

**Legislation:** *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

**Reporting Year:** 1

**Period:** January 1, 2023 – December 31, 2023

**Accountable Signing Authority:** Chief Executive Officer of Tenneco Inc.

**Chairman of the Board of Directors of Tenneco Inc.**

## Introduction

In accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, SC 2023, c 9 (the “Canadian Act”), this joint report outlines the measures implemented by Tenneco Inc. and the following reporting entities: Tenneco Canada Inc., Tenneco International Holding Corp., Tenneco Automotive Operating Company Inc. (collectively, “Tenneco” or the “Corporation” or “our” or “we”) for the financial year ending December 31, 2023 (the “Reporting Period”) to address the risks of modern slavery, including but not limited to forced and child labour<sup>1</sup> at any step of the production of goods in Canada or elsewhere or of goods imported into Canada by the Corporation. Tenneco complies with all applicable global reporting obligations concerning modern slavery prevention and due diligence. Certain Tenneco subsidiaries are reporting entities under the UK Modern Slavery Act 2015, the German Supply Chain Due Diligence Act (LkSG) and the California Transparency in Supply Chains Act.

Tenneco maintains an unwavering commitment to conducting its business in an ethical and responsible manner. Modern slavery is completely unacceptable within Tenneco’s operations and its supply chains. Tenneco does not tolerate inhumane treatment of its team members such as, but not limited to, physical abuse, harassment or the threat thereof. Nor does Tenneco employ forced, bonded or involuntary labour or child labour. All employment terms are to be voluntary between Tenneco and its team members and workers conducting business on behalf of Tenneco. These principles are central to our labour and supply chain policies and apply to all levels of Tenneco’s global team members and the workforces of Tenneco’s suppliers and customers. We are happy to report that we maintain strict compliance with our policies within our operations and supply chains.

We uphold our standards for fair working conditions and prevent any violation of individuals’ human rights through the policies and procedures we have established. Our commitment to human rights and ethics is outlined in our Code of Conduct, Supplier Code of Conduct and Basic Working Conditions Policy. Additionally, we incorporate human rights-related clauses in our supplier agreements, including the Supplier Requirements Manual and General Terms and Conditions of Purchase, and summarize our actions and processes in Tenneco’s Statement on Efforts to Prevent Modern Slavery and Human Trafficking in its Supply Chains. All the policies and relevant materials mentioned above can be found on Tenneco’s website: [www.tenneco.com](http://www.tenneco.com).

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<sup>1</sup> As these terms are defined pursuant to section 2 of the Canadian Act.

Recognizing that human rights issues require multifaceted approaches, we engage with all prominent stakeholders to promote awareness and continue to develop and expand our understanding of the risks associated with the complex issue of modern slavery. We collaborate across our business and supply chains to implement appropriate practices that mitigate and address potential risks, which are further discussed in the sections below.

## **Part I – Structure, Operations and Supply Chains**

### **Our Structure**

Tenneco Inc., headquartered in Northville, Michigan, United States, is an industry-leading designer, manufacturer and marketer of automotive products for original equipment (OE) and aftermarket customers, with approximately 65,800 team members working at more than 200 sites worldwide. Tenneco’s entities that operate in Canada and the specific entities covered in this report are summarized below:

- Tenneco Canada Inc. is a manufacturer of exhaust systems for the automotive industry. Located in Cambridge, Ontario, and has more than 700 team members, this manufacturing facility satisfies the definition of “Entity” set out in section 2(b) of the Canadian Act and is considered a reporting entity under the Act.
- Tenneco Canada Inc.’s parent companies Tenneco International Holding Corp., Tenneco Automotive Operating Company Inc. and Tenneco Inc. also satisfy the definition of “Entity” set out in section 2(b) of the Canadian Act.
- Tenneco Inc. has two additional entities in Canada that do not satisfy the definition of “Entity” set out in the Act: Federal-Mogul Canada Limited and Ride Performance Canada Ltd.

Tenneco’s policies and practices related to modern slavery apply equally to Tenneco Canada Inc., Tenneco International Holding Corp., Tenneco Automotive Operating Company Inc. and Tenneco Inc., in addition to the two non-reporting entities Federal-Mogul Canada Limited and Ride Performance Canada Ltd.

### **Our Operations**

Tenneco’s operations are made up of four diverse and complementary business segments – DRiV, Performance Solutions, Clean Air and Powertrain – each promoting advancements in the mobility industry by delivering technology solutions for diversified global markets, including light vehicle, commercial truck, off-highway, industrial, motorsport and the aftermarket.

