



# 2024 Sustainability Report



*Improving the experience of a world in motion.*



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### ABOUT THIS REPORT

Adient’s vision is “improving the experience of a world in motion” — for our people, our processes, our products and our planet. We are focusing on driving impactful sustainable actions that not only strengthen our business, but also help create a better world for all.

This report outlines our near- and longer-term sustainability commitments and goals and details our fiscal year 2024 actions, progress and key challenges related to those goals. The data represented in this report encompasses our owned and leased manufacturing sites, warehouses, technical centers and office sites (collectively referred to as “sites”) as well as mobile fleet vehicles (powered industrial vehicles and on-road) of Adient’s wholly owned subsidiaries and those entities in which Adient has a controlling interest. Read more in [Appendix 5.1](#).

Adient will be subject to additional detailed disclosures on sustainability-related matters, including the Corporate Sustainability Reporting Directive (CSRD), which encompasses the European Sustainability Reporting Standards (ESRS) and the EU Taxonomy, starting in fiscal year 2026. Adient has started to incorporate expanded disclosures in preparation for ESRS, with further disclosures anticipated in future years.

PricewaterhouseCoopers LLP performed a limited assurance engagement over the scope 1 and scope 2 greenhouse gas emissions, total energy consumption, total water withdrawal, and percentage of water withdrawal in countries with high and extremely high baseline water stress indicator metrics as disclosed in the data tables in [Appendix 5.5](#) of this report. The PricewaterhouseCoopers LLP limited assurance report and Adient management assertion are also provided in [Appendices 5.2](#) and [5.3](#), respectively.

# Adiant Fiscal Year 2024 Key Sustainability Metrics

Topic	Metric	FY23 Key Performance Indicator	FY24 Key Performance Indicator
<b>Greenhouse Gas Emissions</b>	Scope 1 and 2 (market-based) greenhouse gas emissions*	278,919 mtCO <sub>2</sub> e (34% improvement over base year 2019)	263,330 mtCO <sub>2</sub> e (38% improvement over base year 2019)
	Scope 3 greenhouse gas emissions	5,743,099 mtCO <sub>2</sub> e	5,537,171 mtCO <sub>2</sub> e (4% improvement over FY23)
<b>Continuous Improvement Project Savings</b>	Greenhouse Gas emissions	7,394 mtCO <sub>2</sub> e	7,391 mtCO <sub>2</sub> e
	Water	51,607 m <sup>3</sup>	53,669 m <sup>3</sup>
	Fuel	21 million kWh-equivalent	8.8 million kWh-equivalent
	Waste	2,032 metric tons	5,308 metric tons
	Energy	70 million kWh	62 million kWh
<b>Energy</b>	Total electricity consumption attributed to renewable sources	26%	29%
	Plants globally that are ISO 14001 audited and certified**	96%	100%
	Total energy consumption	881,196,250 kWh	825,707,798 kWh
	Energy intensity (scope 1 and 2)***	56,851 kWh / \$ million in sales	55,863 kWh / \$ million in sales
<b>Water</b>	Total water withdrawal	1,345,917 m <sup>3</sup>	1,258,962 m <sup>3</sup>
	Water intensity***	86.8 m <sup>3</sup> / \$ million in sales	85.2 m <sup>3</sup> / \$ million in sales
<b>Waste</b>	Total global waste generation	127,958 metric tons	138,998 metric tons
	% of waste that is hazardous	1%	2%
	% of waste incinerated	8%	7%
	% of waste recycled, recovered or reused	80%	81%
	% of waste sent to landfill	12%	12%
<b>Health &amp; Safety</b>	OSHA recordable rate****	0.57	0.51
<b>Workforce Diversity</b>	% of global employees who are female	41%	41%
	% of global leaders who are female	19%	19%
	% of new hires who are female	45%	42%
	% of employees in the U.S. who identify as ethnic minorities	49%	52%
	% of leaders in the U.S. who identify as ethnic minorities	27%	27%
	% of Adiant Board who are female	33%	33%
	% of Adiant Executive Team who are female	22%	28%

\* Within SBTi boundaries

\*\* Total for manufacturing sites in serial production for 18+ months

\*\*\* Intensity values calculated using the sum of net sales for all three regions before any corporate eliminations.

\*\*\*\* Recordable incidents per 100 employees annually.

Additional metrics are available in [Appendix 5.5](#)

### Guiding Principles



### Adient delivers a diverse range of automotive seating products and solutions

- > Complete seats
- > Seat structures and mechanisms
- > Trim
- > Foam
- > Armrests and head restraints



Adient's **Evolution of Seating Systems Sustainability** (ES<sup>3</sup>) process addresses key trends to create value for our customers

### FY24 Financials

~\$14.7B Consolidated revenue      ~\$3.8B Unconsolidated revenue

#### Strong and diversified revenue mix:

Passenger Car ~23 %  
Truck / Van ~24 %  
CUV / SUV ~53 %

## Improving the experience of a world in motion.

### Creating a sustainable future together

#### Sustainability targets

- > Reduce absolute scope 1 and 2\* greenhouse gas emissions 75% by **2030**
- > Reduce scope 3\* greenhouse gas emissions 35% by **2030**
- > Convert 100% of our manufacturing sites to renewable electricity by **2035**
- > Achieve carbon neutrality at our manufacturing sites for scope 1 and 2 greenhouse gas emissions by **2040**



#### Adient's Product Carbon Footprint Tool

This proprietary tool drives our decisions toward reducing the carbon footprint of our product portfolio, aligned with OEM (original equipment manufacturer) requirements.

### Creating sustainable value for our stakeholders



- > Drive **excellence** in execution
- > Leverage **innovation**
- > Focus on continued **portfolio** growth
- > Disciplined **capital allocation**

#### Actions driving shareholder value

- > Implementing modular assembly in production
- > Expanding automation, artificial intelligence projects
- > Developing partnerships to drive content growth, advance product innovation, and enhance in-house capabilities



\*Scope 1 emissions are our own direct greenhouse gas emissions; scope 2 refers to our indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or electric vehicles charged offsite; and scope 3 emissions are our value chain emissions.





# 1. About Adient



# 1.1 CEO Letter

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## A Message from Jerome Dorlack

Adient's 2024 Sustainability Report describes the considerable progress the company has made in fiscal year 2024 on our environmental, social and governance goals. Along with providing updates on our many measurable accomplishments, it highlights hundreds of sustainability projects undertaken by Adient teams globally to improve our world.

Since we began publishing the Sustainability Report five years ago, much has changed. Sustainability is a journey, and as we have progressed through its various stages, our goals have evolved as well. One thing that hasn't changed, however, is the fact that our sustainability initiatives are integral to our business strategies. The steps we have undertaken continue to support our objective to be a preeminent global supplier of automotive seating and deliver attractive returns to our shareholders. The work detailed in this report is consistent and aligned with our business strategy.

Our more than 70,000 employees integrate sustainable processes into the company's operations every day, driving quality and operational excellence. Teams take a proactive approach to identifying trends in sustainability and focus on those with the greatest impact across our foam, trim, metals and complete seat operations. By doing this, we provide our customers with solutions that support their own sustainability goals.

I invite you to read Adient's 2024 Sustainability Report. After doing so, I hope it's clear that the steps we have taken this year are contributing to creating a greener future for the automotive industry and the planet.

Thank you.



Jerome Dorlack  
Adient President and CEO



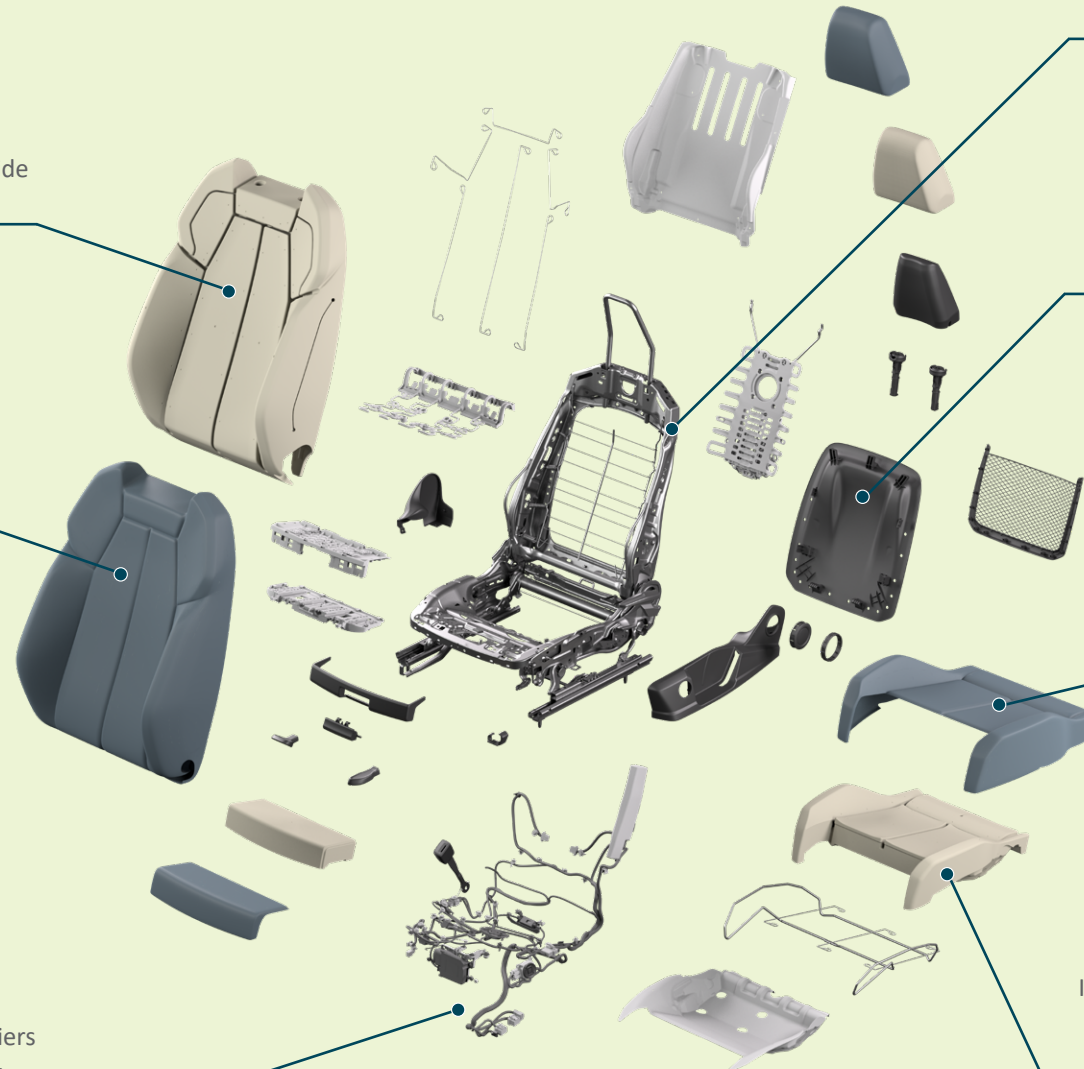


## ANATOMY OF A SEAT: PRECISION IN EVERY PART

We produce **foam** for automotive cushions, backrests, head restraints and more using high-quality, high-performance foam formulations — including foam products containing recycled or bio content — that provide passenger comfort and safety.

We deliver complete **cut-and-sew** solutions for seats, armrests and head restraint covers on a just-in-time basis.

We are collaborating with our suppliers to systematically decarbonize safety, comfort and electrical **components** and increase their circularity.



Our **seat structures and mechanisms** are based on standardized and modular designs, making them compatible with a majority of vehicle makes and models.

We are focused on integrating recycled and recyclable **plastics** into our products.

We are working on increasing the amount of recycled and recyclable materials in our **trim covers**.

We manufacture **foam products** in our ISCC+ certified plants, integrating recycled content into polyurethane (PUR) foams through a mass-balance approach.



## 1.2 Company Overview

**At Adient, we are always innovating and continually improving the experience of a world in motion. We are at the forefront of sustainable automotive seating, providing cutting-edge solutions to our customers as they work toward their vehicle electrification and sustainability goals.**

We recognize the influence we have as a large company with operations around the globe, and we take this responsibility seriously.

