party reasonable assurance for Scope 1 and Scope 2 GHG emissions. Our [Assurance Statement](#) is included at the end of this report. In 2023, we continued with the same methodologies for emissions calculations.



We exclude small facilities from which Scope 1 and Scope 2 emissions are not relevant based on the GHG Protocol.

Scope 3 Emissions

GHG Protocol Category	2022 MTCO ₂ e	2023 MTCO ₂ e
Upstream 1 "Purchased goods and services"	85,736	83,036
Downstream 11 "Use of Sold Products"	1,369,573	1,325,666
Total Scope 3 Emissions	1,504,143	1,456,776
Total 2023 GHG Emissions (Scopes 1, 2, and 3)	1,520,856	1,472,962

Stoneridge pinpointed relevant Scope 3 emissions estimates based on CDP Technical Note: Relevance of Scope 3 Categories by Sector, published on April 11, 2022.

Our Operations

Water

In 2023, our absolute water withdrawal decreased 5.8% from a 2021 baseline. Our Environmental, Health and Safety (EHS) team will continue to find efficiencies across our water footprint toward continued reduction.

Year	Water Withdrawal (Megaliters) Cubic Meters per equivalent employee	% Water Withdrawal Decrease
2023	53	5.8%
2022	47.11	
2021	56.28	

Excludes sales offices and warehouse. Calculated from third-party utility bills.

Stoneridge’s primary uses of water are sanitation, drinking, and facility cleaning. Our manufacturing processes are not water-intensive; however, water risk analysis is considered at a local level. By conducting an evaluation of all locations, Stoneridge found that two of our seven manufacturing facilities are located in water-stressed areas, according to the *World Resources Institute Aqueduct Water Risk Atlas*. We require Stoneridge sites located in water-stressed areas to implement water conservation practices.

Where required, we measure and monitor our major facilities’ water discharges on a regular basis with results tracked by our local sites within their legal requirements database.

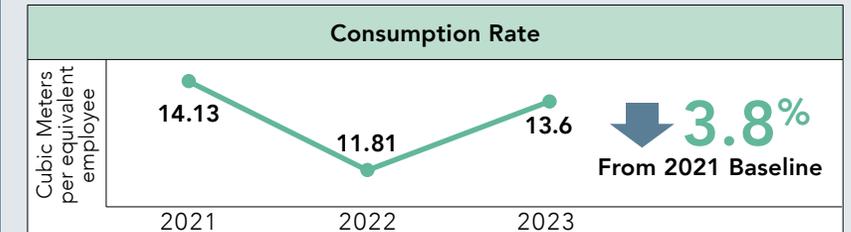
While our water footprint is limited, we are consistently working to identify ways to reuse, recycle, or reduce water. Our manufacturing sites monitor recycled/reused water.

SPOTLIGHT

Our manufacturing facility in Juarez, Mexico is located in a water-stressed area. The following target was set in its water conservation plan (and set a continued path for reduction in 2023):

WATER WITHDRAWAL REDUCTION TARGET:
Reduce water withdrawal per equivalent employee by 2% by 2022 compared to 2021

STATUS: ACHIEVED A 3.8% REDUCTION FROM 2021 BASELINE



One contribution is this plant’s use of grey water (domestic wastewater) in restroom facilities.

Waste

We are aware that the waste produced in our facilities has an impact on the environment. As a result, we are committed to finding ways to continuously increase the proportion of our waste that is recycled and will seek ways to further divert our waste from disposal in landfills.

The EHS team is responsible for the proper handling and tracking of hazardous and non-hazardous waste at our manufacturing sites and for compliance with local laws for proper disposal. In certain Stoneridge facilities, non-hazardous manufacturing waste is already separated to facilitate diversion efforts.

125,000 the approximate number of disposable cups eliminated from use annually in Stoneridge Barneveld

Our Operations

Quality

Stoneridge places a high level of importance on quality management. Present and potential Stoneridge suppliers must operate within a comprehensive quality system. Suppliers are required to provide written confirmation and objective evidence of third-party certification to an active version of International Automotive Task Force (IATF) 16949. Manufacturing suppliers that are not yet certified to the latest issue of this certification must have a working plan to become IATF 16949 compliant.

Distribution suppliers of parts manufactured by another company are also required to have a valid quality certificate according to the latest version of ISO 9001.

Going forward, we plan to collect supplier compliance data, including the number of suppliers who have signed our Global Quality Agreement, which includes our Supplier Code of Conduct. We set plans to additionally collect ISO 14001 compliance status, conflict minerals, cybersecurity and data protection, energy management, and are collaborating with a third-party vendor to identify high-risk and high-impact suppliers.



Our Operations

Supply Chain Engagement

Partnering with more than 700 suppliers across 35 countries requires a complex balance in managing product movement while meeting Original Equipment Manufacturer (OEM) expectations. Tracking our impact on the planet is a responsibility that Stoneridge takes seriously. In addition to optimization, we are focused on our own environmental footprint and operating more sustainably on a global scale. This includes working with suppliers that are aligned with our Company goals.

More than **700** suppliers across **25+** countries

Our Procurement Council – made up of our Chief Procurement Officer, Procurement Directors, and assigned global category managers – engages with suppliers to consistently exceed customer expectations in the planning, execution, and delivery of solutions for the mobility industries we serve. We consider our suppliers an extension of our business and therefore hold them to the high standard outlined in our [Global Quality Agreement](#) and our [Supplier Code of Conduct](#), including our sustainability expectations.

All new suppliers of direct materials and services complete a comprehensive risk assessment, and our Procurement Council reviews the assessments ahead of approval. With support from third-party systems, we collect preferred and approved supplier data for these assessments. In addition to key company and management information, we collect and analyze data on supplier diversity, quality, human rights, environmental, health and safety, and supply chain responsibility. This process aims to choose quality and like-minded partners to positively influence our supply chain.

We require manufacturing suppliers to implement ISO 140001-compliant environmental systems in their facilities. Manufacturing suppliers that are not certified must have a working plan to become compliant with ISO 14001.



Suppliers are expected to develop and implement an environmental sustainability program focused on the conservation of natural resources, including:

- » GHG Emissions Reduction
- » Energy Efficiency
- » Water Quality, Consumption, and Management
- » Air Quality Improvement
- » Recyclability and Waste Reduction
- » Hazardous Material and Chemical Management and Control

Our supplier page is located on the [Stoneridge website](#) and sets expectations, provides guidance and training on engaging with Stoneridge, and clearly and transparently shares our Terms and Conditions and the Stoneridge Global Quality Agreement, including our Supplier Code of Conduct. These resources include our standards on global trade compliance, conflict minerals, human rights and working conditions, and conflict materials.

We actively monitor the supply chain through our third-party partners and systems. We conduct audits during the onboarding of suppliers and on an ad hoc basis. Risk management mitigation plans are implemented when required. Should there be any concerns, all suppliers have access to the [Stoneridge Integrity Helpline](#).

Our Operations

Supply Chain Social Standards

As part of our commitment to operate with integrity, we support and promote human rights throughout our global supply chain. Our suppliers are expected to:

- » Prohibit the use of child labor
- » Respect lawful daily and weekly working hours and minimum legal wage, overtime wages, and benefits standards
- » Prohibit the use of forced labor and human trafficking
- » Respect the rights of employees to freedom of association and collective bargaining

More information about employee human rights is in the [Our People](#) section.

Material Sourcing and Conflict Minerals

We source responsibly and take steps to ensure that materials used in our products do not directly or indirectly provide funding for conflicts or human rights abuses. We expect the same from our suppliers. We require our suppliers to comply with all applicable laws and regulations regarding ethical material sourcing, including those with respect to raw materials and production processes. We expect our suppliers to adopt best practices for production processes and securing the supply of materials and components, as well as for addressing environmental, social, and product safety issues.

Stoneridge suppliers must be aware of applicable legal requirements in relation to conflict minerals (including tin, tantalum, tungsten, gold, and other ores originating from conflict areas) and ensure compliance with such laws. Additionally, we expect our suppliers to make an effort to avoid the use of raw materials that directly or indirectly finance armed groups violating human rights.