Our DRiV business segment designs, manufactures, sources, markets and distributes a broad portfolio of leading brand-name products in the global vehicle aftermarket while also servicing the original equipment service (OES) market. DRiV products are marketed and sold under more than 30 industry leading brands including Monroe®, Champion®, Öhlins®, MOOG®, Walker®, Fel-Pro®, Wagner®, Ferodo®, Rancho®, Thrush®, National®, Sealed Power® and others.

Our Performance Solutions business segment designs, manufactures, markets and distributes a variety of ride performance solutions and systems to an OE and aftermarket customer base. Performance Solutions provides noise, vibration and harshness performance materials, advanced

suspension technologies, ride control, systems protection and braking.

Our Clean Air business segment designs, manufactures and distributes a variety of products and systems made to reduce pollution and optimize engine performance, acoustic tuning and weight. Clean Air supports primarily light vehicle, commercial truck, off-highway and motorcycle customers.

Our Powertrain business segment designs, manufactures and distributes a variety of OE powertrain products for light vehicle, commercial truck, off-highway and industrial applications. Powertrain supports customers in new vehicle production and provides parts for their service and distribution channels.

Tenneco imports into Canada raw materials used for the purposes of manufacturing auto parts, including but not limited to, metals, minerals, chemicals, along with already manufactured products created by Tenneco elsewhere.

### **Our Supply Chains**

Our supply chains include a network of over 42,800 vendors producing, handling and/or distributing specific products or services. Specifically, our supply chains encompass the steps and materials they take to manufacture and deliver goods or services from suppliers to customers. We categorize our vendors into the following segments: Direct Material and Service vendors, Indirect Material and Service vendors, Capital Equipment (Capex) and Tooling and Transportation. The wider Tenneco group carries out business in 24 countries, and our supply chains include suppliers on six continents.

### **Part II – Policies and Due Diligence Processes**

Tenneco has a multifaceted approach to supply chain sustainability and a robust set of policies, codes and procedures addressing its obligations to treat team members, clients and suppliers with the highest possible level of dignity and respect, as well as Tenneco's expectations that its contractors, suppliers, and business partners do the same. These policies, procedures and expectations are outlined in Tenneco's Code of Conduct, Supplier Code of Conduct and relevant supplier agreements, Basic Working Conditions Policy and Whistleblower Policy.

Our policies and practices are guided by international and industry-leading standards, such as:

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

## **Tenneco Code of Conduct**

At Tenneco, we are committed to maintaining the highest ethical standards and instilling a foundation of ethics and integrity in our operations. Tenneco's Code of Conduct sets out our values and responsibilities for providing respectful, safe and healthy workplaces and guides our relationships with team members, contractors, vendors, suppliers and others through whom we conduct business, including by addressing human trafficking. In protecting human rights, our Code of Conduct goes beyond our commitment of just doing business ethically – its a commitment to treat people with decency, equity, dignity and respect. We expect companies that we work with to do the same.

Our Code of Conduct places a special emphasis on the importance of fostering an environment of open and honest communication and encourages team members to SPEAK UP when confronted with compliance, ethics, legal or other concerns. The Code applies to everyone, at every level of our company, including our officers and Board of Directors, and to every person and organization working on our behalf or doing business with us.

The Code of Conduct is managed by the Global Ethics & Compliance Department and is reviewed annually and updated as necessary.

## **Supplier Code of Conduct and Contractual Obligations**

Tenneco's supplier relationships are guided by our Supplier Code of Conduct. The Supplier Code of Conduct outlines our expectations and requirements which are more fully discussed in our Supplier Requirements Manual. We have also included human rights-related clauses in our General Terms and Conditions of Purchase.

### **Supplier Code of Conduct**

Through the Supplier Code of Conduct, Tenneco has established standards related to ethical business practices, social responsibility and human rights, environmental sustainability and supply chain management. Tenneco's Supplier Code of Conduct applies globally to all Tenneco supplier partners and, therefore, Tenneco requires that its suppliers, subcontractors and other interested parties embrace Tenneco's commitment to integrity by complying with its Supplier Code of Conduct, regardless of any conflicting local business practices or social customs. Tenneco seeks suppliers that are committed to conducting business in an ethical and honest manner, and prohibits using forced or child labour in its operations and supply chains. Tenneco expects that suppliers cascade similar requirements through their own supply chains.