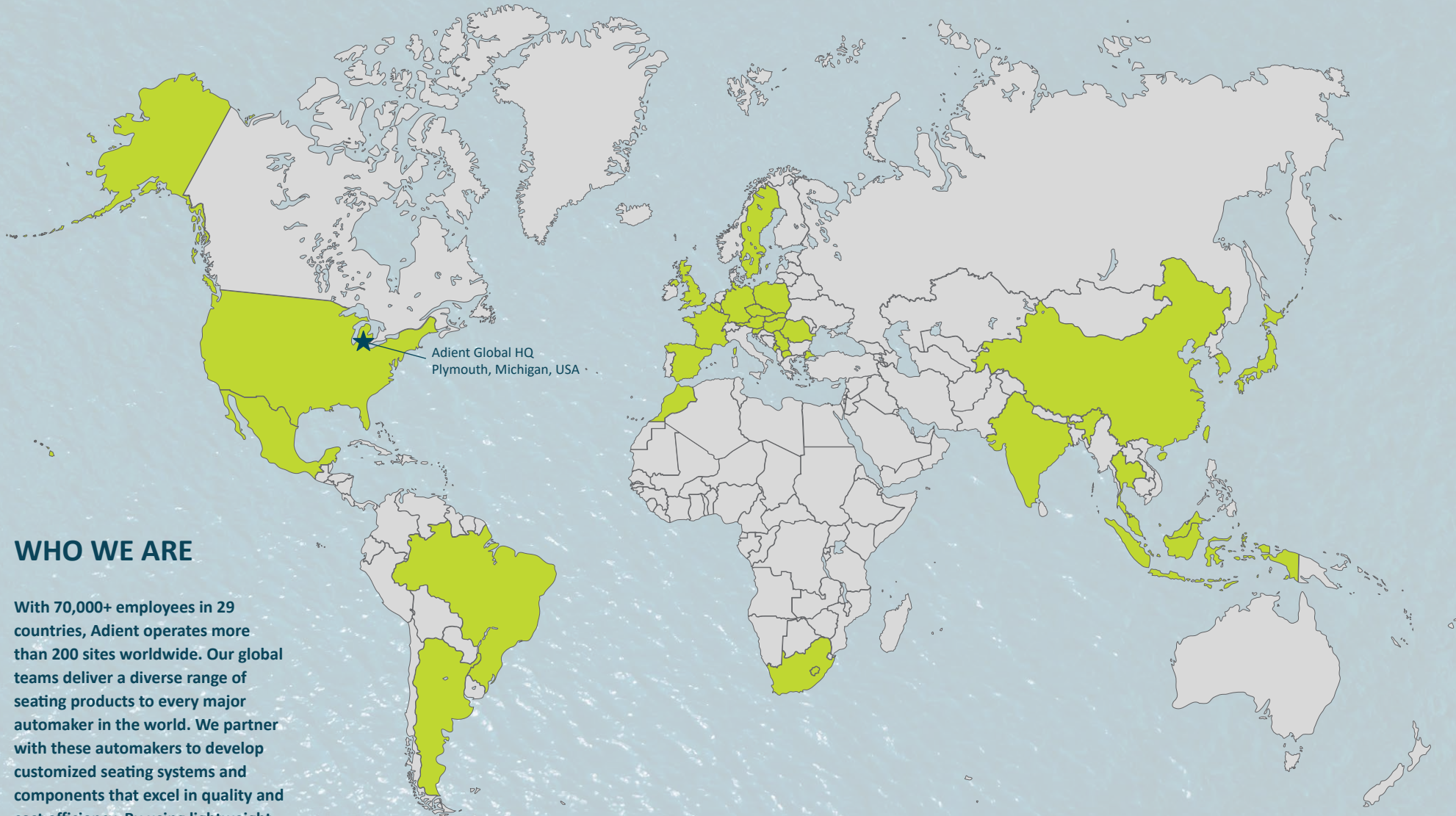
Adient was a participant in the [United Nations \(UN\) Global Compact](#) in 2024. We are committed to operating our business in accordance with the Compact’s 10 Principles in the areas of human rights, labor, environment and anti-corruption and file an annual

Communication on Progress expressing Adient’s progress and ongoing commitment to the 10 principles. Keeping these principles at heart, we are engaging in activities that help advance the UN’s broader [Sustainable Development Goals](#).

We also actively participate in sustainability surveys and questionnaires from our customers, rating agencies, investors, non-governmental organizations (NGOs) and others. We believe transparency into our sustainability policies, practices and data is essential as we work toward meeting our sustainability goals.







## WHO WE ARE

With 70,000+ employees in 29 countries, Adient operates more than 200 sites worldwide. Our global teams deliver a diverse range of seating products to every major automaker in the world. We partner with these automakers to develop customized seating systems and components that excel in quality and cost efficiency. By using lightweight, innovative materials, we enhance the sustainability of our complete seats and foam, trim, and structures and mechanisms components. We have a unique and deep portfolio of seating products to provide solutions for many of the coming needs presented by EV platforms.

**70,000+**  
employees

**29**  
countries

**200+**  
sites globally



## BECOMING ADIENT

At Adient, we have established our position as a global leader in automotive seating, marking significant milestones of growth, innovation and industry leadership.

Adient legally separates from Johnson Controls to become an independent company, debuting on the New York Stock Exchange as ADNT.

Adient continues to develop new products with sustainability in mind, such as the Altair Enlighten Award-winning ProX IsoDynamic Seat (2023) and UltraThin seat (2022).

2016

2023

Further expanding its interiors product line, Johnson Controls acquires Prince Corporation.

2021

Adient completes its strategic transformation in China and remains a market leader there, with more than 30 manufacturing sites and three technical centers.

1996

2011

Johnson Controls acquires Hammerstein Group and Keiper to enhance the company's metals portfolio, and performance vehicle seating specialist RECARO Automotive Seating.

2024

Adient enhances its global testing network with the opening of a new sled test lab at the company's China Tech Center in Chongqing.

1985

Johnson Controls (Adient's former parent company) acquires Hoover Universal, entering into the automotive seating business.

Adient enters into a joint development agreement with automation company Paslin.



## OUR LEADERSHIP

Adient's Board of Directors blends experience with passion to guide us in creating sustainable automotive seating solutions.

## ADIENT'S BOARD OF DIRECTORS



**Frederick Henderson**

Non-Executive Chair of the Board; Chair and Chief Executive Officer (retired), SunCoke Energy Partners GP and SunCoke Energy



**Julie Bushman**

Executive Vice President (retired), International Operations, 3M Company



**Peter Carlin**

Senior Technical Advisor, GameStop



**Jerome Dorlack**

President and Chief Executive Officer, Adient



**Rick Dillon**

Executive Vice President and Chief Financial Officer, Vestis Corporation



**Jodi Eddy**

Senior Vice President and Chief Information and Digital Officer, Boston Scientific Corporation



**Richard Goodman**

Executive Vice President (retired), PepsiCo



**José Gutiérrez**

Senior Executive Vice President (retired), AT&T Services Inc.



**Barb Samardzich**

Vice President and Chief Operating Officer (retired), Ford of Europe



## OUR LEADERSHIP

Adient's Executive Team is at the heart of our efforts to continuously improve — for our people, our company and our planet.

## ADIANT'S EXECUTIVE TEAM



**Jerome Dorlack**  
President and Chief Executive Officer



**Michel Berthelin**  
Executive Vice President, EMEA



**Jim Conklin**  
Executive Vice President, Americas



**James Huang**  
Executive Vice President, APAC



**Stephanie Marianos**  
Executive Vice President, Global Information Technology (IT), Business Services and Sustainability



**Mark Oswald**  
Executive Vice President and Chief Financial Officer



**Heather Tiltmann**  
Executive Vice President, Chief Legal and Human Resources Officer, and Corporate Secretary

## A SEAT ABOVE THE REST

In 2024, Adient received numerous accolades that underscore our unwavering commitment to sustainability, innovation and operational excellence. These select awards listed below recognize the quality of our products and precision of our processes, but also acknowledge our dedication to our people.

### OEM Supplier Awards

GM Supplier of the Year	GM Overdrive Award	GM Supplier Quality Excellence Awards	VW Best Supplier Partnership in a Chemical Commodity (Adient South America)	Best supplier award — Ford Otosan (Diniz Adient)
Toyota Achievement Award for Value Analysis	Toyota Supplier of the Year Award (Adient Brazil)	Toyota Certificate of Recognition for Safety	Hyundai-Kia Technology 5-Star Certification (Adient Korea)	

### Sustainability Awards

Toyota Superior Award for Diversity	National Veteran Business Development Council Corporation of the Year	Slovak National Award for Quality and Social Responsibility (Adient Zilina, Slovakia)	ESGR Patriot Award (Bruce Lee)	WBENC America Top Corporation of All-Time
WeConnect 2024 Top Global Champions for SD&I	Michigan Chronicle's 2024 Power 50 list (Ron Hall)	BBJ Women in Manufacturing Award (Adient Clanton, Alabama, U.S.)	GLWBC Excellence in Supplier Diversity "Best in Class"	

### Industry Excellence Awards

2024 J.D. Power Seat Quality and Satisfaction Study	Industrial Safety & Health Excellent Enterprise	Better Health at Work 'Continuing Excellence' Award (Adient Sunderland, U.K.)	Great Place to Work (Adient India)	2023 J.D. Power Initial Quality Study — 9 Awards (Adient China)
Wards Auto Top 10 Interiors — Blazer EV, Kia EV9, Ram 1500 Tungsten	Governor's Safety and Health Award (Adient Georgetown, Kentucky, U.S.)	East Regional Journalist Activity "Best of the East" Award (Adient Stip, North Macedonia)		





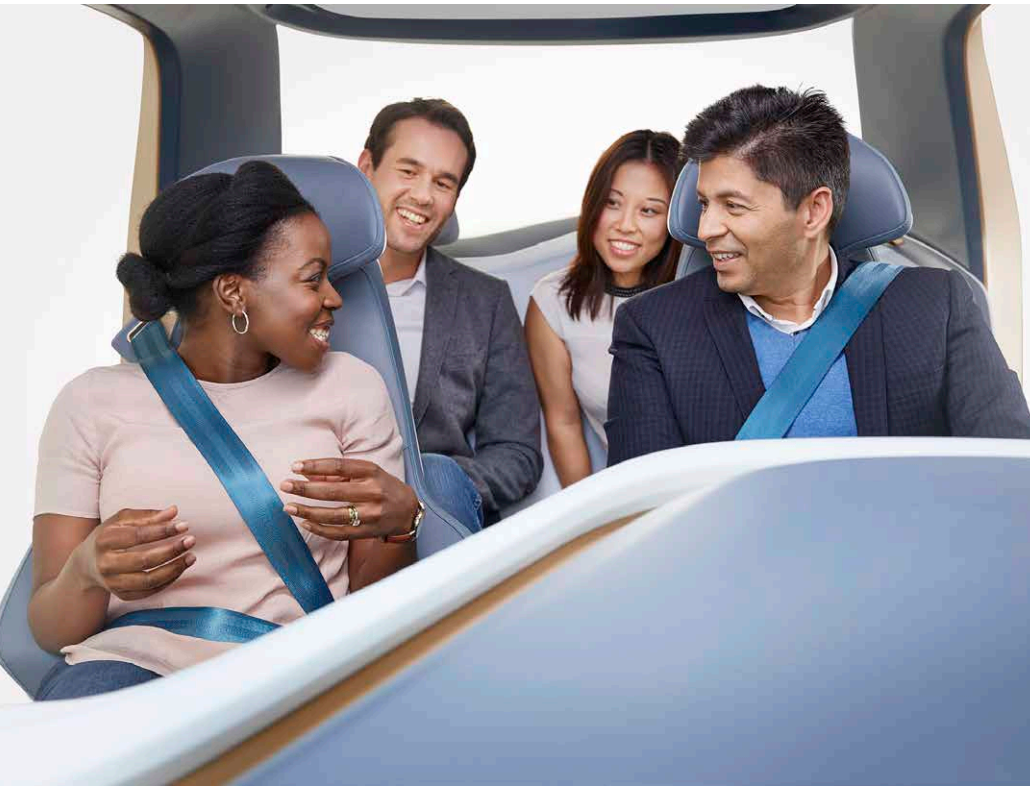
## 1.3 Our Sustainability Strategy

**Our strategic sustainability priorities align to our double materiality assessment, and we continue to make progress toward our sustainability goals.**

In this report, you will read about our ongoing efforts to build sustainability into our daily operations through energy-saving activities such as implementing water-to-water heat exchangers, switching to low-temperature chemicals in certain manufacturing processes to reduce heating needs, identifying and fixing air leaks on pneumatic assembly lines, and replacing old air compressors. You will note how we continue to focus on developing innovative product solutions that reduce our product carbon footprint and help our customers reach their sustainability goals. You will gain understanding of the measures in place to safeguard the health, safety, well-being and human rights of not only our employees but those with whom our business interacts globally. And you will see how our culture of integrity influences our actions, every day.

The company performed a double materiality analysis in 2023 to identify sustainability-related risks and opportunities. This includes a consideration of impact materiality — an inside-out view including positive and negative Adient impacts on the environment and society — as well as financial materiality — an outside-in view, including risks and opportunities of environmental and social effects on Adient. Sources for the analysis include internal documents, standards and frameworks, peer research, ratings and rankings and industry reports, in addition to internal and stakeholder engagement. Risks are prioritized based on potential significance and likelihood and reviewed with Adient’s sustainability steering committee.

While our strategic priorities, based on risks and opportunities, may evolve over time, what does not change is our vision of improving the experience of a world in motion — for our shareholders, employees, customers, communities, and the planet.



“Sustainability is not only an individual, company or industry effort, but a global interdependent mission to ensure the next generation can prosper and enjoy our world. At Adient, embracing sustainability is not just a responsibility, but an opportunity for us to continue to innovate and lead the way to a better tomorrow.”



**Stephanie Marianos**

Executive Vice President of Global IT, Business Services and Sustainability



## OUR STRATEGIC SUSTAINABILITY PRIORITIES

Our double materiality assessment in 2023 reaffirmed we are focusing on the right priorities. Specifically, we aspire to progress in these six areas encompassing our top material topics. We will continue to update our materiality assessment to incorporate emerging risks and opportunities.