OUR PEOPLE



Our People

Stoneridge strives to create inclusive workplaces where our employees and suppliers thrive. Through our competitive benefits packages, learning and development programs, focus on workplace safety, and commitment to diversity, equity, and inclusion (DEI), we continue to make significant investments in our Stoneridge community.

Our Chief Human Resources Officer and Assistant General Counsel reports to the CEO and engages frequently with the Company’s Board of Directors on a broad range of human capital management topics. The Board understands the importance of an inclusive, performance-driven culture as a key contributor to our ongoing success. Talent strategy, employee feedback, retention, succession planning, and talent development are discussed with the Board. On an annual basis, the Board reviews the results of our annual talent review process, and the succession plans for our executive officers.

Global Human Rights

Stoneridge is committed to respecting the fundamental and essential human rights of our employees, contractors, subcontractors, suppliers, and their sub-suppliers. In 2023, we expanded the statement in our [Code of Conduct](#) to build a standalone [Global Human Rights and Working Conditions Policy](#) (published in Q2 2024), which aligns with many of the key principles identified in internationally recognized human rights standards, such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization Declaration on Fundamental Principles and Rights at Work. Our policy includes the following elements:

- » Non-Discrimination and Equal Opportunity
- » Ethical Recruiting
- » Labor Practices
- » Diversity, Equity, and Inclusion
- » Safe and Healthy Working Conditions
- » Working Hours, Benefits, and Wages
- » Freedom of Association and Collective Bargaining
- » Responsible Sourcing of Minerals
- » Use of Private or Public Security Forces



Our People

Diversity, Equity, and Inclusion

Stoneridge is committed to creating diverse, equitable, and inclusive workplaces that align with our Core Values and deliver sustainable business success. It is our mission to attract, advance, and advocate for a diverse workforce that represents the communities around us.

In 2021, we began a phased approach to developing a strategy for DEI. The first step was to gain a better understanding of how to approach this topic. Our Executive Leadership Team participated in an on-site workshop which focused on the topic of *Achieving Sustainable Inclusion*. The workshop provided a space for thoughtful discussion about DEI and its impact on our business success and helped inform our efforts in developing a plan for DEI.

Stoneridge's cross-functional DEI Committee was formed in 2022. The Committee consists of members representing human resources, compliance, legal, and communications. The goal of the DEI Committee is to raise awareness, educate our employees on this important topic, and ensure a workplace where everyone is treated fairly, is respected, and feels like they belong.

We are building an inclusive Stoneridge where all employees can grow, excel, and contribute to our success in a meaningful way. We are identifying, challenging, and responding to bias and eliminating barriers through fair policies and practices. We do not discriminate against any employee or applicant for employment because of race, religion, gender, age, national origin, sexual orientation, or any other category protected by law or our policies.

While we are in the beginning stages of our DEI journey, we are proud of our thoughtful progress. In 2023, we expanded our efforts and conducted a global DEI employee survey, piloted a regional DEI committee, and rolled out Unconscious Bias training to the Board of Directors and our salaried workforce.

Stoneridge is a member of the Center for Automotive Diversity, Inclusion, and Advancement (CADIA). CADIA is a mission-driven, member-oriented organization to provide diversity, equity and inclusion tools, networks, insights, and practical advice to companies in the auto-mobility space.



Stoneridge Diversity

We are attracting, advancing, and advocating for a diverse workforce that represents the communities around us.



Stoneridge Equity

We are challenging and responding to bias and eliminating barriers through fair policies and practices.



Stoneridge Inclusion

We are building an inclusive Stoneridge where all employees can grow, excel, and contribute to our success in a meaningful way.

Our People

Total Global Employees

4,850 in 14 countries



Europe

1,070



U.S. Employees

680

Non-U.S. Employees

4,170



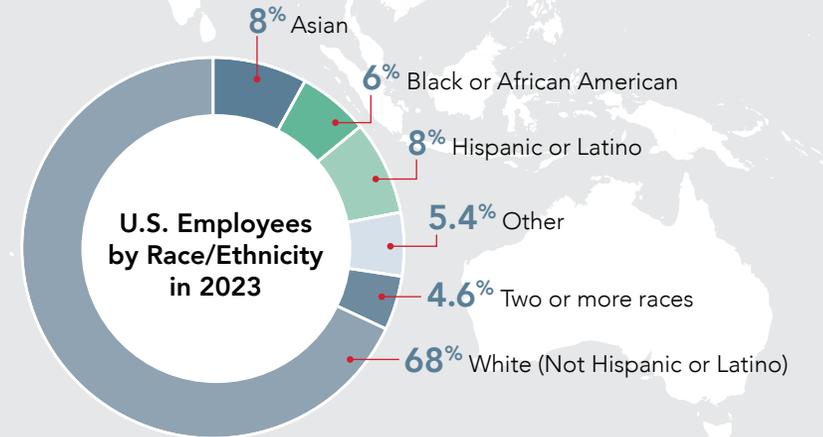
Employee Diversity

45% of the Company's total workforce are women

22% of the Company's executive leadership are women

11% of the Company's executive leadership are diverse in terms of race/ethnicity

27% of the Company's total U.S. workforce are diverse in terms of race/ethnicity



Global employee data as of December 31, 2023 is approximate and rounded for reporting purposes.

Our People

Employee Management and Development

We strive to create a work environment that is engaging to employees, fosters productivity, and is aligned with our Core Values of Integrity, Accountability, Teamwork, Adaptability, Customer Orientation, and Social Responsibility. Our success depends on attracting and retaining the right employees throughout the entire employment experience. Our Stoneridge Talent Management Program focuses on finding the right talent, employee engagement, evaluation, training, development, and wellness.

Recruitment

When identifying new candidates, we focus not just on the skills required for current positions but also on the ever-changing complex skills and competencies that will be required as we move forward on our path to being the mobility industry's integrated technology partner. We recruit in a variety of environments for diverse candidate pools, including through partnerships with professional organizations and universities.

Our Talent Acquisition Team includes a member who sits on the Stoneridge U.S. regional DEI Committee. Goals and learnings from this committee are drawn into how we attract potential candidates. Currently, Stoneridge is working to better represent racial and gender diversity in our qualified candidate pools. Practically, we aim to provide our hiring managers with qualified and diverse options for every open position.

Employee Engagement

Understanding our employees' needs and their perceptions of the Company is vital to maintaining a healthy workplace. To ensure that we are listening to our employees, we conduct periodic global employee engagement surveys and subsequent action planning to further develop our strong culture.

For example, in response to a request from our employees for increased communication, we expanded opportunities for employee engagement by adding local Town Halls with leaders, including question and answer sessions, across all three sectors. Town Hall meetings frequently give employees access to leadership in a forum where questions are welcomed. We introduced our U-talks (informal small format discussions) to review business happenings and gain employee feedback. Our President and Vice President of Human Resources for Control Devices conduct U-talk sessions on a regular basis throughout the year. When possible, this is done in person during site visits, and a translator is provided as needed. We will continue to review and respond to employee feedback on topics across the organization.

Annual Evaluation Cycle

Stoneridge employees receive an annual performance review which includes a mid-year check-in. These reviews are designed to facilitate learning and growth opportunities, helping employees identify areas of success and areas of improvement so they can advance in their careers at Stoneridge. Feedback and coaching offered throughout the year help align performance with our strategic goals.



Our People

Training

Employees receive a robust employee orientation with globally consistent and locally flexible messaging. Globally, employees receive training on our [Code of Conduct](#), a variety of other compliance and ethics-based eLearning courses, and related expectations of behavior. Functional and site-specific trainings are welcomed where local need is identified.

Development

At Stoneridge, we believe that providing opportunities to learn and develop is key to preparing our employees for their next steps.

Internship Program

Internship programs create opportunities for new talent to engage in on-the-job learning opportunities.

Stoneridge has a rotational Leadership Development Program created to capitalize on the talent we see in our interns, providing an opportunity for great growth in the individual and high-impact contributions to the organization. Program highlights:

- » Two-year rotational program customized based on employee aspiration
- » Three customized rotations, with at least one rotation in a manufacturing facility
- » End-of-rotation presentations to leadership
- » Mentors assigned to each employee in the program
- » Additional development opportunities/experiences

Benefits

Benefits available to U.S. employees include quality and competitive compensation, benefit programs, health and well-being resources including our Stoneridge Strong Wellness Program, and 401(k) retirement savings plan.