The Supplier Code of Conduct sets minimum requirements and guidelines for Tenneco's suppliers and obligates them to comply with applicable laws, including those related to human rights and anti-human trafficking. Our Supplier Code of Conduct specifically includes provisions prohibiting child labour and forced labour and modern slavery, as follows:

“No Child Labor: Verify and maintain documents that prove employees meet legal age requirements.

No Forced Labor/Modern Slavery: Avoid facilitating or participating in human trafficking; avoid using forced, involuntary or slave labor; or avoid purchasing materials or services from companies using forced, involuntary or slave labor.”

Tenneco keeps records of all contractual counterparts, and our supplier contracts contain risk mitigation and enforcement provisions. All suppliers, consultants, and contractors are required to accept the terms of Tenneco’s Supplier Code of Conduct and affirm compliance with its requirements. Tenneco reserves the right to conduct audits upon reasonable notice. A violation by a supplier of the Supplier Code of Conduct is considered a breach of the supplier’s other agreements with Tenneco.

Tenneco’s Supplier Code of Conduct is managed by the Global Ethics & Compliance Department and is reviewed annually and updated as necessary.

### **Supplier Requirements Manual**

As part of the compliance requirements of the Supplier Code of Conduct, Tenneco requires its suppliers to follow its Supplier Requirements Manual, which provides more detailed information on suppliers’ obligations to conduct their businesses in line with Tenneco’s standards for corporate social and environmental responsibility and comply with applicable laws. To address human rights protection, the Manual explicitly states the following:

“Suppliers to Tenneco shall respect all internationally recognized human rights and treat all people with dignity. We expect our suppliers to exercise human rights due diligence to identify, prevent, mitigate, and account for negative human rights impacts of their own operations and supply chain with a focus on where they have the highest risks of doing harm to people, and appropriate to company size and circumstances.”

The Manual also includes suppliers’ reporting obligations as requested by Tenneco and training requirements. For instance, each direct material supplier is required to maintain a training program concerning our commitment against forced labour as outlined in our Manual.

Tenneco’s Supplier Requirements Manual is managed by the Purchasing Department and is reviewed and updated as necessary.

### **General Terms and Conditions of Purchase**

We have implemented best practices by including clauses that both prohibit using forced or child labour and impose penalties for same in our General Terms and Conditions of Purchase. The clauses state:

“Supplier and its subcontractors shall comply with all applicable anti-slavery, anti-forced labor or involuntary servitude, and anti-human trafficking laws, statutes and regulations from time to time in force. Supplier further represents that neither it nor any of its subcontractors will utilize child, slave, prisoner or any other form of forced or involuntary labor or engage in abusive worker treatment or corrupt business practices.”

Under Tenneco's general terms and conditions of purchase, Tenneco reserves the right to terminate commercial agreements with suppliers where the supplier breaches the above noted prohibitions against using forced or child labour.

Tenneco's General Terms and Conditions of Purchase document is managed by the Purchasing Department and is reviewed and updated as necessary.

### **Basic Working Conditions Policy**

At Tenneco, we remain committed to sound labour practices and respecting human rights in every region where we operate. Our standalone Basic Working Conditions Policy sets the standards for fair working conditions, which apply to all our team members and third parties working with our business, including contractors, suppliers, and other value chain partners. This policy includes clauses regarding the prohibition of forced and child labour, as follows:

“Child Labor: The Company will comply with local minimum age laws and requirements and in any case will not employ child labor (defined as any person under the age of 16). Age exceptions will be made where legally allowable for authorized job training or apprenticeship programs that bear a clear benefit to the participants. As previously required, the Company will not utilize suppliers that fail to comply with the Company's policy concerning child labor.

In the United States, the minimum age for employment is 18. Any exceptions to the minimum age requirement, where permitted by law, must be approved by the Chief Human Resources Officer (CHRO).

Forced Labor: The Company will not tolerate inhumane treatment of its team members such as, but not limited to, physical abuse, harassment, or the threat thereof. The Company will not employ forced, bonded or involuntary labor. All employment terms are to be voluntary between the Company and its team members...The Company has a zero-tolerance policy prohibiting human trafficking and trafficking related activities.”

The Basic Working Conditions Policy is managed by the Human Resources Department and is reviewed and updated as necessary.