### Climate Action and Natural Resource

**Improve energy efficiency in our operations, reduce the carbon footprint of our finished products, and develop processes that protect our planet’s natural resources.**

**Subtopics include:**

- > Climate change
- > Land use change (including deforestation)
- > Pollution and chemicals management
- > Water resources

**Strategy:**

Improve energy efficiency in our operations • Transition to renewable energy • Reduce the carbon footprint of our finished products • Oversee water risks through assessments and procedures • Manage hazardous chemicals and other materials through screening, audit and reporting activities



### Sustainable Materials, Products and Circular Economy

**Identify materials and manufacturing methods that minimize our environmental impact and promote a circular approach to product development.**

**Subtopics include:**

- > Circular economy
- > Sustainable product design
- > Waste reduction and treatment

**Strategy:**

Apply our Evolution of Seating Systems Sustainability (ES<sup>3</sup>) approach to product design, identifying materials and manufacturing methods that minimize our environmental impact through a more circular approach • Collaborate with customers to fully understand and align with their sustainability strategies and goals • Incorporate recycled and sustainable content into our seat systems • Follow policies and measure key performance indicators to promote operating efficiencies that generate the least amount of waste possible



### Diversity and Inclusion

**Promote a culture of inclusion that celebrates the diversity of our employees, suppliers and customers, and empowers them to always act with integrity.**

**Strategy:**

Hire and develop the best and brightest talent through people practices that expand opportunities for all qualified candidates • Create an inclusive environment where employees can be their authentic and best selves • Build an inclusive supply chain that fosters innovation and economic development through greater supplier choice



### Human Rights and Workforce

**Uphold human rights, strive to eliminate harassment and discrimination in all its forms, and ensure our suppliers abide by these same values.**

**Subtopics include:**

- > Human rights
- > Workers’ rights
- > Training
- > Consumers’ and end users’ personal safety
- > Workers in the value chain

**Strategy:**

Communicate our commitment to human rights and expectations of our stakeholders through our policies and practices • Train our employees on our Ethics Policy and methods of reporting potential ethics violations or claims of harassment or discrimination without fear of retaliation • Work to identify human rights risks and take action to mitigate and remediate these risks and potential impacts • Conduct due diligence within our supply chains by mapping risks in certain regions relative to human rights • Expect our suppliers to identify, mitigate, and remediate these risks, fostering development through greater supplier choice • Invest in the communities in which we operate



### Corporate Governance

**Implement and oversee robust corporate sustainability policies, practices and processes, and operate our business ethically and in accordance with applicable laws and regulations.**

**Subtopics include:**

- > Business conduct
- > Cybersecurity
- > Sustainable value chain

**Strategy:**

Maintain an ethical culture through policies, procedures and training • Perform risk assessments and analysis • Ensure proper management and board oversight



### Health and Safety at Work

**Protect the mental and physical health, safety and overall well-being of our employees, customers, suppliers and any other individuals using our premises.**

**Strategy:**

Maintain management system certified to ISO 45001 Occupational Health and Safety Standard • Improve OSHA recordable rate by sharing best practices, procedures and information • Perform safety risk assessments on machines, operations, buildings and workstations • Centralize and maintain our environmental, health and safety data collection



## PRIMARY RISKS AND OPPORTUNITIES

Primary risks and opportunities identified are summarized below with a cross-reference to the report section where processes, controls and actions are described.

Topic	Risk / Opportunity Type	Description	Impact or Risk	Value Chain Stage Covered	Time Horizon (term)	Mitigation Strategies
Climate Change	Transition Risk	<ul style="list-style-type: none"> <li>&gt; Expanding customer and regulatory related sustainability requirements may require increased Adient costs and resources, impacting profit margin.</li> <li>&gt; Lack of sustainable innovative product solutions may result in reduced market share.</li> </ul>	<p>Incremental operating expenses due to expanded customer requirements</p> <p>Reduced revenues from market share related to sustainable product solutions</p>	<p>Direct operations</p> <p>Downstream</p>	Short term	<a href="#">2.5 Sustainable product design</a>
	Physical Risk	<ul style="list-style-type: none"> <li>&gt; Adient's upstream and downstream GHG emissions contribute to a rise in the GHG concentration in the atmosphere, leading to changing climate patterns, including droughts, flooding and heatwaves, increase in average temperature and sea level rise.</li> <li>&gt; Environmental impacts of climate change may lead to environmental destruction resulting in damage costs and/or increased adaptation costs. Adverse human health effects such as disease, malnutrition and death due to decline in agricultural output.</li> </ul>	<p>Increased capital costs to mitigate effects of climate impacts</p> <p>Higher operating costs attributable to adaptation or damage mitigation</p>	<p>Upstream</p> <p>Downstream</p>	Long term	<a href="#">2.2 Climate change</a> <a href="#">2.3 Sustainable operations</a> <a href="#">2.4 Supply chain emissions</a>
Sustainable Product Design and Circular Economy	Transition Opportunity	<ul style="list-style-type: none"> <li>&gt; Shifting our electricity use from high-carbon to low-carbon sources may allow for differentiation from competitors and related potential for market share expansion.</li> <li>&gt; Through a sustainable product design, products can be disassembled, recycled or reused, reducing waste generation, and lower resource consumption.</li> </ul>	Higher revenues from increased market share due to availability of sustainable product options	Downstream	Medium term	<a href="#">2.5 Sustainable product design</a>
Biodiversity — Forests and Water	Physical Risk	<ul style="list-style-type: none"> <li>&gt; Loss of biodiversity results in decreased access to products and services.</li> <li>&gt; Adverse human health effects and reduced water quality may result from the loss of biodiversity in forests and water ecosystems.</li> </ul>	Reduced revenues and limited access to capital from reputational damage	<p>Direct Operations</p> <p>Upstream</p>	Long term	<a href="#">2.6 Forests and Water Management</a>
Pollution and Waste	Physical Risk	<ul style="list-style-type: none"> <li>&gt; Business activities may lead to negative environmental impacts such as reduced air quality, polluted water and waste with the potential for adverse effects on human health.</li> </ul>	Reduced revenues and limited access to capital from reputational damage	<p>Direct Operations</p> <p>Upstream</p>	Long term	<a href="#">2.7 Waste reduction and handling</a> <a href="#">2.8 Air quality</a> <a href="#">2.9 Chemicals management</a>
Human Rights	Chronic Risk	<ul style="list-style-type: none"> <li>&gt; Cost pressures / labor shortages may lead to incidents of forced labor and child labor violations, resulting in fines and reputational risks.</li> <li>&gt; Incidents of child or forced labor may lead to Adient being red-listed by customers, resulting in loss of revenue and market share.</li> <li>&gt; Incidents of child or forced labor may reduce investors' confidence, negatively affecting Adient's access to capital.</li> <li>&gt; Violation of human and employee rights (e.g., forced labor, child labor, health and safety, discrimination and adequate wages) may lead to loss of education (child labor) or loss of freedom, resulting in reduced life quality, worker dissatisfaction and adverse health effects.</li> </ul>	<p>Reduced revenues from production interruption</p> <p>Reduced revenues and limited access to capital from reputational damage</p>	<p>Direct operations</p> <p>Upstream</p>	Short term	<a href="#">3.2 Human rights</a>
Diversity and Inclusion	Resource Opportunity	<ul style="list-style-type: none"> <li>&gt; Enhancing diversity across the workforce leads to an inclusive work culture where all employees are valued and respected, enhancing overall workplace satisfaction.</li> </ul>	Expanded access to and retention of talent	Direct operations	Medium term	<a href="#">3.3 Diversity and Inclusion</a>

Topic	Risk / Opportunity Type	Description	Impact or Risk	Value Chain Stage Covered	Time Horizon (term)	Mitigation Strategies
Health and Safety (Own Workforce)	Resource Risk	<ul style="list-style-type: none"> <li>&gt; Long-term effects of physical labor for plant personnel may lead to reduced career longevity and increased workers' compensation costs and pose challenges to talent attraction and retention.</li> <li>&gt; Insufficient prevention measures for plant personnel, such as employee training and procedures, may lead to adverse human health effects such as workplace injuries and result in loss of productive workforce, fines and reputational effects.</li> <li>&gt; Lack of work-life balance (e.g., insufficient guarantee of flexible working time models) can lead to overload and burn-out, resulting in loss of productive workforce.</li> </ul>	Limited access to talent due to reputational damage	Direct operations	Short term	<a href="#">3.7 Employee health, safety and well-being</a>
Business Conduct Ethics	Policy Risk	<ul style="list-style-type: none"> <li>&gt; Non-compliance with existing regulations (e.g. waste regulations, employee regulations), laws and tariffs may lead to negative impacts on the environment and society including human rights.</li> <li>&gt; A lacking or insufficient sustainability risk-management may lead to negative impacts on the environment and society including human rights.</li> </ul>	Reduced revenues and limited access to capital from reputational damage	Direct operations Upstream	Short term	<a href="#">4. Governance and compliance</a>
Cybersecurity	Technology Risk	<ul style="list-style-type: none"> <li>&gt; Malicious insiders and outsiders may attack Adient networks. Systems may be held captive by malware while demanding a ransom.</li> <li>&gt; Guidelines for disclosing cyber breaches may more quickly lead to reputational or financial impact on the organization.</li> <li>&gt; Exploitation or malicious intent of an employee or contractor may lead to a loss of vital, confidential information. This could be achieved through spear phishing attempts, unauthorized use of employee credentials or other attacks.</li> </ul>	Higher operating costs attributable to cyber incident damage mitigation  Reduced revenues and limited access to capital from reputational damage	Direct operations Downstream Upstream	Short term	<a href="#">4.6 Cybersecurity</a>
Product Safety	Product Risk	<ul style="list-style-type: none"> <li>&gt; Lack of product safety standards may lead to injuries and fatalities in case accidents during the product use phase.</li> </ul>	Reduced revenues and limited access to capital from reputational damage	Direct operations Upstream	Short term	<a href="#">4.7 Product safety</a>
Sustainable Value Chain	Chronic Risk	<ul style="list-style-type: none"> <li>&gt; Sourcing from suppliers without clearly defined sustainability targets, e.g. from emerging markets, may pose a risk to achieving Adient sustainability goals.</li> <li>&gt; Adient's purchases from suppliers lead to negative environmental and social impacts, e.g., human rights violations, GHG emissions, water quality.</li> </ul>	Reduced revenues and limited access to capital from reputational damage	Upstream	Medium term	<a href="#">4.8 Supplier Management</a>



# 1.4 What Guides Us

We strongly believe in empowering our workforce, and we recognize people are the foundation of any successful business. We are committed to maintaining a culture of integrity that values and respects our employees, suppliers, customers and the surrounding communities.

As a participant in the UN Global Compact in 2024, we committed to applying the Compact’s 10 Principles to our business strategy, culture and operations. Additionally, our guiding principles identify areas that will drive us forward while focusing on what is most important:

- > We deliver win-win solutions to our **customers**.
- > We approach our work with a **quality** mindset, driving operational excellence.
- > We respect and empower our **people**, always acting with integrity
- > We support the **communities** in which we work, including being environmentally conscious globally.
- > We proactively manage costs, profitability and cash generation through our **financial discipline**.

These drivers guide and inform our business strategy and our culture and provide the basis on which we evaluate employee performance.



## OUR SUSTAINABILITY VISION

Our sustainability vision — “Together, we are committed to creating a sustainable future for our employees, customers, and communities” — concisely conveys our pledge to be a good steward for our stakeholders.

## OUR SUSTAINABILITY MISSION

Our sustainability mission statement focuses on three areas — our products, processes and people.

- > **Products:** Our ambition is to be the leading supplier of sustainable seating products that meet the expectations of our customers while improving our environmental and social impact.
- > **Processes:** We will drive continuous improvement in sustainability in our operating processes with a deliberate and focused partnership with our suppliers and customers.
- > **People:** We value a collaborative and inclusive culture where our people and partners feel empowered to be the change they want to see.



Creating  
a sustainable future  
together

## ENGAGING OUR STAKEHOLDERS

Adiant engages with its key stakeholders on an ongoing basis, as summarized in the chart below.

Stakeholder Groups	Communication Methods	Topics
<b>Customers</b>	<ul style="list-style-type: none"> <li>&gt; Engineering team meetings</li> <li>&gt; Customer sales team meetings</li> <li>&gt; Program Management, Quality and Plant team meetings</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Evolution of Seating Systems Sustainability (ES<sup>3</sup>) – sustainable materials and manufacturing</li> <li>&gt; Product design and approvals</li> <li>&gt; Product quality and safety</li> <li>&gt; Program launch readiness</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>&gt; Procurement team</li> <li>&gt; Virtual training</li> <li>&gt; Meetings</li> <li>&gt; Supplier days</li> <li>&gt; Company website</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Company strategy, priorities and performance, including sustainability</li> <li>&gt; Training</li> <li>&gt; Supplier contracts</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>&gt; Internal communications, including town halls, intranet, leadership meetings</li> <li>&gt; Virtual training</li> <li>&gt; Works councils</li> <li>&gt; Global Engagement Survey</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Training</li> <li>&gt; Career development</li> <li>&gt; Safety</li> <li>&gt; Critical topics such as cybersecurity, diversity and inclusion, ethics</li> <li>&gt; Compensation and benefits</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>&gt; Press releases and investor presentations</li> <li>&gt; Conferences</li> <li>&gt; Investor meetings</li> <li>&gt; External reporting</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Financial and sustainability performance</li> <li>&gt; Strategy</li> <li>&gt; Forecasts</li> </ul>



# 1.5 Culture of Integrity

**We believe our culture of integrity makes us a better employer, business partner and environmental steward, and we are committed to maintaining an environment where our employees are always empowered to do what is right.**

## ETHICS POLICY UPDATE

Our Ethics Policy is our foundational document that sets the standard for how we operate and provides the ethical framework for our organization. We know we can only achieve our goals by gaining and keeping the trust of our customers, suppliers and communities. Doing business with integrity is the only way we do business.

Our [Ethics Policy](#) applies to everyone at Adient — including the Board of Directors, officers, employees, agents, suppliers, consolidated joint venture employees, and contract workers — and is publicly available on [Adient’s website](#). Additional policies that help guide our stakeholders include, among others, our Competitive Behavior Standard, Conflicts of Interest Standard, and Anti-Bribery and Anti-Corruption Standard.

## OUR SPEAK-UP CULTURE

We recognize a strong speak-up culture helps us identify and address potential issues, so we make it easy to raise ethics and compliance concerns. We strongly encourage and promote this speak-up culture through trainings, communication, transparency in our processes, easy access to the [Integrity Helpline](#), an open-door culture from managers and our strict no-retaliation policy.

Our 24-hour Integrity Helpline is available in 26 languages, is operated by an independent third-party company, and allows reporters to submit concerns or ask questions anonymously. Anyone — employees, former employees, contractors, suppliers, customers and other third parties — can report concerns or ask questions either by phone, by visiting [adient.ethicspoint.com](#), or by scanning this QR code with a mobile device. To encourage reporting, we enforce a strict no-retaliation policy for employees who report concerns in good faith.

Learn more about our focus on ethics, and our Integrity Helpline, in the [Governance and Compliance section of this report](#).