Outside of the U.S., we abide by the requirements of each jurisdictional healthcare system. While our benefit plans vary depending on geographical location, they are all designed to support employee health and development.



SPOTLIGHT

Stoneridge Brazil is Working to Develop New Talent

Stoneridge Brazil draws new talent into the organization by helping to build their real-world experiences:

- » The *New Talents Program* provides interns opportunities that will prepare them for the job market. Interns receive mentors that guide them through activities and support skill development in topics like emotional intelligence, negotiation techniques, effective communication and public speaking, and high-performance habits. At the end of the internship period, Human Resources meets with the manager to discuss potential employment opportunities.
- » Our team in Manaus, Brazil welcomed graduate students from the HR Certificate Program at the Centro de Educação Tecnológica do Amazonas (CETAM). Students engaged with Stoneridge employees to observe projects and practices.



Our People

Health and Safety

Stoneridge places a high level of importance on the safety of our employees in our operations. We encourage every Stoneridge employee to play a part in creating a safe work environment, whether it is taking personal safety precautions, following protocols, or observing and reporting potentially unsafe acts and conditions.

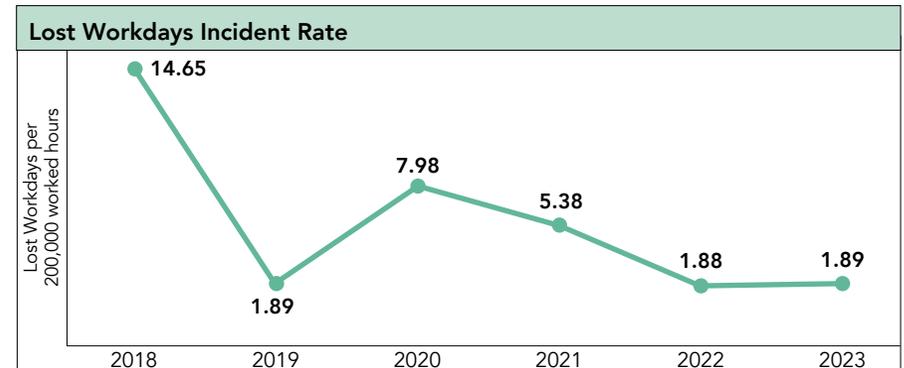
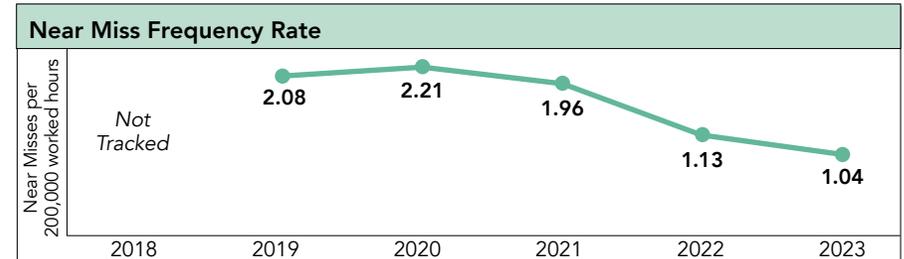
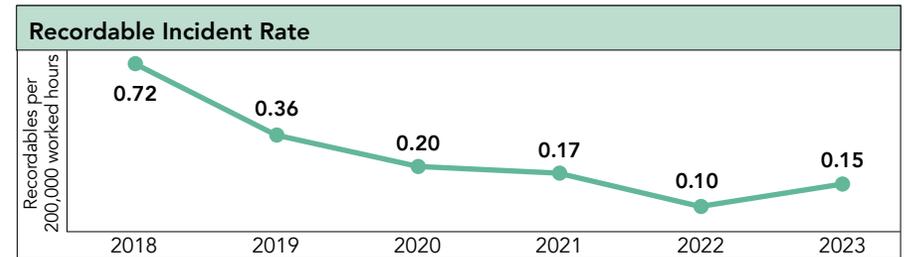
Our environmental, health and safety (EHS) focus increased in 2018 with the formation of our EHS Global Council, which includes representatives from all manufacturing sites. The Council has the goal of maintaining a safety-focused culture within the organization.

Over the past several years, the EHS Global Council has instituted enterprise safety key performance indicators, standardized data collection into a company-wide dashboard for improved tracking, and set targets toward a zero recordable incident rate and zero lost workdays incident rate. The EHS Council reviews safety performance indicators on a regular basis, and implements projects to improve health and safety in the workplace.

Major projects have included:

- » Introducing STOP® for Supervision, a standardized global observation system to provide employees with a space for open dialogue to talk about safety - fully implemented in 2019, the system features clear standards for documenting and reporting unsafe behaviors and conditions and recognizing safe practices
- » Standardizing lockout tagout (control of hazardous energy) training and visual tools for more than 2,000 pieces of equipment across all manufacturing sites
- » Developing a standardized health protocol and a Safe Workplace Guide for sites during the COVID-19 pandemic
- » Completing a Global Machine Light Curtain Evaluation for more than 200 pieces of equipment to minimize equipment-related safety risks

ZERO fatalities within our operations since company-wide recording began in 2018



Our People

Health and Safety

In 2022, we continued building momentum by establishing Global Machine Safety Standards. Our machine safety initiative provides guidelines for machine-safeguarding devices. Through assessments, teams identify and remedy issues by addressing potential machine-related risks before incidents occur.

Project highlights include:

- » Auditing more than 2,000 machines
- » Prompt remediation of audit findings
- » Training more than 160 employees on machine-safeguarding devices

We used learnings and feedback on equipment to develop the Stoneridge Health and Safety Specification. This document highlights health and safety compliance requirements for suppliers when building equipment and machines. The Health and Safety Specification includes a safety risk assessment during the design and validation of new equipment. Each step identifies needed improvements and requires corrective action before the equipment is incorporated into production.

Continuous Training

Training is imperative to reinforce our safety culture. An employee's health and safety training begins during onboarding and continues regularly with training on safety protocols and equipment. Each employee's training requirements are site- and function-specific. Our training courses range from emergency response and the handling of chemicals to fall and heat stress prevention.

SPOTLIGHT

Working Together to Build a Sustainable Safety Culture

CEO Promoting Safety-Focused Culture: Our President and CEO and Chief Human Resource Officer traveled to Stoneridge Brazil to join the local 2023 SIPATMA International Accident Prevention Week celebration, which included a manufacturing plant tour, team building activities, and discussions on the importance of creating a safety-focused culture. This participation reinforces the importance of safety at all levels of the organization.



Lexington Safety Topic of the Week: Our Lexington, Ohio, site cascades safety topics throughout the site weekly. The safety topic of the week is posted in the production area on communication boards, in conference rooms, on break room monitors, and is discussed in production line huddles. Topics include safety protocols, health and safety risks, awareness, or reminders driven by recent health and safety observations. Our Lexington location recently celebrated a significant milestone reaching more than one million zero lost time accident hours.

Suzhou Safety Month: Our Suzhou, China, site highlights safety for all employees during Safety Month. The month's calendar is full of health and safety-related training, games, practical drills, meals, and prizes for the participants. This activity drives the health and safety culture from the top down and engages all employees. During Safety Month 2023, employees participated in activities including a safety knowledge contest, forklift operations skills competition, firefighting device operation drills, and evaluated safety improvement projects to identify and improve safety issues.



Tallinn Global Certification: Our Tallinn, Estonia site is certified in the ISO 45001:2018 for Occupational Health and Safety Management.

Juarez Emergency Evacuation Drill: The emergency evacuation drill in our Juarez, Mexico site has evolved into one of the benchmarks in the Company. The Health and Safety Team trains all employees in emergency response plans and initiates a planned mock emergency scenario during the drill to challenge first responders to address these potential situations.



Our People

Community Engagement

Stoneridge is passionate about supporting the communities in which we operate. We are continually striving to be good corporate citizens and a great place to work through our culture of giving and engagement. Many of these efforts are conducted through our community engagement program, Stoneridge Gives Back. Although the program paused in 2020 due to the COVID-19 pandemic, we were excited to relaunch Stoneridge Gives Back in 2021 to reinvest in our people, the community, and the next generation of employees and customers.