### **Whistleblower Policy and Non-Retaliation**

We train our team members to live and promote our values actively and encourage them to speak up with any questions, ideas, or concerns including those related to human rights. At Tenneco, we do not allow any form of retaliation (such as firing, salary reduction or any other negative job action) against those who share sincere concerns, cooperate in investigations or make honest reports.

To solidify and provide specific guidance on the handling, review and reporting of violations of our Code of Conduct, company policies, or laws relevant to our business, we have documented our whistleblower program into a separate Whistleblower Policy aside from the Code of Conduct, ensuring that it remains transparent and easily accessible to all global team members.

Tenneco's Whistleblower Policy is managed by the Global Ethics & Compliance Department and is reviewed and updated as necessary.

By putting in place these formal policies, codes of conduct for team members and suppliers, and comprehensive compliance and reporting guidelines, Tenneco actions its commitment to healthy, safe and respectful working conditions throughout Tenneco's supply chains.

### **Our Reporting Process**

Violations of our Code of Conduct, our policies, or the law can hurt Tenneco and our team members. All individuals are encouraged to speak up if they ever see or suspect improper conduct or violations of laws or Tenneco policies. Team members have several options to report a concern or ask a question. They can contact their manager, another manager they trust, Human Resources or the Law Department, Tenneco also maintains an Ethics and Compliance Hotline through which any concerns or potential violations of our Code of Conduct, corporate policies or regulations can be reported. The Tenneco Hotline is available 24 hours a day, seven days a week by phone and online. The toll-free numbers are listed on our Ethics and Compliance Hotline website. The Ethics and Compliance Hotline is available to anyone to report concerns or violations including team members, suppliers, contractors and consultants. Reporters can submit a report in 22 languages.

In most countries, reporters have the option to remain anonymous, where permitted by law. In countries where the law does not allow it, the Hotline representative will inform the reporter of the situation. If the reporter uses the Hotline to speak up, they will receive a report number to track the report status or provide additional information. All issues reported through the Hotline will be forwarded to the Ethics & Compliance Department and inquiries will be addressed promptly. At Tenneco, all reports of possible misconduct are taken seriously. Once a report is received, Tenneco will investigate the matter confidentially, make a determination whether its Core Values, Code of Conduct, policies or applicable laws have been violated, and take appropriate corrective action promptly and thoroughly. Tenneco's team members are expected to cooperate in investigations.

### **Our Due Diligence Processes**

Tenneco supports the goals of the Canadian Act and takes seriously our responsibility to act with due diligence to avoid infringing on the human rights of others and address any impact on human rights if they occur. We adopt a due diligence procedure that is designed to clearly define our risk-based supplier management and evaluation approach, including screening activities, tools, roles and responsibilities for issue tracking, escalation, corrective action and reporting to ensure early identification and intervention in potential human rights or violations of our company standards. We also maintain a specific due diligence process for conflict minerals in our supply chains to address potential human rights and sustainability risks.

Across our business, our due diligence measures include layers of review of suppliers' acknowledgment and compliance with our supplier policies and contractual agreements. As described above, we require suppliers to abide by Tenneco's Supplier Code of Conduct, Supplier Requirements Manual and General Terms and Conditions of Purchase as a condition of doing business with Tenneco.

In addition, we have implemented a new company-wide program to engage and assess our high-risk/high impact suppliers on sustainability topics on an ongoing basis. In collaboration with EcoVadis, a third party that evaluates organizations on their policies, actions and performance on issues concerning labour and human rights, environmental sustainability, business ethics and sustainable procurement, this program allows us to systematically identify sustainability-related risks in our supply chains, including those related to child labour and forced labour.

To address risks in mineral sourcing and as part of our continuous effort to source responsibly and align with the expectations of the Automotive Industry Action Group (AIAG) and OEMs, we maintain an annual, comprehensive supply chain due diligence process to document the origins of minerals and audit responses to our supplier questionnaires. We have included cobalt and mica reporting in our annual due diligence process to prevent potential human rights violations such as poor working conditions and child labour. As we become more aware of minerals of concern, we will incorporate additional assessments as applicable into our process to monitor and manage performance in our supply chains.

### **Part III – Risks of Forced Labour and Child Labour in Operations and Supply Chains**

Our potential exposures to indirect association of modern slavery practices come through our supply chain, as we rely on extensive use of a wide range of materials and contracting and subcontracting services. For instance, we procure minerals that may present human rights risks in their sourcing processes and countries of origin. We monitor and mitigate potential risks by adopting rigorous supplier due diligence, engagement, reporting and assessment programs, as described in the section above.