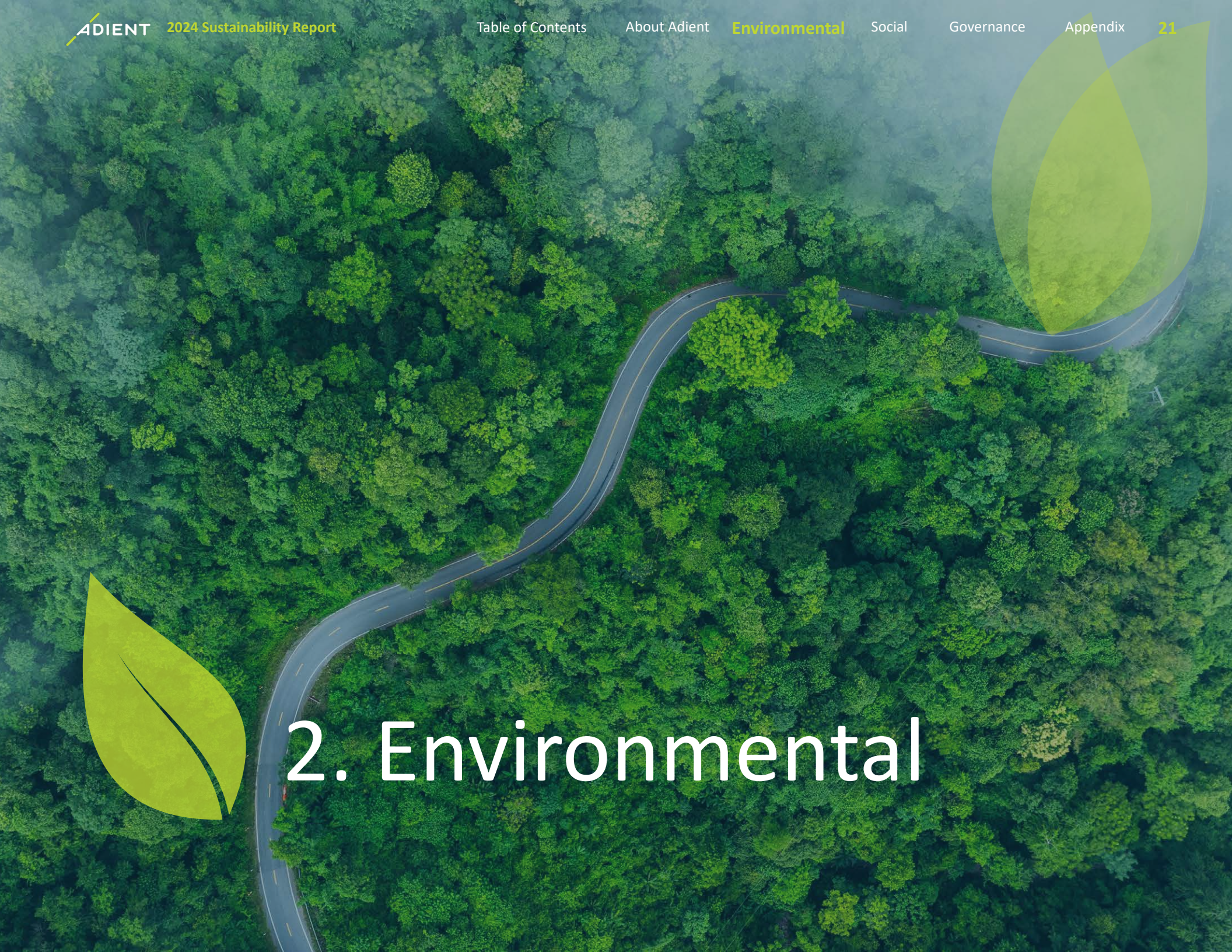
Scan to visit Adient's  
Integrity Helpline







# 2. Environmental





## 2.1 Overview

**We are committed to operating our business in an environmentally responsible manner, including the way we source materials and services, manufacture products, consume energy and natural resources, and monitor waste and air pollutants.**

During fiscal year 2024, we launched an improved internal data-management platform. Environmental data from our owned and leased manufacturing sites, warehouses, technical centers and office sites (collectively referred to as “sites”) is uploaded into the platform every month.

The new feature allows our sites to view trends and visually monitor the direct impact of their sustainability key performance indicators (KPIs) using an interactive sustainability dashboard. With this enhanced visibility into our data, sites can collaborate to implement best practices across their regions.

The data in this platform is organized by energy, waste and water consumption and gives our sites visibility into how their improvements impact Adient’s progress toward its overall corporate sustainability targets. The dashboard tool has improved overall data completeness and accuracy, resulting in more reliable reporting.

### DRIVING SUSTAINABLE SEATING EXCELLENCE

As our customers work to make their operations and products more efficient and environmentally friendly, we support them by offering products and services in line with their sustainability goals. Specifically, it is our policy to offer:

- > **The Right Products.** We offer advanced seating solutions that contain a higher percentage of recycled content, have a lower carbon footprint, weigh less, integrate technology, and help minimize the lifetime environmental footprint of our customers’ vehicles.
- > **The Right Approaches.** We minimize material usage, energy and water consumption, and waste generation in the manufacturing of our products for the good of the environment and to minimize overall production costs. We implement global tools that help our sites track, monitor and improve their environmental performance.
- > **The Right Advancements.** We research and identify innovative materials, technologies and manufacturing methods that minimize negative environmental impacts.

We are embedding sustainability into our core business processes of design, sourcing and manufacturing operations to meet the needs of our employees, customers and communities — both now and in the future.



“At Adient, our commitment to environmental sustainability drives us to innovate and implement practices that protect natural resources. We are dedicated to creating a positive impact on the planet by integrating sustainable solutions into every aspect of our operations.”



**Brooke Bowers**

Executive Director,  
Sustainability



## ADIENT'S FOUR PILLARS OF SUSTAINABILITY

These four cross-functional teams shape our processes and mindset and help advance environmental sustainability at Adient.



### Sustainable Manufacturing

We are working to increase efficiency in our production processes at all our manufacturing sites.



### Sustainable Supply Chain

We work with our suppliers to increase transparency into their environmental practices and enhance sustainability across the value chain.



### Employee Engagement

We engage our employees to help us reach our company's sustainability goals



### Sustainable Product Design

We use innovative materials and design processes to decrease the environmental impact of our products.

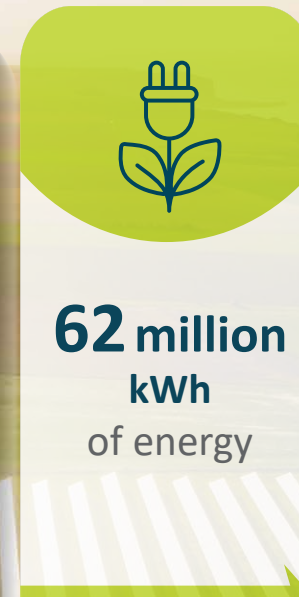
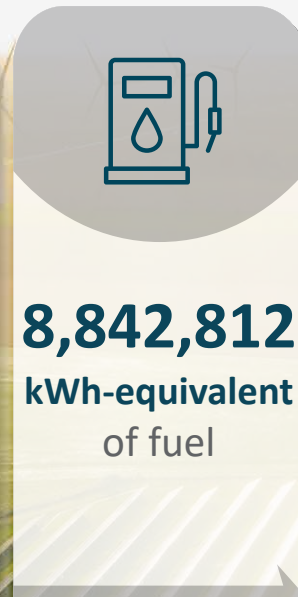
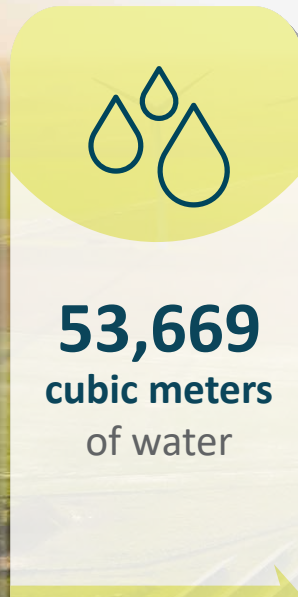




## FISCAL YEAR 2024 CONTINUOUS IMPROVEMENT PROJECTS

At Adient we are focused on efforts to reduce consumption of energy, water, and waste. We utilize a continuous improvement tracking system to help us quantify these global efforts. In fiscal year 2024, we completed **1,565 continuous improvement (CI) projects** at our sites globally — up from roughly 1,300 projects in fiscal year 2023 — and calculated the approximate annual savings these projects generate.

Combined, this year's completed continuous improvement projects annually conserve:



## SUSTAINABILITY RATINGS AND RECOGNITION

Adient has reaffirmed its dedication to sustainability and robust governance practices through active participation in various sustainability rating activities in fiscal year 2024. Adient’s comprehensive approach to sustainability and governance underscores its role as a responsible corporate citizen, committed to making a positive impact on the environment and society.

### ISS



In 2024, Adient was awarded Prime Status by [Institutional Shareholder Services \(ISS\)](#), a company that provides sustainability ratings and services to corporations around the world. Prime Status is awarded to companies with sustainability performance above their sector-specific Prime threshold, which means that they fulfill ambitious absolute performance requirements. The corporate ratings are based on an analysis of more than 100 sector-specific sustainability factors.



### Carbon Disclosure Project

To help enhance innovation and efficiency and foster stakeholder engagement, Adient [proudly supported the Carbon Disclosure Project \(CDP\)](#) in 2024. CDP is a not-for-profit organization responsible for the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. We completed CDP’s detailed climate change, forests and water security questionnaire in 2024, disclosing key data, initiatives and progress for each topic.

#### 2023\* CDP Scores

Climate Change	<b>B</b>
Forests	<b>C</b>
Water Security	<b>B</b>

\* 2024 CDP scores not available at time of publication

### EcoVadis



Adient earned a Silver Rating in May 2024 from [EcoVadis](#), a global sustainability rating agency that assesses companies’ environmental, social, and ethical practices. A Silver rating indicates Adient is among the top 15% of companies assessed by EcoVadis in the past 12 months. By offering insights and benchmarks, EcoVadis enables organizations like Adient to make informed decisions, improve their sustainability practices, and enhance their reputation in the marketplace.

### S&P Sustainability Scorecard



Adient participated in the S&P sustainability scorecard in 2024. We achieved a notable year-over-year improvement, with our overall score increasing by 9 points. Our governance score improved by 8 points, reflecting stronger corporate governance practices. In the environmental category, we saw a 6-point increase, and the most significant progress was in the social dimension, where our score surged by 13 points, underscoring our commitment to social responsibility and community engagement.



## 2.2 Climate Change

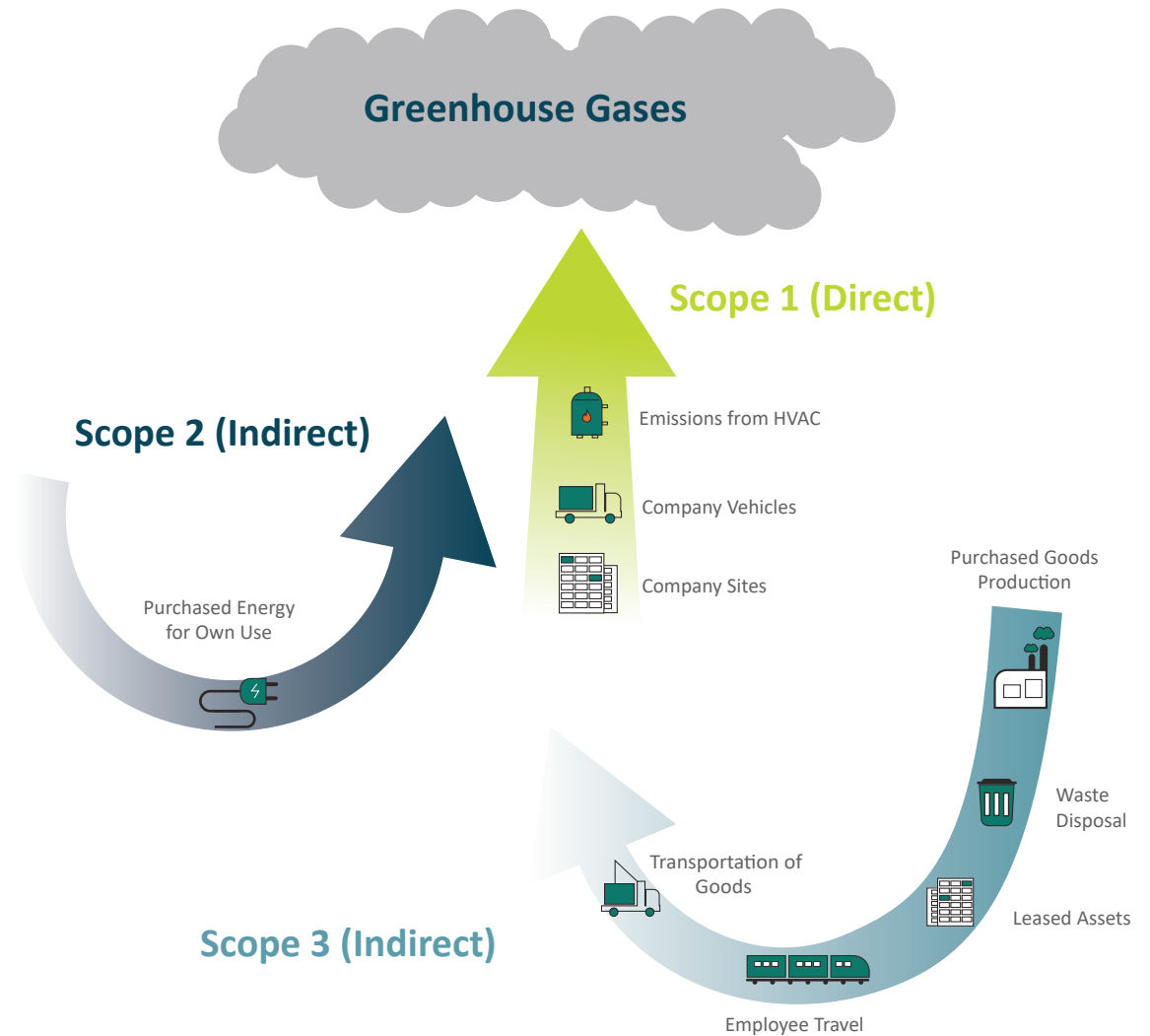
We recognize the importance of protecting our planet’s air and water quality, preserving forests and biodiversity, and taking steps to reduce greenhouse gas emissions to help slow climate change.