The Stoneridge Gives Back Committee, located at our corporate office in Novi, Michigan, organizes volunteer efforts throughout the year. In 2023, we partnered with Operation Backpack to support 80 students, including 56 fully stocked backpacks, 25 backpacks, and additional supplies.

Stoneridge was also a STEM Partner of the 2023 Society of Automotive Engineers (SAE) Foundation Annual Celebration supporting A World in Motion®, enriching the STEM programs in classrooms throughout Michigan.

Also, as part of the Friends of the Rouge restoration project, our volunteers laid 525 protective mats to protect trees recently planted along the Rouge River located in southeastern Michigan.

SPOTLIGHT

Stoneridge China

In Suzhou, China, our team supports the park charity and volunteer association to support local farms and communities boost sales in remote and struggling areas. Stoneridge adopted 115 apple trees in Yan’an. Harvested fruit was shared with employees.

Stoneridge Brazil

Stoneridge Brazil contributes to its local communities. Since 2007, we have been a supporter of the Brazilian Health Expeditionary, a non-profit founded in Brazil by a group of volunteer physicians. The organization’s primary goal is to deliver medical treatment, including surgical care, to disadvantaged populations in the Brazilian Legal Amazon. Since its founding in 2003, the Brazilian Health Expeditionary has provided services to a demographic region the size of France.

Additionally, in 2023, Stoneridge Brazil supported the environment of local communities by planting native seedlings at Stoneridge’s Manaus plant to celebrate Earth Month.

Year-End Events at Stoneridge

Our teams around the world supported several youth organizations through the donation of toys and holiday cheer.

Stoneridge Mexico

During December 2023, the HR team at the Juarez facility participated in the Padrino Santa Claus event as partners with a local children’s shelter. The shelter provided a wish list of items for the children. Stoneridge employees then purchased these items and shared the gifts with the children during a Stoneridge-sponsored holiday party. In 2023, Stoneridge employees sponsored 62 children.

Stoneridge Brazil

Stoneridge Brazil employees gave back to their local communities during the holidays by:

- » Donating toys and fruitcakes to children in the Jardim Matão de Sumaré community in the Campinas region
- » Donating toys and holiday items to the O Coração do Pai Shelters in Manaus and Iranduba

Stoneridge Estonia

In 2023, Stoneridge employees in Tallinn, Estonia supported a Cancer Treatment Fund charity fair in December that sells handmade crafts with income supporting cancer patients.

Stoneridge Novi

Our Novi office came together in the spirit of generosity for our Toys for Tots donation drive. We collected approximately 200 unwrapped gifts. The toys that were donated by our Novi Stoneridge team were shared with children in various Michigan counties.



OUR GOVERNANCE



Our Governance

Corporate Governance

At Stoneridge, we believe strong corporate governance practices are key to achieving long-term shareholder value. We have adopted practices and policies that we believe serve the best interests of the Company and all our stakeholders. Our policies and practices include:

- » Independent Chairman of the Board and independent committee members
- » Ongoing Board refreshment, electing two new independent Board members in 2023
- » Annual Board and committee self-evaluations
- » Separate Compliance and Ethics Committee, which oversees our Integrity Program
- » Formalized ESG and DEI Steering Committees with Board oversight
- » [Code of Conduct](#)
- » [Whistleblower Policy](#) and [Stoneridge Integrity Helpline](#), available in multiple languages
- » Corporate governance guidelines
- » Adoption of a [Modern Slavery Act Statement](#)
- » Committee Charters regularly reviewed, including updates to Audit Committee and Compliance and Ethics Committee Charters in 2023

Additional information about Stoneridge, including public financial filings such as our annual report and proxy statement filings, can be found on our website at [Stoneridge.com](#).



Our Governance

Stoneridge Board of Directors



William M. Lasky
Chairman



Jim Zizelman*
President & CEO



Ira C. Kaplan
Director



Kim Korth
Director



George S. Mayes, Jr.
Director



Carsten J. Reinhardt*
Director



Sheila M. Rutt*
Director



Paul J. Schlather
Director



Frank S. Sklarsky
Director

Board Structure

Elected by our shareholders and led by an independent, non-executive chairman, Stoneridge’s Board of Directors provides guidance, helps develop and implement our strategic plan, manages risk and builds long-term shareholder value. All directors are independent, except our President and CEO. The duties of our directors are stated in our [Corporate Governance Guidelines](#).

2023 HIGHLIGHTS

8 of 9 directors are independent

3 new directors added to the Board*

33% gender diverse directors

11% racially/ethnically diverse directors

9.5 years average tenure

*Three new directors added in 2023, including Carsten Reinhardt and Sheila Rutt, two independent directors elected to the Board, and Jim Zizelman, appointed as President and Chief Executive Officer and member of the Board of Directors

Our Governance

ESG Oversight



» The **Board of Directors** provides the highest level of oversight of the Company's ESG-related initiatives.

- » The **Compliance and Ethics Committee** oversees the Company's ESG policies, sustainability initiatives, and related performance.
- » Other **Board Committees** receive updates and provide feedback on specific topics related to sustainability and other ESG-related topics that otherwise fall within their charters.

- » Stoneridge's **Executive Leadership Team** oversees the efforts of the ESG Steering Committee.
- » The Chief Human Resources Officer and Assistant General Counsel guides the efforts of the ESG Steering Committee and champions key sustainability initiatives.

- » **Sustainability Leadership** includes the Director of Compliance and Environmental, Health & Safety who leads the ESG Steering Committee and regularly provides updates to the Board and Executive Leadership Team.
- » The cross-functional **ESG Steering Committee** continually works to refine Stoneridge's sustainability efforts and meets regularly to oversee and monitor progress on our sustainability initiatives.
- » **Business leaders** across the organization are responsible for implementing processes and procedures aligned with Stoneridge's ESG commitments and sustainability initiatives.
- » **Team Members** execute on our sustainability initiatives and provide information and data needed to support reporting efforts.

» Stoneridge maintains ongoing dialogue with key **Stakeholders**, including customers, suppliers, employees, and shareholders.

For more information on ESG oversight, refer to the Company's [2024 proxy statement](#).

Our Governance

Business Ethics and Integrity

Stoneridge is committed to a culture of integrity and trust, to conducting all its business dealings in compliance with applicable federal, state, and foreign laws, rules, and regulations, and to operating with the highest standards of business ethics. Our Board and executive leadership set the tone, which is critical to driving a culture of integrity.

Our [Code of Conduct](#) provides guidance to all our employees – as well as those doing business with us and for us – and outlines our expectations for ethical behavior. Our Code applies to full-time, part-time, and temporary employees, directors, and contractors. It sets forth our fundamental standards of legal and ethical behavior. We expect that suppliers, agents, and others acting on our behalf will act in accordance with the spirit of our Code as well. Our Code covers key topic areas such as:

- » Reporting concerns and non-retaliation
- » No harassment or bullying
- » No bribery or corruption
- » Employee, customer, and consumer privacy
- » Anti-money laundering
- » Insider trading
- » Human rights
- » Conflicts of interest

In 2021, we engaged with employees through the delivery of our first Annual Ethics Survey (AES). The AES provides us the opportunity on a yearly basis to get a pulse on how effective our ethics and compliance efforts are and how well we understand our responsibilities for ethical behavior. The AES and our Code are available in all our business languages. We continue to monitor the effectiveness of our programs and identify areas of improvement.

Training

Ethics and compliance-based eLearning is regularly assigned to existing employees and is also integrated into the new employee onboarding process. The eLearning course offerings include the following and average approximately three hours of training per employee:

- » Global Workplace Harassment and Discrimination
- » Ethical Leadership
- » Unconscious Bias
- » Code of Conduct
- » Conflicts of Interest
- » Managing for Principled Performance
- » Careful Communications
- » Giving and Receiving Gifts

The Board of Directors participates in a variety of ethics and compliance trainings as well as the Annual Ethics Survey.