Tenneco utilizes risk-based criteria to perform supplier human rights related due diligence. This process enables us to focus on specific suppliers where there is a higher probability of risk. The criteria are based on country risk and industry risk.

Tenneco assesses low to minimal risk of forced labour or child labour. Tenneco is not aware of any forced labour or child labour in our operations and supply chains. Both statements are subject to the limitations of Tenneco's risk identification activities as described in more detail in the sections above and below.

Should we determine a supplier uses, directly or indirectly, forced labour or child labour, we will notify the supplier of the breach and cease the working relationship until corrective action is put into place.

### **Part IV – Measures to Remedy Forced Labour and Child Labour**

Tenneco is not aware of any incidents of forced labour or child labour in our activities or supply chain in our past financial year, subject to the limitations of our risk identification activities. Accordingly, Tenneco has not had to take any remedial measures in response to incidents of forced labour or child labour. However, Tenneco is prepared to take immediate and effective corrective or disciplinary actions should any incidents arise, including but not limited to:

- If there are any ethics or compliance issues identified in supplier interactions, we take actions to immediately remediate the issue or discontinue business relationships with suppliers and other third parties that fail to meet our standards for lawful and ethical

conduct including prohibitions on the use of child labour and forced labour in any of its forms, such as human trafficking and slavery.

- Team members who violate the Code of Conduct may be disciplined or dismissed, depending upon the nature of the violation.

### **Part V – Measures to Remediate the Loss of Income to those Impacted by the Elimination of Forced Labour and Child Labour**

Tenneco has not as of the date of this report become aware of any loss of income to vulnerable families resulting from our measures to eliminate the use of forced labour and child labour in our activities and supply chains.

### **Part VI – Training Provided to Employees**

We offer our global team members and supply chain partners training resources and tools to mitigate social and environmental risks in our supply chain, including those relating to human rights matters, as described below:

- We require mandatory Preventing Global Modern Slavery training for all global salaried team members to help manage risks related to forced labour and establish credibility in the integrity of our operations and interactions with our customers, people and communities. The training covers modern slavery prevention laws in the U.S., the UK, Germany and Australia to ensure company-wide compliance with applicable labour regulations in our business activities.
- We mandate Code of Conduct training for all salaried and hourly team members.
- We encourage all suppliers to take AIAG's Global Working Conditions self-assessment and complete the AIAG Supply Chain Sustainability e-learning module that covers fundamental principles of responsible working conditions, child labour, forced labour and other important worker rights-related topics.

### **Part VII – Assessing Effectiveness of Actions against Forced Labour and Child Labour**

To ensure the successful execution of our policies and programs concerning human rights protection and anti-slavery, we have rolled out additional verification and monitoring processes to ensure our standards and requirements are being met, including:

- Comprehensive audits at select sites to verify no under-age workers from our direct hires or those sourced through our largest external staffing partner.
- Suppliers must verify compliance with Tenneco's requirements by completing periodic questionnaires.
- Supplier audit program: For all vendors that provide direct materials, we perform on-site audits during the onboarding process to ensure suppliers meet our standards for quality certifications and management systems which include social and environmental criteria.
- We request suppliers to annually update their EcoVadis supplier sustainability assessments and track suppliers' progress against improvement areas identified in their environmental and social programs and performance.
- The Conflict Minerals Oversight Committee oversees our progress for due diligence to monitor compliance with conflict minerals regulations.

In collaboration with AIAG and the Responsible Minerals Initiative (RMI), we are able to access additional resources to conduct a more in-depth analysis of smelters and refiners identified in our due diligence program. Utilizing the tools offered by these organizations, we provide immediate feedback on the information submitted by suppliers and ensure compliance with industry standards concerning responsible and ethical minerals sourcing.

**Attestation**

This report was approved by the Board of Directors of Tenneco Inc., pursuant to subparagraph 11(4)(b)(ii) of the Canadian Act, as being a joint report of Tenneco Inc. and its subsidiaries Tenneco Canada Inc., Tenneco International Holding Corp., and Tenneco Automotive Operating Company Inc.

In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

By signing the below, I hereby confirm I have the authority to bind Tenneco Inc.



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Jim Voss  
Chief Executive Officer of Tenneco Inc.  
Chairman of the Board of Directors of Tenneco Inc.  
I have the authority to bind Tenneco Inc.

29 May 2024

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Date