We are working to curb our greenhouse gas emissions and have developed scope 1, 2 and 3 emissions-reduction targets in line with the Science Based Targets initiative (SBTi) to limit global warming to 1.5 degrees Celsius. We presented our greenhouse gas reduction road map to SBTi using 2019 as our base year. In 2022, SBTi validated our scope 1, 2 and 3 reduction targets. We continue to monitor our progress towards our reduction targets and prioritize yearly reductions.

**75%**  
reduction target for absolute scope 1 and 2 emissions by **2030**

**35%**  
reduction target for scope 3 emissions by **2030**

**2040**  
target date to achieve **carbon neutrality** at our manufacturing sites for scope 1 and 2 greenhouse gas emissions





## OUR APPROACH

We recognize the importance of avoiding creating emissions in the first place and are working to design new sites with efficiency in mind. To meet our scope 1 and 2 emissions-reduction targets and help mitigate the dangerous effects of climate change, we are focused on improving energy efficiency in our operations and transitioning to renewable energy. We track and monitor environmental KPIs across all our sites as we work to reach these targets. In 2024, the implementation of our internal sustainability dashboard has allowed us more visibility into our KPIs in addition to increasing our data accuracy and completeness; it also highlights our most significant reduction opportunities.

To decrease our scope 3 emissions, we have focused on breaking our category 1 emissions down by commodity. This has allowed us to understand what commodities and suppliers are driving the biggest impact to our overall emissions. We have created a high-level road map to ensure we have a clear path forward to achieving our scope 3 targets.

We also leverage our internal Product Carbon Footprint Tool to allow us to collaborate with our customers during the design cycle. This tool allows us to plug in different material or lower carbon products so we can determine the overall emissions impact, helping both Adient and our customers meet carbon emission reductions goals.

We began mapping our supply chain for our key forest commodities and monitoring our suppliers' environmental status and overall sustainable actions starting in 2022 and continuing into the current year. Supplier diligence includes those directed by our customers as well as suppliers within our control.

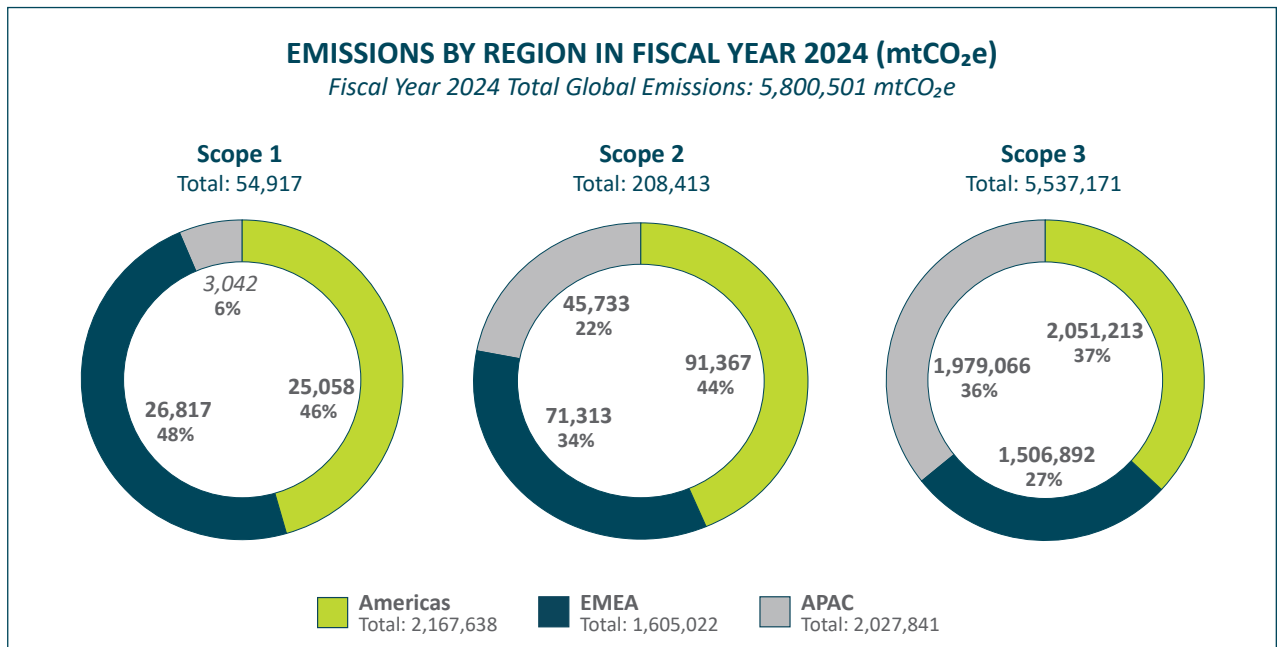
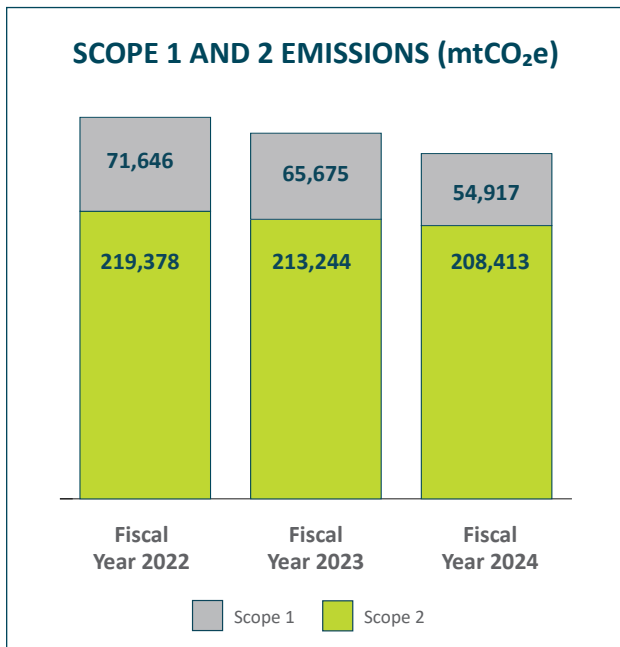
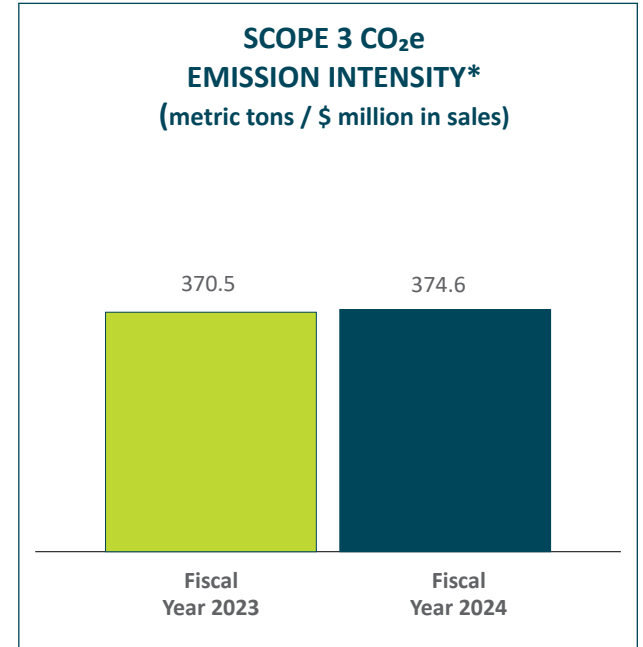
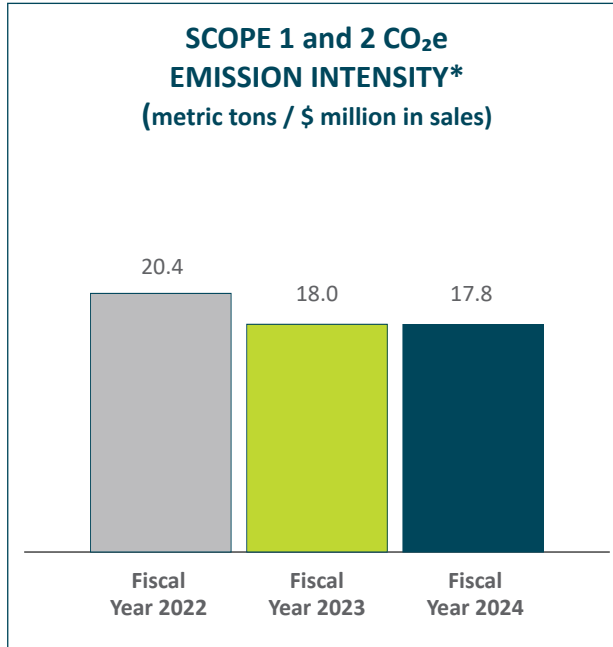
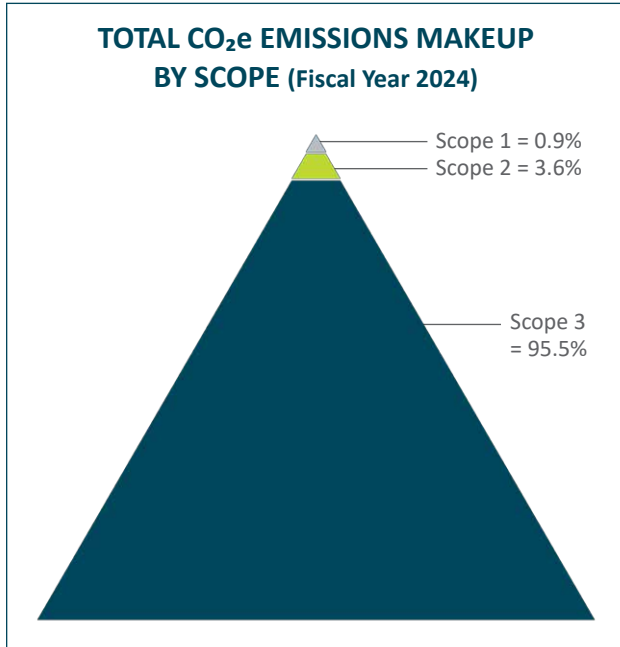
We also send sustainability-related due diligence questionnaires to our suppliers to promote transparency in supply chain policies and practices (read more in the [Supplier Management section](#) of this report).

To maintain transparency and accountability, we reported our environmental performance to the [CDP](#) in 2024 — this detailed submission provides part of the framework for our company sustainability report. In our CDP disclosure, we provided information about our data and strategy for addressing climate change, water security and forests.





**TOTAL CO<sub>2</sub>e EMISSIONS**



\* Intensity values calculated using the sum of net sales for all three regions before any corporate eliminations.

## 2.3 Sustainable Operations

The emissions we generate in our manufacturing processes, and the energy we consume in our operations, make up the bulk of our scope 1 and 2 CO<sub>2</sub>e emissions. We are committed to reducing our emissions and mitigating our negative impact on climate change.

### OUR APPROACH

During fiscal year 2024, we completed an analysis on our dependencies, impacts, risks and opportunities (DIRO) to help us prioritize countries across the upstream value chain and sites within our own operations with high ecological sensitivity for consideration for enhanced management and monitoring. In fiscal year 2025, we will use this analysis to inform strategic priorities and decision-making relating to nature-positive outcomes in alignment with the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, the Global Biodiversity Framework (GBF), and the Science Based Targets Network (SBTN) Framework as well as prepare for required disclosures under the Corporate Sustainability Reporting Directive's (CSRD) European Sustainability Reporting Standards (ESRS).

### OUR TARGETS AND PROGRESS

We are targeting a 75% reduction in our absolute scope 1 and 2 CO<sub>2</sub>e emissions at our sites by 2030, using 2019 as our base year. As of Sept. 30, 2024, we have reduced our global scope 1 and 2 CO<sub>2</sub>e emissions\* 38%.

We are pleased to share that it is our goal to be reliant on 100% renewable electricity at our manufacturing sites globally by 2035. Additionally, by 2040, we aspire to reach carbon neutrality at our manufacturing sites for scope 1 and 2 greenhouse gas emissions.

We aim to acquire an increasing percentage of our electricity from renewable resources such as wind, hydro and solar, either by attributing our electricity usage to renewable sources through local utility companies or by generating renewable electricity on-site. It is our continued belief that the price of energy should reflect the environmental costs of its consumption, which would make green energy sources more affordable and allow market economics to lead the shift to cleaner alternatives and new technologies.

As of Sept. 30, 2024, 59 of our 200+ sites are using electricity from renewable sources, representing 29% of our total electricity consumption.

\* Within SBTi boundaries

**38%** reduction in scope 1 and 2 emissions since 2019\*

**59** Adient sites using renewable electricity

**29%** of total electricity consumption attributed to renewable sources

**2035** target date to be reliant on 100% renewable electricity at our manufacturing sites





## CONTINUOUSLY IMPROVING

In fiscal year 2024, our sites completed more than 500 energy-saving projects globally through our continuous improvement initiatives. In our operations, we have made numerous energy-saving improvements such as implementing air-water heat exchangers to recapture heat, installing occupancy sensors to automatically control lighting, repairing pneumatic assembly line air leaks to reduce compressor usage, and much more. We provide energy efficiency training to our employees to raise awareness of energy consumption reduction.

To ensure we have robust processes in place, all our global manufacturing sites with serial production have established site-specific energy management programs and metrics. Currently, 57% are also third-party audited and certified to the ISO 50001 Energy Management standard.