Stoneridge Integrity Program

In 2017, Stoneridge conducted a Compliance Risk Assessment resulting in the formation of the Stoneridge Integrity Program, which stresses the highest standards of integrity everywhere we do business. The Stoneridge Integrity Program:

1. Establishes policies and standards of behavior with clear explanations and effective training in local languages
2. Builds a consistent culture of integrity, especially by training managers to integrate compliance, ethical conduct, and curiosity into both day-to-day business and interactions with employees, contractors, and others
3. Develops and implements straightforward processes to facilitate, audit, and track:
 - a. Compliance with the law and our policies
 - b. Effective employee training
 - c. Implementation of this program

Our goal is to drive a culture of integrity by clearly defining our expectations for ethical conduct and a commitment to compliance with the law, our Code of Conduct, and our policies. The C&E Committee of the Board reviews the Integrity Program charter on an annual basis.

Our Governance

Whistleblower Policy and Procedures

Within our [Whistleblower Policy and Procedures](#), we underscore our strong commitment to integrity by providing an industry-leading, third-party provider to manage our [Stoneridge Integrity Helpline](#). We intentionally utilize an outside service provider to give our employees an added layer of comfort of anonymity and proper handling. This Helpline is available to everyone, not just Stoneridge employees, 365 days a year, 24 hours a day, and is available in all our business languages.

Stoneridge Integrity Helpline

We have a robust internal investigation protocol including an Investigation Committee made up of representatives from Legal, Compliance, Internal Audit, and Human Resources. At every quarterly global Town Hall, we remind our employees of our Helpline and the resources available to them for asking questions and raising concerns. In advance of every Board meeting, the Director of Compliance and EH&S provides a high-level update to the Executive Leadership Team, including information on trends and reports received. An update is also provided to the C&E Committee. We believe our system promotes accountability and transparency and reinforces ethical practices.

Enterprise Risk Management

Stoneridge's Enterprise Risk Management (ERM) Program is a process of risk identification, mitigation action planning, and evaluation of results. Stoneridge identifies, evaluates, and manages a broad range of risks related to our business and the industries in which we operate. We have integrated ESG-related risks, including climate-related risks, into our ERM process. The substantive financial or strategic impact from these risks is evaluated at the enterprise level based on input across all business units, geographies, and other levels within the organization. Our ERM process focuses on evaluating Stoneridge's exposure to each of the top risks identified based on the extent to which the risk event might affect Stoneridge (impact), the possibility that the risk event will occur (likelihood), and the time it takes for the risk event to manifest (speed). Our ERM risks are evaluated based on internally assessed dollar amounts for impact to financial statements relative to the reporting period and consider mitigation activities. Risk assessment results are presented to the Board of Directors on an annual basis.

SPOTLIGHT

2023 Risk Assessment Process

In 2023, our Risk Assessment Survey encompassed nearly 70 participants across all business units, regions, and functional areas to ensure a broad spectrum of viewpoints.

The confidential questionnaire consisted of open-ended survey questions to solicit feedback on Stoneridge's exposure to potentially significant risks.

Highlights of the process included:

- » Routing all responses directly to the Internal Audit Department
- » Assigning priority to any issue that could impact the Company's ability to achieve its business objectives
- » Sharing top risk themes and their related mitigation plans with the Board of Directors to obtain feedback on prioritization

Our Governance

Cybersecurity

Stoneridge understands the importance of security of our systems as we rely on information technology (IT) systems to process, transmit, and store electronic information to manage and operate our business.

Our Board oversees cybersecurity through the Audit Committee. The Audit Committee communicates and coordinates with the Compliance & Ethics (C&E) Committee to ensure alignment on ESG efforts. The IT senior executive team reports at least semiannually to the Audit Committee on cybersecurity threat risks, as well as other cybersecurity-related matters.

Our cybersecurity program is managed by our Director of Global IT Architecture and continually evolves our systems to meet the constantly changing digital environment. We enhance our firewall, workstation, email security, and network monitoring with managed detection and response and alerting capabilities. Periodic cybersecurity risk assessments identify, assess, and prioritize potential risks to information, data assets, and infrastructure. The Company addresses all identified risks and develops and implements controls to mitigate issues.

In 2023, we revisited our [Cybersecurity Policy](#) (published in Q2 2024), which requires mandatory compliance of all Stoneridge directors, officers, employees, interns, consultants, and contractors.

Employees are a critical part of our defense against exposure. Employees receive annual training on topics such as phishing, malware, and other cybersecurity risks. Any suspected violations are to be reported internally or via the [Stoneridge Integrity Helpline](#).

Our [Privacy Policy](#) outlines data collection from our websites including contact information for requesting removal of personal information.

For more information on how Stoneridge manages cybersecurity please review Section 1c: Cybersecurity of our [2023 10-K](#).



APPENDIX



Scope

This Sustainability Report covers activities, data, and initiatives from our fiscal year 2023 (January 1, 2023 to December 31, 2023).

ESG Disclosure and Framework Alignment

The topics covered in this Sustainability Report are those that we have determined to be important for our business and stakeholders. Stoneridge aligns with several ESG frameworks and disclosures to reinforce our commitment to transparency:

- » **Sustainability Accounting Standards Board (SASB)**
SASB provides a comprehensive set of industry-specific disclosure topics and guidelines. Please find our SASB table [here](#).
- » **Task Force on Climate-related Financial Disclosures (TCFD)** TCFD provides disclosure recommendations in the areas of governance, strategy, risk management, metrics, and targets. Please find our TCFD Report [here](#).
- » **CDP** The CDP is an international organization that helps investors, companies, cities, and governments measure and disclose important environmental impact information through an annual questionnaire and rating system. Please see our CDP response at www.cdp.net.
- » **United Nations Sustainable Development Goals (UN SDGs)** UN SDGs provide a shared set of 17 goals toward peace and prosperity for people and planet and create a call to action by all countries in a global partnership. Please see [page 42](#).

Stoneridge plans to report annually as we continue to monitor, measure, and develop our ESG initiatives and disclosures. Additional information about Stoneridge, including public financial filings such as our annual report and proxy statement filings, can be found on our website at Stoneridge.com.

Policy Reference

The policies listed here reflect current policies as of the release of this Report.

- » Code of Conduct
- » Code of Ethics for Senior Financial Officers
- » Conflict Minerals Policy
- » Cybersecurity Policy
- » Environmental Policy
- » Health and Safety Policy
- » Global Human Rights and Working Conditions Policy
- » Modern Slavery Act Statement
- » Whistleblower Policy and Procedures

2022 Assurance Statement

In 2022, Stoneridge received third-party reasonable assurance covering greenhouse gas (GHG) calculations on Scopes 1 and 2. We used the same methodologies for calculating emissions in 2023.

ALL4 • info@all4inc.com • www.all4inc.com

STRATEGY WITH SOLUTION PARTNERSHIP WITH A PURPOSE.

MEMORANDUM

To:	Stoneridge, Inc.	Date:	July 24, 2023
From:	Daryl J. Whitt, ALL4 LLC (dwhitt@all4inc.com)		
Subject:	Reasonable Assurance Statement for Stoneridge Inc.'s Scope 1 and 2 Greenhouse Gas Emissions		

Stoneridge, Inc. (Stoneridge) owns and operates nine major facilities globally. ALL4 LLC (ALL4) is providing a Reasonable Assurance statement for Stoneridge's calendar year 2022 Scope 1 and Scope 2 greenhouse gas (GHG) emissions.

Emissions Inventory

ALL4 has verified the calendar year 2022 Scope 1 and Scope 2 GHG emissions from the nine major Stoneridge facilities. The facilities include the corporate headquarters, research laboratories, and manufacturing facilities of Stoneridge. Scope 1 GHG emissions include direct emissions from fuel combustion and process sources of GHGs. Scope 2 GHG emissions include indirect emissions from electricity purchased. ALL4 found the GHG emissions from these facilities to be representative of Stoneridge's operations and locations. The following Stoneridge facilities are included in this engagement:

- Corporate Headquarters, Novi, Michigan
- Novi Labs, Novi, Michigan
- Juarez, Mexico
- Lexington, Ohio
- Manaus, Brazil
- Orebro, Sweden
- Orlaco, The Netherlands
- Suzhou, China
- Tallin, Estonia

The facilities listed above represent the major GHG emissions sources for Stoneridge in 2022. Stoneridge exhibits operational control at these facilities. Emissions for Stoneridge include carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) from direct combustion and process sources and indirect electricity generation. The Stoneridge operations have no sulfur hexafluoride (SF₆), hydrofluorocarbons (HFC), perfluorocarbons (PFC), or nitrogen trifluoride (NF₃) emissions. Stoneridge does not purchase heating or cooling services which would be considered Scope 2 sources. Other sources, which were considered to be insignificant and may be Scope 3 sources, include leased office spaces and a warehouse where Stoneridge does not have operational control over energy use, and which comprise less than two percent of total GHG emissions.