## ACHIEVING OPERATIONAL EXCELLENCE

The Adient Manufacturing System (AMS) supports our policy objectives and ensures we have consistency in our efforts across the globe. Through our regional manufacturing leaders, we engage employees to drive world-class manufacturing and operational excellence to grow our business.

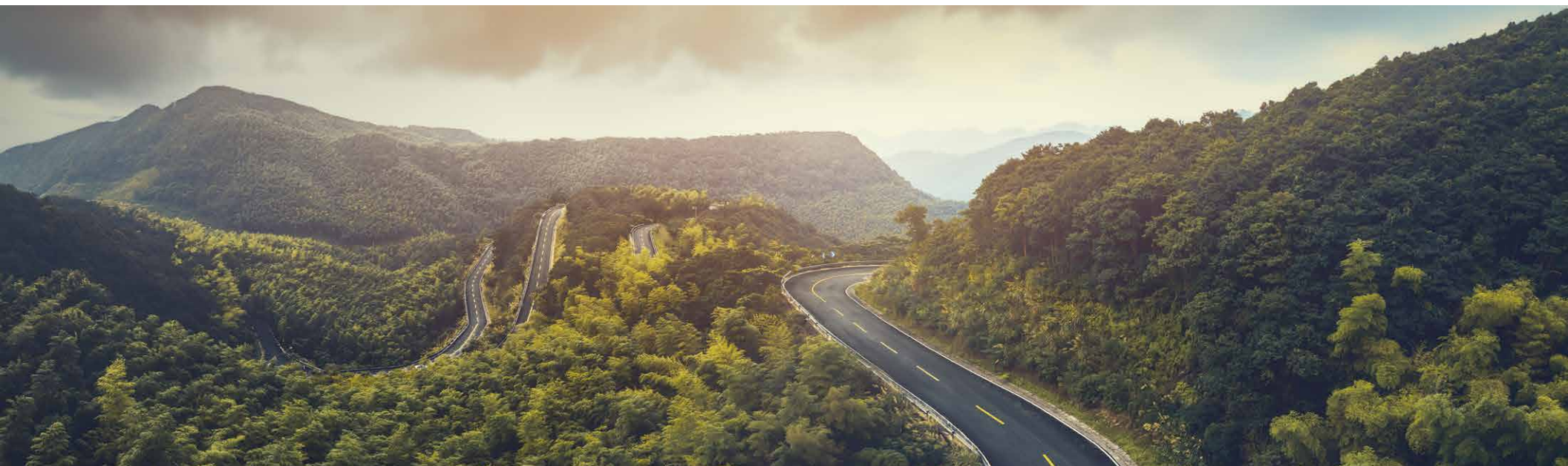
Additionally:

- > We establish regional environmental targets for energy conservation, waste minimization and CO<sub>2</sub>e reductions and reduced energy intensity annually through continuous improvement activities focused on energy savings.
- > We collect data from all our continuous improvement initiatives around the globe using our internal CI Trac software, and we require that our sites track their sustainability metrics.
- > We have dedicated continuous improvement managers at each site who are responsible for achieving annual continuous improvement targets. We highlight the most successful and unique projects on our internal employee portal to recognize sustainability wins and spark ideas — and for the projects with the highest impact, our teams collaborate across all three regions to share best practices and implement projects at other Adient sites around the world.
- > Adient’s sites work within the legal compliance parameters set forth by each country, and sites are audited both internally and externally as evidence of compliance. Potential non-compliances are corrected and reviewed regularly.
- > If any country agency finds a site potentially in non-compliance, the finding is reviewed by top regional leadership and corrective actions are quickly imposed.

It is also a company priority to ensure each site has an environmental management system. As of Sept. 30, 2024, 100% of Adient manufacturing sites in serial production are ISO 14001 (Environmental Management Systems standard)-certified; our sites are certified within 18 months from the start of production.

**In fiscal year 2024, there were:**

- 506** electricity-saving projects completed
- 61.6** million kWh of energy conserved
- 145** fuel-saving projects completed
- 8.8** million kWh-equivalent of fuel conserved



## CHAMPIONS FOR SUSTAINABILITY

In the second quarter of fiscal year 2024, Adient implemented its Sustainability Champion quarterly recognition program, which aims to highlight and celebrate individuals within Adient who demonstrate outstanding commitment and leadership in advancing the company’s sustainability efforts.



Q2 Sustainability Champion  
**Ricki Palmer**

Ricki Palmer is a Regional Environmental Health and Safety Manager based at Adient Georgetown, Kentucky, U.S. In just three years, Ricki implemented three large-scale sustainability projects: the Energy Review Initiative, which conserved 1.7 million kWh of energy; the Air Leak Detection initiative, which has saved more than 2 million kWh; and the [Global Water Initiative](#), which helped conserve 21,300+ cubic meters of water in fiscal year 2024. Ricki’s dedication to sustainability has significantly enhanced Adient’s environmental impact and operational efficiency.



Q3 Sustainability Champion  
**Frank Toenniges**

Frank Toenniges is Director of Sustainable Product Design and Business Process Improvements based at Adient’s Burscheid, Germany, location. Frank leads sustainable product design at Adient and helped develop Adient’s [Product Carbon Footprint \(PCF\) Tool](#), which allows the user to calculate the carbon emissions of a potential product starting in the earliest phases of design. This tool helps Adient create models for OEMs that show CO<sub>2</sub> reduction impacts that can be implemented through design changes or material selections to support achieving their CO<sub>2</sub>-reduction goals.



Q4 Sustainability Champion  
**Liang "Deric" Liu**

Liang "Deric" Liu is a Sustainability Manager based in Chongqing, China. Deric, together with the Adient Chongqing (CQ) team, launched an energy management system that achieved 28% renewable energy usage and saved 1,350 MWh of energy in fiscal year 2024, exceeding CQ’s energy intensity reduction target by 6%. He also implemented Product Carbon Footprint calculations in seven programs for five different customers, increased recycled materials in new programs, and plans to incorporate China local emission factors in fiscal year 2025.



## CONSERVING ENERGY IN OUR GLOBAL OPERATIONS

### Adient Hefei Xinqiao, China

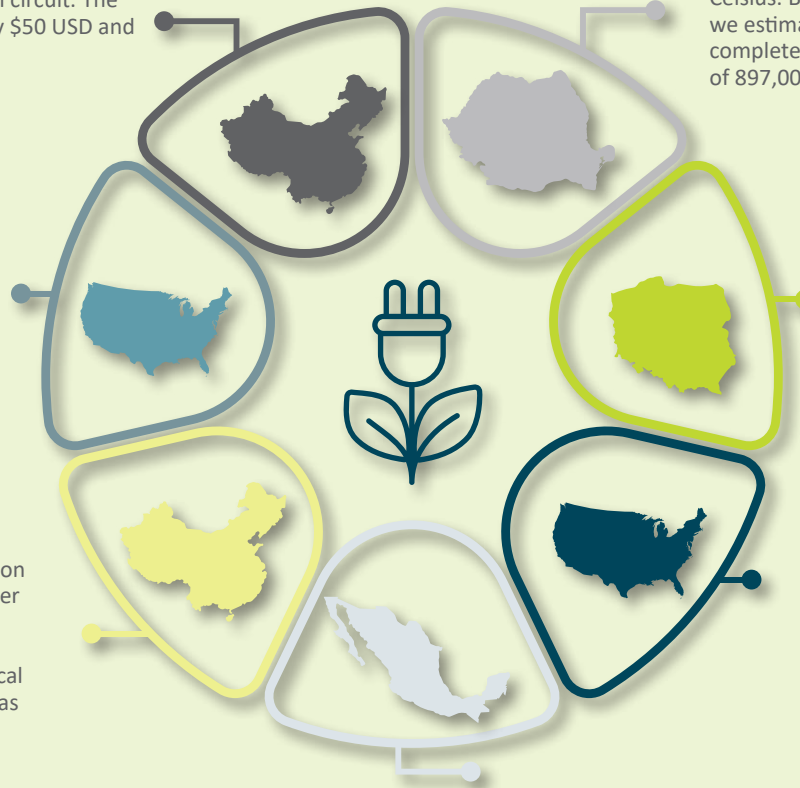
The air emission treatment facility's Regenerative Catalytic Oxidation (RCO) system wasted energy by staying operational even when the foam line stopped. To fix this, the site team linked the foam line's switch signal to the RCO with a time lag. They connected a wireless communication module's transmitter to the 42-station loop control circuit and its receiver to the RCO adsorption fan control circuit. The cost of the wireless communication module was roughly \$50 USD and generated annual savings of 34,940 kWh.

### Adient Riverside, Missouri, U.S.

The team at Adient Riverside, Missouri, completed a project where the team identified and fixed substantial air leaks to improve compressor efficiency and utilization using a company-purchased Fluke meter. This initiative has generated annual savings of 684,000 kWh.

### Changchun Faway Adient Automotive Systems, China

Through the statistical analysis of electricity consumption data in 2022, the team found that the electricity cost per foam mold was 4.92 yuan. This project aims to reduce the electricity cost per foam mold. The electricity cost per foam mold is expected to drop 6% compared to fiscal year 2023, reaching 4.63 yuan per mold. This project has generated annual savings of 1,147,000 kWh.



### Adient Jimbolia, Romania

At Adient Jimbolia, Romania, we operate three tanks used for degreasing and phosphating processes, which require water heated to 50-55° Celsius. Currently, this water heating consumes around 50% of the total gas used by the complete paint line. Additionally, for the polymerization of painted parts, we use an oven with a burner power of 1,000 kW, heated to 175° Celsius, where parts need to stay for approximately 40 minutes. The combusted gases from this oven are discharged through a chimney at a temperature of 160° Celsius. By implementing an air-water heat exchanger in the chimney, we estimate that we can reduce the total gas consumption of the complete paint line by 25%. This project has generated annual savings of 897,000 kWh.

### Adient Swiebodzin, Poland

In the surface-preparation areas at Adient Swiebodzin, Poland, the previous temperature required was 55° Celsius, leading to high gas costs. To address this, we have switched to using low-temperature chemicals, which significantly reduce gas consumption. This project has resulted in annual savings of 1,845,710 kWh.