United Nations Sustainable Development Goals

Stoneridge’s sustainability efforts align with the United Nations Sustainable Development Goals (UN SDGs) and ensure we are continuing to support efforts to scale global solutions that drive a more sustainable future for all. The information below reflects our alignment with the UN SDGs along with our focus areas that support each goal.



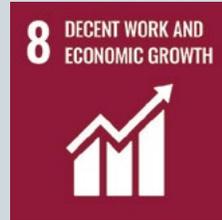
- » Occupational Health and Safety
- » Environmental Management
- » Product Safety and Quality



- » Human Capital Management
- » Diversity, Equity, and Inclusion



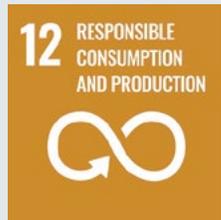
- » Environmental Management



- » Human Rights and Supply Chain Management
- » Quality Internship Programs



- » Investment in Powertrain Agnostic Technologies
- » Product Compliance and Quality



- » Environmental Management
- » Responsible Sourcing



- » Emissions Reduction Targets
- » Environmental Management

SASB Table

Stoneridge has prepared the following table in line with the Sustainable Accounting Standards Board (SASB) Standards for the transportation sector and auto parts industry.

TOPIC	ACCOUNTING METRIC	CODE	DISCLOSURE
Energy Management	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	TR-AP-130a.1	For details, see 2023 Emissions Data .
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	TR-AP-150a.1	For details, see Waste . Our hazardous waste management follows all regulatory and legal requirements.
Product Safety	Number of recalls issued, total units recalled	TR-AP-250a.1	Not reported
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency or reduce emissions	TR-AP-410a.1	For details, see Our Products .
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TR-AP-440a.1	For details, see current Materials Sourcing and Conflict Minerals and 2023 Conflict Minerals Report .*
Materials Efficiency	Percentage of products sold that are recyclable	TR-AP-440b.1	Not reported
	Percentage of input materials from recycled or remanufactured content	TR-AP-440b.2	Not reported
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TR-AP-520a.1	For details, see Item 3 in our 2023 10-K .

ACTIVITY METRIC	CODE	DISCLOSURE
Number of parts produced	TR-AP-000.A	Not reported
Weight of parts produced	TR-AP-000.B	Not reported
Area of manufacturing plants	TR-AP-000.C	Not reported

* Our Conflict Minerals Report is updated annually. The most current version is available on our Sustainability website.

TCFD Report

Stoneridge has developed our TCFD report based on the recommendations set forth by the Task Force on Climate-related Financial Disclosures (TCFD). This disclosure is organized in order of the TCFD areas of focus: Governance, Strategy, Risk Management, and Metrics and Targets. This TCFD report was updated with information available as of the Sustainability Report publication date (April 2024).

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
GOVERNANCE		
<p>a) Describe the board’s oversight of climate-related risks and opportunities.</p>	<p>The highest level of oversight on sustainability and environmental, social, and governance (ESG) matters lies within the Board of Directors. The Board provides oversight and guidance on the Company’s ESG-related initiatives, the Company-wide Enterprise Risk Management (ERM) process, and overall strategic efforts. This oversight includes the assessment of climate-related risks and opportunities.</p> <p>The Board Committees have various responsibilities connected to ESG matters. The Board’s Compliance and Ethics (C&E) Committee provides oversight of the Company’s ESG policies, strategies, and performance related to sustainability matters, corporate social responsibility, ethics, and compliance. The C&E committee reviews the ongoing efforts of the ESG Steering Committee which leads the development of the strategy roadmap for ESG reporting, including all sustainability and climate-related initiatives.</p> <p>The Company’s management provides updates on our ongoing sustainability efforts to the C&E Committee at regularly scheduled meetings and no less than four times per year.</p> <p>Furthermore, the Board oversees the Company’s strategic efforts including our response to long-term climate-related risks and opportunities, such as the transportation industry’s transition to more electrified vehicles.</p>	<p>2024 Proxy Statement</p> <hr/> <p>2023 CDP Climate Change Disclosure</p> <hr/> <p>Compliance and Ethics Committee Charter</p> <hr/>
<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>The Chief Human Resources Officer and Assistant General Counsel - Labor & Employment (CHRO) has oversight and operational management of the development of the Company’s sustainability strategy and the overall efforts of the ESG Steering Committee. The Director of Compliance and Environmental, Health and Safety (EHS) leads our ESG efforts and provides quarterly updates to the C&E Committee on the Company’s sustainability initiatives, including the efforts of the ESG Steering Committee. The ESG Steering Committee meets regularly to oversee and monitor progress on our sustainability initiatives and to develop strategies to reduce Stoneridge’s impact on the environment. In addition, the executive leadership team contributes to the assessment and management of company risks and opportunities, through the annual ERM assessment, review of public disclosures, strategic meetings, and other discussions.</p>	<p>2024 Proxy Statement</p> <hr/> <p>2023 CDP Climate Change Disclosure</p> <hr/>

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
STRATEGY		
<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>We have identified climate-related risks and opportunities that may impact our business, strategy, and financial planning over the short term (0 – 3 years), medium term (3 – 10 years), and long term (10 – 30 years). We believe that with the oversight of the Board of Directors, the executive leadership team, and the ESG Steering Committee, the Company will continue to implement reasonable and appropriate measures to mitigate identified climate-related risks and take advantage of the climate-related opportunities to drive long-term value for our stakeholders. The substantive financial or strategic impact of climate-related risks is assessed within Stoneridge’s Enterprise Risk Management (ERM) process.</p> <p>The Company has identified transition risks and opportunities and physical risks associated with climate change that may have a substantive financial or strategic impact on our business.</p> <p>1. Transition Risks & Opportunities</p> <p>The transition risks and opportunities we have identified are associated with the transition to a lower-carbon economy, such as regulatory changes impacting vehicle emissions and fuel efficiency requirements.</p> <p>Market Risks</p> <p>If we do not respond appropriately, the evolution of the global transportation industry toward electrification and shared mobility could adversely affect our business. The global transportation industry is increasingly focused on the development of more fuel-efficient solutions to meet demands from consumers and governments worldwide to address climate change and an increased desire for environmentally sustainable solutions. Failure to innovate and to develop or acquire new and compelling products that capitalize upon new technologies in response to these evolving consumer preferences and demands could adversely affect our business, financial condition, or results of operations.</p> <p>An emphasis on global climate change and other ESG matters by various stakeholders could negatively affect our business. Customer, investor, employee, and other stakeholder expectations of us and our supply base in areas such as the environment, social matters, and corporate governance have been rapidly evolving and increasing. Our failure, or that of our supply base, to adequately meet stakeholder expectations may result in, among other things, the loss of business, diluted market valuation, an inability to attract customers, or an inability to attract and retain top talent that could adversely affect our business, financial condition, or results of operations.</p>	<p>2023 Form 10-K</p> <hr/> <p>2023 CDP Climate Change Disclosure</p>