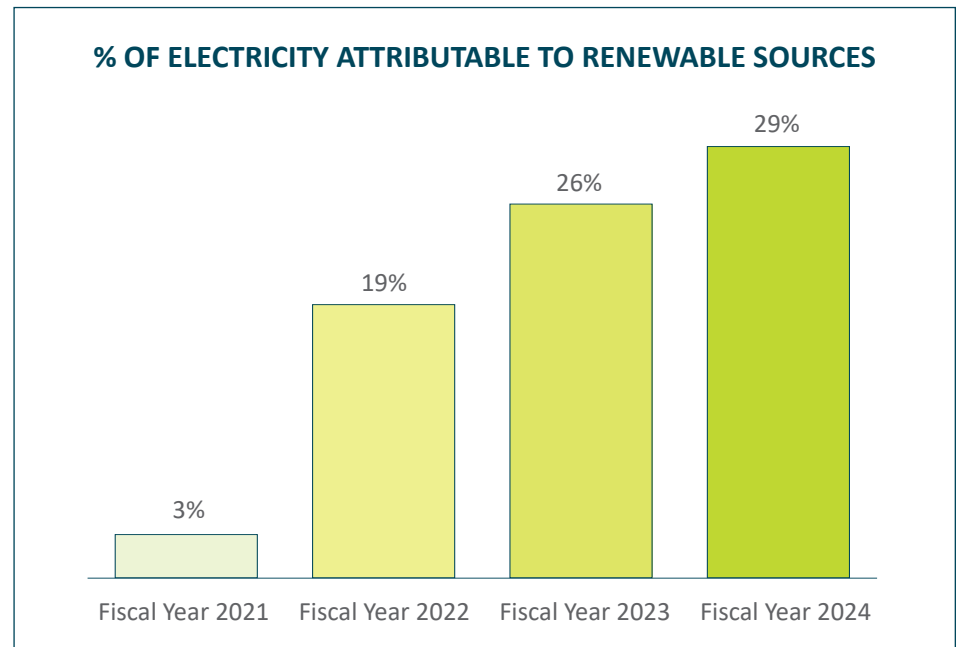
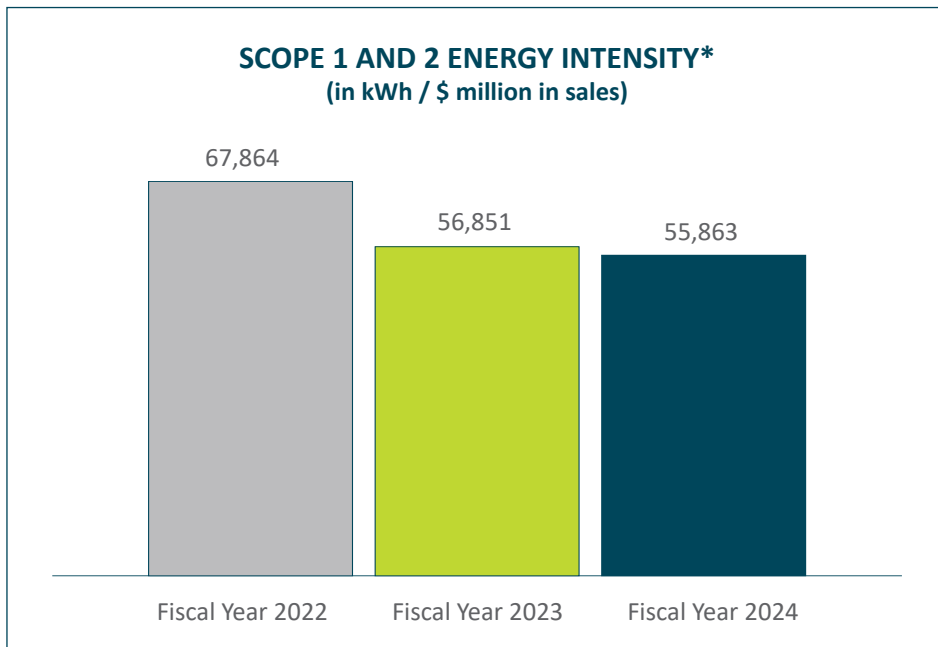
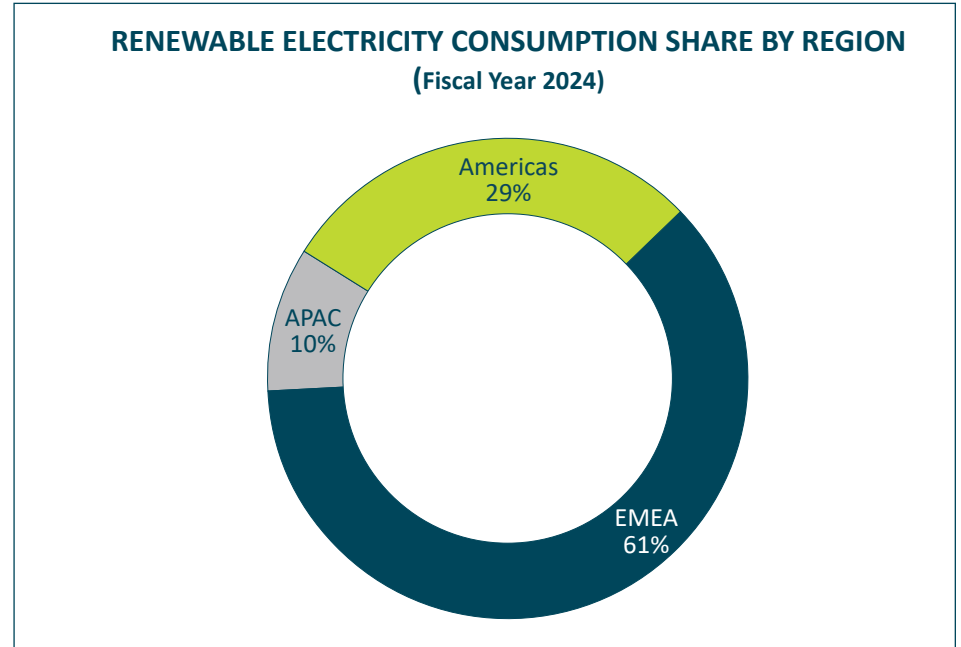
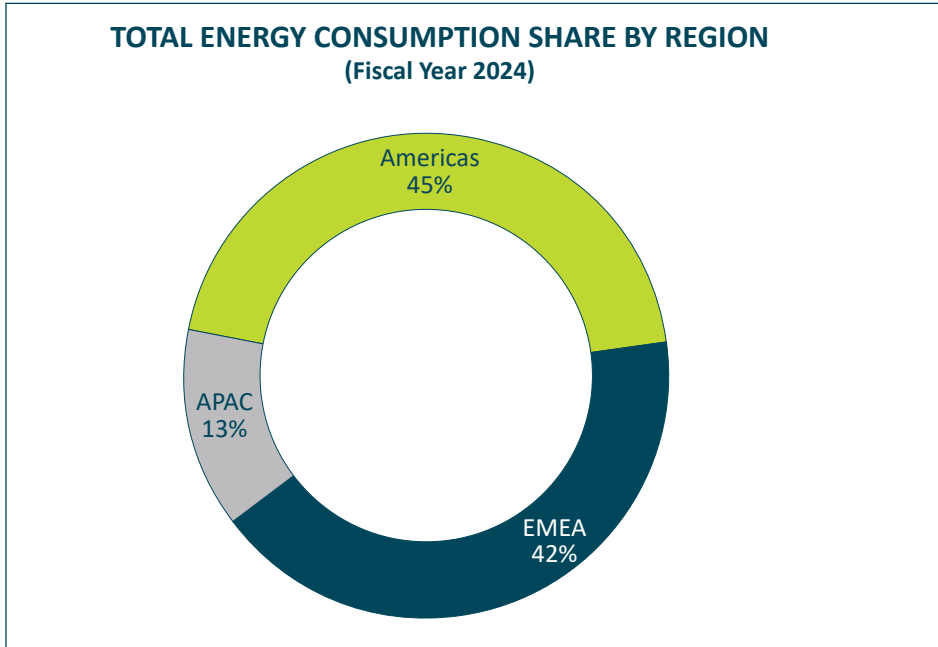
### Avanzar San Antonio, Texas, U.S.

At Avanzar San Antonio, Texas, the team focused on replacing compressors to reduce the site's high electricity consumption. This initiative aims to lower electricity usage and has resulted in annual savings of 495,000 kWh.

### Adient Seat Structures & Mechanisms (SS&M) México

SS&M México has launched the High-Performance Teams' Star Point initiative in environment and sustainability, aligning with Adient's global strategy to integrate sustainable practices across all operations. This initiative aims to minimize environmental impact, enhance energy efficiency, optimize water consumption, and reduce landfill waste. It includes comprehensive recycling programs, emission reduction efforts, efficient resource utilization, and continuous employee training on sustainability. Implemented in phases, it fosters a culture of continuous improvement and innovation, setting benchmarks that exceed regulatory standards and positioning the company as a leader in environmental stewardship. Collaboration across departments and the provision of resources support this transformative strategy, inviting active participation from all employees to achieve sustainability goals.

**ENERGY CONSUMPTION DATA**



\* Intensity values calculated using the sum of net sales for all three regions before any corporate eliminations.



## 2.4 Supply Chain Emissions

**We recognize the relevance and importance of our wider supply chain’s environmental risks and impacts and are working with our suppliers to achieve our SBTi scope 3 (value chain) emissions-reduction target of 35% by 2030.**

We expect our suppliers to conduct their operations in an environmentally responsible manner and require them to commit to our publicly available global supplier standards. We also encourage them to adopt business values and practices aligned with the UN Global Compact’s principles for environmental responsibility.

### REDUCING SCOPE 3 EMISSIONS

Our scope 3 emissions account for 95.5% of our total greenhouse gas emissions. As we work toward our SBTi target of a 35% reduction in scope 3 emissions by 2030, we recognize the need to work with our supply base and other key stakeholders to reduce the emissions associated with our business relationships.

### SCOPE 3 DATA COLLECTION

During fiscal year 2022, we focused on improving the data accuracy and completeness in certain scope 3 emissions categories. In fiscal year 2023, we began replacing our spend-based approach to calculating certain scope 3 emissions with a process-based approach. This methodology change has helped us improve transparency for our fiscal year 2024 focus on transportation lane efficiencies.

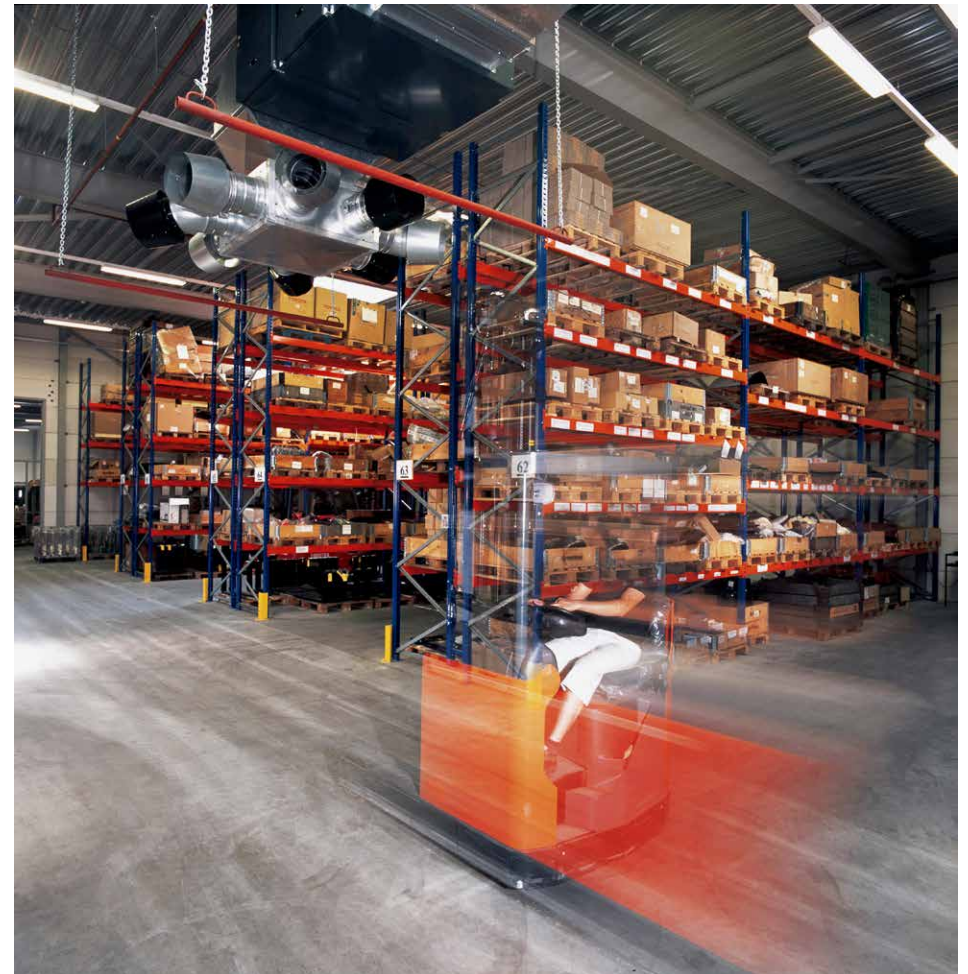
Using our hybrid approach of spend-based and process-based where possible, we have achieved a scope 3\* year-over-year reduction of 4%. Our fiscal year 2025 priorities include adopting a process-based emissions-calculation approach for higher-emission commodities to measure the true impact and improvements we are making to reduce scope 3 emissions.

As greenhouse gas emission reporting will be impacted by ongoing data improvements, calculation methodology changes, and organizational structure changes, we will recalculate base year emissions or change our base year, for comparability and commitment-tracking purposes.

\* Within SBTi boundaries

### WORKING WITH SUPPLIERS

Adient has processes and procedures to evaluate its suppliers for scope 3 emissions and other important sustainability requirements. Please see section [4.8 Supplier Management](#) to learn more.



## IMPROVING FREIGHT AND SAVING FUEL

### **BWI Warren, Michigan, U.S.**

The BWI Warren plant team identified an opportunity to reduce fuel surcharges by changing the delivery route with the current carrier. Previously, deliveries were made to a location roughly 25 minutes away and then retrieved and brought to the Warren facility; by removing the consolidation point and routing directly to Warren, the plant significantly reduced its fuel costs.

### **Adient Gravataí, Brazil**

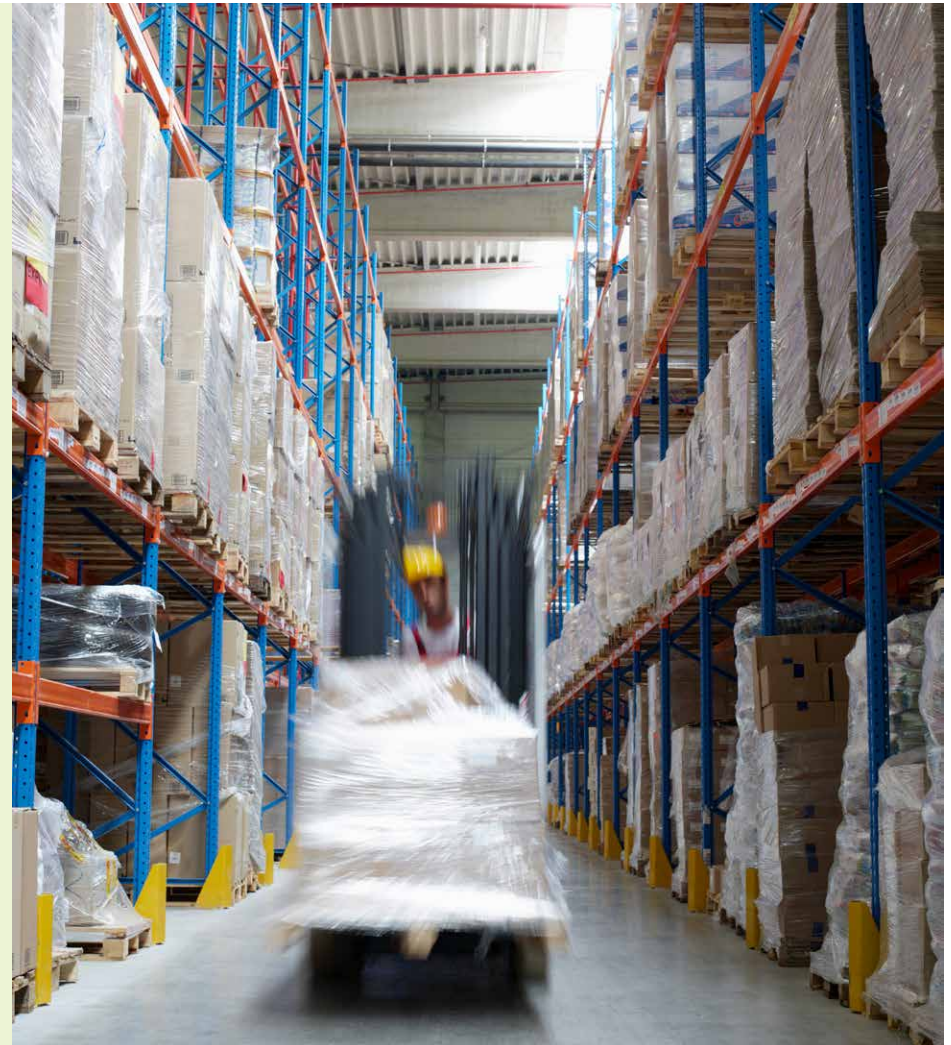
The Gravataí just-in-time (JIT) plant is exploring the use of electric forklifts to enhance operational efficiency and reduce fuel consumption. By replacing the current forklifts that run on liquefied petroleum gas (LPG), the plant can achieve substantial energy savings. To put it into perspective, 1 kg of LPG is roughly equivalent to 13 kWh of energy. Therefore, replacing forklifts that consume 8.8 tons of LPG annually would save approximately 120,560 kWh of energy.