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
STRATEGY		
<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p><i>Continued</i></p>	<p>Market Opportunities</p> <p>The evolution of the global transportation industry toward electrification offers a significant opportunity for our Company, as our products align with the industry shift towards electrification. Over the past few years, the world's largest automotive Original Equipment Manufacturers (OEMs) have put an increasing emphasis on reducing their overall value chain carbon footprint. We supply most of our products, predominantly on a sole-source basis, to many of the world's leading automotive and commercial vehicle OEMs and select non-vehicle OEMs, as well as certain automotive and commercial vehicle Tier 1 suppliers. Our customers are increasingly utilizing electronic technology to comply with more stringent regulations (particularly emissions and safety) and to meet end-user demand for improved vehicle performance and greater convenience. As a result of this trend, per-vehicle electronic content has been increasing. Our technology and partnership-oriented approach to product design and development enable us to develop next generation products and systems for this trend.</p> <p>Regulation Risk</p> <p>Compliance with environmental and other governmental regulations could be costly and require us to make significant expenditures. Our business, operations, and facilities are subject to environmental, health and safety laws and regulations, many of which provide for substantial fines for violations. Both U.S. and international laws and regulations applicable to us have been increasing in scope and complexity. Changes in environmental, health and safety laws, regulations, and requirements, or other governmental regulations could increase our cost of doing business, adversely affect the demand for our products, or lead to new and additional investment in products. Changes in environmental and climate change laws and regulations, including laws relating to reporting greenhouse gas emissions, could lead to new and additional investment in products.</p>	<p>2023 Form 10-K</p> <hr/> <p>2023 CDP Climate Change Disclosure</p>

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
STRATEGY		
<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p><i>Continued</i></p>	<p>2. Physical Risks</p> <p>Physical climate risks include severe weather events or natural disasters occurring or exacerbated as a result of climate change, such as hurricanes, severe storms, flooding, or wildfires. Due to the global nature of our supply and distribution networks, as well as the business criticality of our manufacturing footprint, these events could have a material impact on our business operations.</p> <p>We are dependent on the availability and price of raw materials and other supplies. We require substantial amounts of raw materials, components, and other supplies, and substantially all such materials we require are purchased from outside sources. The availability and prices of raw materials, components, and other supplies may be subject to curtailment or change due to, among other things, new laws or regulations, suppliers’ allocations to other purchasers, and interruptions in production by suppliers, weather emergencies, natural disasters, commercial disputes, acts of terrorism or war, changes in exchange rates, and worldwide price levels.</p> <p>We have limited or no redundancy for certain of our manufacturing facilities, and therefore damage or disruption to those facilities could interrupt our operations, increase our costs of doing business, and impair our ability to deliver our products on a timely basis. If certain of our existing production facilities become incapable of manufacturing products for any reason, we may be unable to meet production requirements, we may lose revenue, and we may not be able to maintain our relationships with our customers.</p>	<p>2023 Form 10-K</p> <hr/> <p>2023 CDP Climate Change Disclosure</p> <hr/>
<p>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p>	<p>Response to Market Risks and Opportunities</p> <p>Stoneridge evaluates our technologies relative to emerging trends in the marketplace. Stoneridge is well aligned with the transportation industry trend towards electrification of vehicles. Stoneridge has transformed its organization to align with industry megatrends by rotating its portfolio into drivetrain agnostic products and investing in engineering for future products. We have invested in the design and development of several new products that are applicable to evolving engine types and maintain sustainable attributes, including reducing greenhouse gas emissions and improving vehicle safety and efficiency. By investing in drivetrain agnostic technologies, we believe our product portfolio will continue to align with current market conditions, customer preferences, and the regulatory environment.</p>	<p>2023 Form 10-K</p> <hr/> <p>2023 CDP Climate Change Disclosure</p> <hr/> <p>Code of Conduct</p> <hr/> <p>Supplier Code of Conduct</p> <hr/>

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
STRATEGY		
<p>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.</p> <p><i>Continued</i></p>	<p>Response to Regulatory Risks</p> <p>Stoneridge is subject to numerous legal requirements, including regulations related to climate change and energy. For example, our operations are subject to various federal, state, local, and foreign laws and regulations governing, among other things, emissions to air, discharge to water and the generation, handling, storage, transportation, treatment, and disposal of waste and other materials. We monitor compliance with environmental laws and regulations. Stoneridge complies with all applicable EHS laws and regulations in every country in which we do business. This topic is further addressed in our EHS policies and standards, Code of Conduct, and Supplier Code of Conduct.</p> <p>Stoneridge Procurement qualifies and monitors our direct suppliers to improve sustainability and compliance and to meet customer demands and regulatory requirements. We conduct supplier assessments and obtain certification from our direct suppliers to confirm their compliance with the relevant sustainability standards. The supplier assessments cover environmental protection, supply chain responsibility, anti-bribery/anti-corruption, diversity, quality management, conflicts of interest, health and safety, and human rights and labor.</p> <p>Stoneridge management is closely monitoring the various regulatory proposals including the U.S. Securities and Exchange Commission (SEC) proposed climate disclosures. The Audit Committee of the Board of Directors is regularly briefed on the proposed disclosures, and we work with outside advisors to make sure we stay informed on rule development and disclosure obligations.</p> <p>Response to Physical Risks</p> <p>Stoneridge plans for physical climate risks at the facility-level. Stoneridge manufacturing sites conduct risk assessments within the contingency plan process.</p> <p>Additionally, Stoneridge uses an external SaaS (software as a service) to proactively identify, assess, and mitigate supply chain risk over a whole spectrum of risk. The SaaS has data sources that assess financial risk, natural disaster risk, reputational risk, geopolitical risk, man-made risk, and cyber risk. This functionality helps to reveal supply chain dependencies and risky situations and take actions to prevent risk from costing our company. AI-powered software monitors our supply chain risk in real time so we can accurately understand our risk exposure and make the right decisions. The chronic risks induced by climate change such as rising sea levels, chronic heat waves, or rain pattern modifications may cause Stoneridge to consider these parameters for future asset establishments.</p>	<p>2023 Form 10-K</p> <hr/> <p>2023 CDP Climate Change Disclosure</p> <hr/> <p>Code of Conduct</p> <hr/> <p>Supplier Code of Conduct</p> <hr/>

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
STRATEGY		
<p>c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Our business strategy is well aligned with the transportation industry trend towards electrification of vehicles. We have transformed our organization and rotated our portfolio into drivetrain agnostic products and invested in engineering for future products. With this focus, we have invested in several new products that contribute to mitigating climate-related risks. Our strategy enables us to address the future based on varying regulations, consumer demands, and customer requirements.</p> <p>While we do not have a carbon transition plan in place, we are considering different climate-related scenarios and are assessing science-based targets. We anticipate conducting a climate scenario analysis within the next two years.</p> <p>Due to climate-related demand for carbon efficiency and reporting reductions in GHG emissions, we continually evaluate the implementation of more energy-efficient practices throughout our operations. We are adjusting equipment operating times to match demand, shutting off idling equipment when not in use, and replacing traditional incandescent lighting with energy-efficient lighting. We are also evaluating green energy procurement options in the near term (next 3-5 years).</p>	<p>2023 CDP Climate Change Disclosure</p> <hr/> <p>2023 Sustainability Report - Climate</p> <hr/>

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE
RISK MANAGEMENT		
<p>a) Describe the organization’s processes for identifying and assessing climate-related risks.</p>	<p>Stoneridge’s leadership understands the importance of a sustainable operations model. We have integrated climate-related risks identification into our ERM process. The substantive financial or strategic impact of such risks is also assessed within Stoneridge’s ERM process. The ERM process focuses on evaluating Stoneridge’s exposure to each of the top risks based on the extent to which the risk event might affect Stoneridge (impact), the possibility that the risk event will occur (likelihood), and the time it takes for the risk event to manifest (speed). Risks are evaluated based on internally assessed dollar amounts for impact to financial statements relative to the reporting period. These internally assessed values are net of potential mitigation activities. The results of this risk assessment are presented to the Board of Directors each year. The Board has oversight responsibility of the processes established to report and monitor systems for material risks applicable to us.</p>	<p>2023 CDP Climate Change Disclosure</p> <hr/> <p>2024 Proxy Statement</p> <hr/> <p>2023 Sustainability Report - Enterprise Risk Management</p> <hr/>
<p>b) Describe the organization’s processes for managing climate-related risks.</p>	<p>Enterprise-level risks are managed or mitigated through internal policies and procedures or other means as indicated in our response to the risks above. Through our ERM process and various internal working groups, we continuously monitor our climate-related risks among other risks identified during the process. Owners are appointed for each of the Company’s identified risks, and their assessments and mitigating actions are tracked and documented according to the Company’s enterprise risk management process. The findings of these processes are summarized and reported to the Board at least annually.</p>	<p>2023 CDP Climate Change Disclosure</p> <hr/> <p>2023 Sustainability Report - Enterprise Risk Management</p> <hr/>
<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.</p>	<p>Through our existing enterprise risk management process, Stoneridge manages a broad range of risks related to our business and the industries in which we operate, including risks related to climate change, and legal, regulatory, and market measures to address climate change. Substantive financial or strategic impact from these risks is evaluated at the enterprise level based upon input across all business units, geographies, and other levels within the organization. As stated above, these risks are integrated into Stoneridge’s overall ERM process.</p>	

TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE						
METRICS AND TARGETS								
<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>Our climate-related metrics include energy and water. We monitor our energy consumption, Scope 1 and Scope 2 greenhouse gas (GHG) emissions, and for our locations in water stressed areas, we monitor our water usage and consumption.</p>	<p>2023 Sustainability Report - Emissions</p>						
<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>SUMMARY OF STONERIDGE GHG EMISSIONS FOR 2023</p> <table border="1" data-bbox="749 705 1849 886"> <thead> <tr> <th data-bbox="749 705 1276 768">SOURCE</th> <th data-bbox="1276 705 1849 768">GHG TOTALS (MTCO₂e)</th> </tr> </thead> <tbody> <tr> <td data-bbox="749 768 1276 825">Scope 1 Total GHG Emissions</td> <td data-bbox="1276 768 1849 825">991</td> </tr> <tr> <td data-bbox="749 825 1276 886">Scope 2 Total GHG Emissions</td> <td data-bbox="1276 825 1849 886">15,195</td> </tr> </tbody> </table> <p>Stoneridge follows the GHG Protocol Corporate Accounting and Reporting Standard, Revised Edition, with a centralized accounting approach, to determine GHG emissions. Primary fuel, energy, and production data are entered into a commercially available online data management platform by facility representatives. This data system calculates Scope 1 and location-based Scope 2 GHG emissions for each facility and creates corporate summaries.</p> <p>Due to the sectors we supply, and the materials used to manufacture those products, relevant categories of Scope 3 emissions are upstream "Purchased goods and services" (83,036 MTCO₂e) and downstream "Use of Sold Products" (1,325,666 MTCO₂e). Scope 3 figures were estimated based on "CDP Technical Note: Relevance of Scope 3 Categories by Sector," published on April 11, 2022.</p>	SOURCE	GHG TOTALS (MTCO ₂ e)	Scope 1 Total GHG Emissions	991	Scope 2 Total GHG Emissions	15,195	
SOURCE	GHG TOTALS (MTCO ₂ e)							
Scope 1 Total GHG Emissions	991							
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TCFD Report

TCFD RECOMMENDED DISCLOSURE	STONERIDGE DISCLOSURE	DISCLOSURE REFERENCE															
METRICS AND TARGETS																	
<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>In 2021, we set a target to achieve a 15% reduction of Absolute Scope 1 and Absolute Scope 2 GHG emissions companywide by 2025 as measured against a 2019 baseline. We excluded small facilities from which Scope 1 and Scope 2 emissions are not relevant based on the GHG Protocol. As of 2023, we have exceeded this target and continue to measure against this goal through 2025.</p> <p>To achieve our 2025 target, we implemented energy efficiency and process optimization efforts in our production processes at our manufacturing sites. Efforts which contributed most to achieving our target included reduction of manufacturing floorspace, shutting off molding presses during off-shifts, and decommissioning our PM (Particulate Matter) sensor line.</p> <table border="1" data-bbox="751 725 1844 961"> <thead> <tr> <th data-bbox="751 725 1439 782">SCOPE 1 + SCOPE 2 (LOCATION-BASED) MTCO_{2e}</th> <th colspan="2" data-bbox="1439 725 1844 782">% ABSOLUTE DECREASE</th> </tr> </thead> <tbody> <tr> <td data-bbox="751 782 1274 818">2023</td> <td data-bbox="1274 782 1439 818">16,186</td> <td data-bbox="1439 782 1844 925" rowspan="4">18.6%</td> </tr> <tr> <td data-bbox="751 818 1274 853">2022</td> <td data-bbox="1274 818 1439 853">16,713</td> </tr> <tr> <td data-bbox="751 853 1274 889">2021</td> <td data-bbox="1274 853 1439 889">18,797</td> </tr> <tr> <td data-bbox="751 889 1274 925">2020</td> <td data-bbox="1274 889 1439 925">18,366</td> </tr> <tr> <td data-bbox="751 925 1274 961">2019</td> <td data-bbox="1274 925 1439 961">19,873</td> <td data-bbox="1439 925 1844 961">Base Year</td> </tr> </tbody> </table>	SCOPE 1 + SCOPE 2 (LOCATION-BASED) MTCO _{2e}	% ABSOLUTE DECREASE		2023	16,186	18.6%	2022	16,713	2021	18,797	2020	18,366	2019	19,873	Base Year	<p>2023 Sustainability Report - Emissions</p>
SCOPE 1 + SCOPE 2 (LOCATION-BASED) MTCO _{2e}	% ABSOLUTE DECREASE																
2023	16,186	18.6%															
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2019	19,873	Base Year															

Forward-Looking Statements

Statements in this document contain “forward-looking statements” under the Private Securities Litigation Reform Act of 1995. These statements appear in a number of places in this report and may include statements regarding the intent, belief, or current expectations of the Company, with respect to, among other things, our (i) future product and facility expansion, (ii) acquisition strategy, (iii) investments and new product development, (iv) growth opportunities related to awarded business, and (v) operational expectations. Forward-looking statements may be identified by the words “will,” “may,” “should,” “designed to,” “believes,” “plans,” “projects,” “intends,” “expects,” “estimates,” “anticipates,” “continue,” and similar words and expressions. The forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed in or implied by the statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among other factors:

- » the ability of our suppliers to supply us with parts and components at competitive prices on a timely basis, including the impact of potential tariffs and trade considerations on their operations and output;
- » fluctuations in the cost and availability of key materials (including semiconductors, printed circuit boards, resin, aluminum, steel, and copper) and components and our ability to offset cost increases through negotiated price increases with our customers or other cost reduction actions, as necessary;

- » global economic trends, competition and geopolitical risks, including impacts from the ongoing global conflicts and the related sanctions and other measures, or an escalation of sanctions, tariffs, or other trade tensions between the U.S. and China or other countries;
- » our ability to achieve cost reductions that offset or exceed customer-mandated selling price reductions;
- » the reduced purchases, loss, or bankruptcy of a major customer or supplier;
- » the costs and timing of business realignment, facility closures, or similar actions;
- » a significant change in automotive, commercial, off-highway, or agricultural vehicle production;
- » competitive market conditions and resulting effects on sales and pricing;
- » foreign currency fluctuations and our ability to manage those impacts;
- » customer acceptance of new products;
- » our ability to successfully launch/produce products for awarded business;
- » adverse changes in laws, government regulations, or market conditions, including tariffs, affecting our products or our customers’ products;
- » our ability to protect our intellectual property and successfully defend against assertions made against us;
- » liabilities arising from warranty claims, product recall or field actions, product liability, and legal proceedings to which we are or may become a party, or the impact of product recall or field actions on our customers;

- » labor disruptions at our facilities, or at any of our significant customers or suppliers;
- » business disruptions due to natural disasters or other disasters outside of our control;
- » the amount of our indebtedness and the restrictive covenants contained in the agreements governing our indebtedness, including our revolving Credit Facility;
- » capital availability or costs, including changes in interest rates or market perceptions;
- » the failure to achieve the successful integration of any acquired company or business;
- » risks related to a failure of our information technology systems and networks, and risks associated with current and emerging technology threats and damage from computer viruses, unauthorized access, cyber attack, and other similar disruptions; and
- » the items described in Part I, Item 1A (“Risk Factors”) in the Company’s 2023 [Form 10-K](#).

The forward-looking statements contained herein represent our estimates only as of the date of this release and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update these forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, whether to reflect actual results, changes in assumptions, changes in other factors affecting such forward-looking statements, or otherwise.



CONTACT US

We invite you to contact us at sustainability@stoneridge.com.