### **Adient Torslanda, Sweden**

At the Torslanda JIT North facility, diesel forklifts are currently used in the yard, leading to high diesel costs and a negative environmental impact. By replacing these diesel forklifts with electric ones, the plant not only reduces fuel expenses but also lowers emissions, positively contributing to the environment.

### **BWI Lansing, Michigan, U.S.**

The BWI Lansing plant identified an inefficiency in the shipping box of a specific component, which previously contained too much air, leading to wasted space and higher shipping costs. By improving the packing density of these component boxes by 21%, the plant has optimized shipping efficiency, reduced the number of shipments required, and ultimately saved on fuel costs.



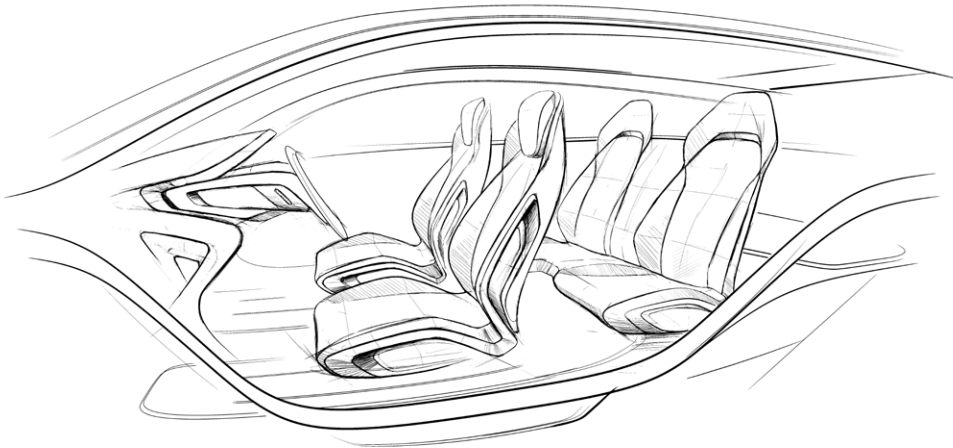


## 2.5 Sustainable Product Design

**In fiscal year 2024, Adient has continued to lead the way in sustainable product design, demonstrating a strong commitment to environmental stewardship, innovation and collaboration.**

Our efforts span across various regions and involve numerous initiatives aimed at reducing our carbon footprint, enhancing product circularity, and meeting the evolving sustainability demands of our customers and regulatory bodies.

Vehicle electrification and lightweighting continue to transform the mobility industry and create significant demand for sustainable, comfortable, reduced-weight, high-quality seating solutions that use less material and energy to manufacture. By identifying materials and processes that minimize our products' environmental impact, we are able to design innovative products that promote a circular economy and drive automotive seating sustainability.



### COLLABORATING FOR PROGRESS

Our scope 3 emissions account for 95.5% of our total greenhouse gas emissions. As we work toward our SBTi target of a 35% reduction in scope 3 emissions by 2030, we recognize the need to work with our supply base and other key stakeholders to reduce the emissions associated with our business relationships. In fiscal year 2024, our sustainable product design teams:

- > Held regular meetings to exchange knowledge, initiatives, goals, and best practices. These meetings ensure that all members are aligned and can share insights on the latest sustainability trends and technologies.
- > Tracked additional sustainability KPIs related to innovation projects, Request for Quotation (RFQ) projects, major technical centers and active development projects. This tracking helps us measure our progress and identify areas for improvement.
- > Collaborated with environmental and human rights associations such as the European Association of Automotive Suppliers (CLEPA), Verband der Automobilindustrie (VDA), [Automotive Industry Action Group](#) (AIAG), [Responsible Minerals Initiative](#) (RMI) and Leather Working Group. These collaborations allow us to stay informed about industry standards and best practices.
- > Partnered with projects like [BeBio2 Project](#) and [Parley for the Oceans](#) to integrate bioplastics and plastic waste into our products. These partnerships help us reduce our reliance on virgin materials and promote the use of sustainable alternatives.
- > Entered the Danish Technological Institute's RACE ([Recycling of Automotive plastic in a Circular Economy](#)) initiative, which will develop and improve methods to make [automotive plastics](#) more circular.
- > Initiated projects aimed at designing products for end-of-life disassembly and recycling, promoting a circular economy. These projects are crucial for reducing waste and ensuring that our products can be easily recycled at the end of their life cycle.

## THE EVOLUTION OF SEATING SYSTEMS SUSTAINABILITY

Through our Evolution of Seating Systems Sustainability (ES<sup>3</sup>) approach to product design, we identify materials and manufacturing methods that minimize our environmental impact through a more circular approach to product design, development and production — all while offering the same level of safety, functionality, comfort and proven quality our customers require.

Our holistic product-development process seamlessly integrates sustainability by reducing design complexity and limiting operational waste while utilizing sustainable materials and processes. ES<sup>3</sup> draws on input from quality surveys, market research value analysis/value engineering (VA/VE) workshops, innovation portfolios, warranty analyses, benchmarking, and safety and insurance ratings to engineer or re-imagine products that reduce cost while maintaining or increasing value.



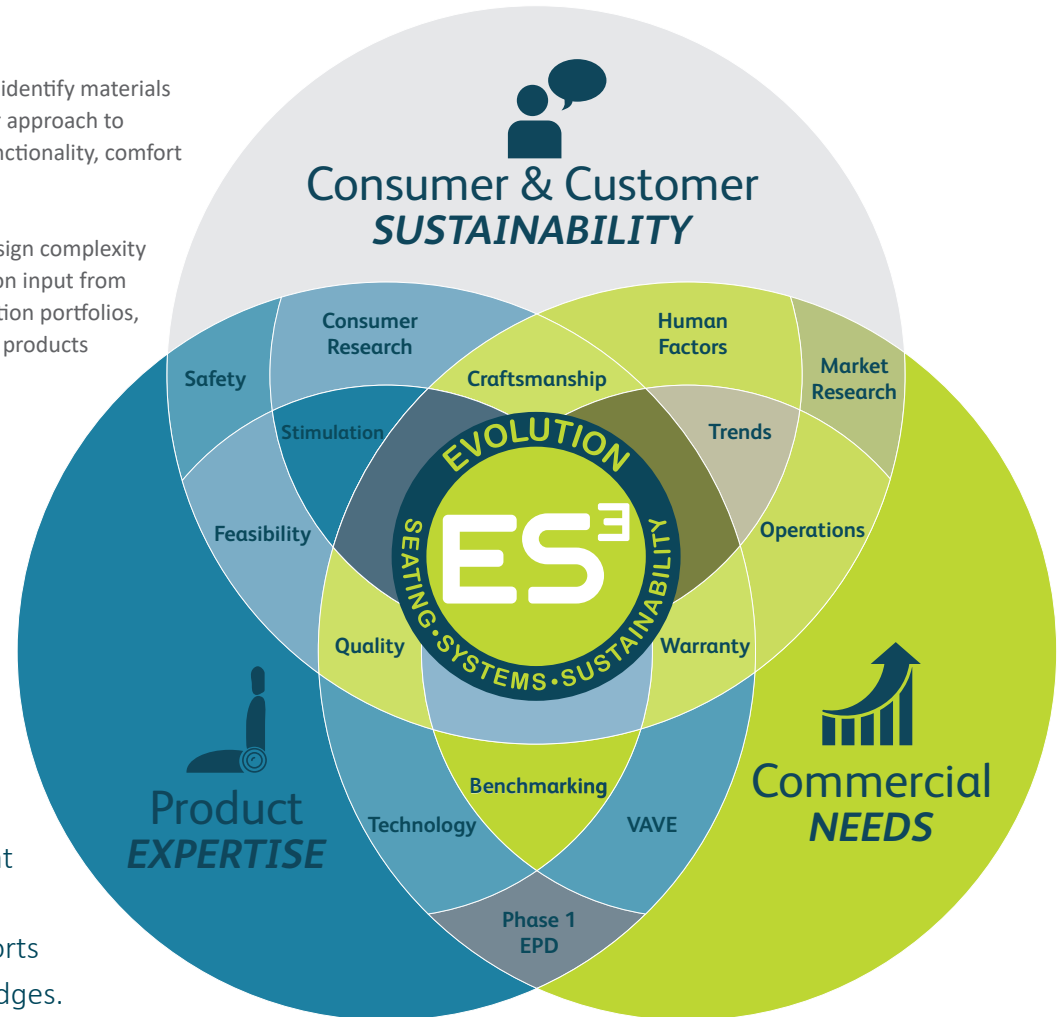

“In fiscal year 2024, Adient significantly advanced in decarbonizing new products and enhancing their circularity. The company’s extensive range of innovative sustainable materials, products, and process solutions, along with a unique product carbon footprint tool, facilitated the measurement and management of new product carbon footprints from the early design stage. Adient has demonstrated through various decarbonization road maps that

it can meet customer scope 3 reduction goals for the short, medium, and long term. This supports customers in fulfilling their sustainability pledges.

Moreover, Adient is actively engaging with customers and key value chain stakeholders to anticipate forthcoming sustainability-related regulations such as the proposed end-of-life vehicle regulation.”



**Frank Toenniges**  
Director of Sustainable Product Design and Business Process Improvements

In fiscal year 2024, Adient received **5 patents** related to sustainable products and has **13 patents pending**



**INNOVATIONS IN SUSTAINABLE PRODUCT DESIGN**



**UltraThin™  
Seat**

This award-winning seat is significantly thinner, introducing an engineered suspension system that reduces the amount of traditional foam, allowing for smaller, lighter seats without compromising comfort or quality. The UltraThin™ Seat not only reduces material usage but also enhances vehicle fuel efficiency due to its lightweight design.



**Soft Back  
Panel, Soft Side  
Valance**

These components are made from up to 70% recycled PET (polyethylene terephthalate), contributing to weight reduction and enhanced recyclability. By using recycled materials, we are able to reduce our environmental impact and promote a circular economy.



**Shell Foam™**

Shell Foam™ is an innovative foam solution that offers a slimmer profile while maintaining very high comfort levels. Shell Foam™ enables a reduction in the weight of the seat as well as in its greenhouse gas emissions through the use of circular polyol and recycled polyester.



**Recycled  
PET Fabric**

Used in various applications, this fabric helps reduce reliance on virgin materials and supports a circular economy. By incorporating recycled PET into our products, we are able to reduce our carbon footprint and promote sustainability.



**Eco Head  
Restraint**

Designed with recyclable materials and a focus on ease of assembly and disassembly, this head restraint minimizes CO<sub>2</sub> emissions and waste. The Eco Head Restraint is an example of how we are designing products with the entire life cycle in mind.

## DESIGNING FOR MODULARITY AND LOGISTICS

By integrating modular design principles, we aim to enhance the flexibility, efficiency, and environmental performance of our products. This approach not only streamlines manufacturing processes, reduces waste, and decreases transportation costs and related scope 3 emissions — it also allows for easier upgrades and repairs, extending the life cycle of our seating solutions. Through modularity, Adient is able to respond swiftly to market demands, optimize resource use, and contribute to a more sustainable future for the automotive industry.

This graphic shows the assembly steps, also listed below, for a single Adient seat designed for modular assembly.

- 1 Attachment cleats are added to the seat structure (added part or stamped into existing structure)
- 2 Foam, trim, heat, vent and lumbar components are assembled to the UltraThin carrier modules
- 3 Structures and JIT modules are shipped separately to the JIT site
- 4 Cushion Module is attached to the structure
- 5 Back module is attached to the structure
- 6 Head restraint and plastics are attached to the structure
- 7 Soft Back Panel trim hoop is attached
- 8 Low-cost, die-cut back panel is attached
- 9 Complete seat is shipped to the assembly plant





## PURE ESSENTIAL: WHERE COMFORT MEETS SUSTAINABILITY

In today's world, the demand for products that prioritize both comfort and environmental responsibility is higher than ever. Adient has risen to this challenge with the innovative, disruptive, EV-ready Pure Essential seat. The Pure Essential combines a high degree of comfort with a sleek appearance while reducing cost, complexity, weight and the seat's overall carbon footprint.



### Trim

Trim covers are made of materials that incorporate post-consumer recycle, circular knitted without lamination.



### Comfort Features

Traditional foam is replaced with non-woven fiber materials and thermofelt containing pre-consumer and post-consumer recycle.



### Plastics

For visible features, hard plastic is replaced with 3-D formed thermofelt containing a high degree of post-consumer polyester.



### Seat Structure

The seat's steel structure is made of green steel with 60% or more recycled content.



### Assembly

The seat is designed to be easy to assemble and disassemble, reducing energy usage in the manufacturing process and promoting product circularity.



## LIFE CYCLE ANALYSIS FOR SUSTAINABLE PRODUCTS

As part of our commitment to reducing our scope 3 emissions and providing transparency into the environmental footprint of our products, we utilize our proprietary Product Carbon Footprint (PCF) Tool to conduct comprehensive life cycle analyses (LCA). These analyses cover various aspects such as material use, greenhouse gas emissions, energy consumption and waste generation, encompassing all relevant life cycle stages from the extraction of raw materials to the delivery of the product to the customer (cradle-to-gate).

In addition to using the PCF Tool internally, we also offer it to our customers. They often use the results in their own cradle-to-grave analyses, which extend the assessment to include the product’s entire life cycle, including its use and disposal. Detailed LCA results are provided to our OEM customers and internal functions at Adient. These results are broken down into life cycle stages, commodities, material groups and subassemblies, providing a clear and detailed view of the environmental impact at each stage.

We have established a dedicated team in Trenčín, Slovakia, to support our engineering community and customers in using the PCF Tool for their CO<sub>2</sub>e calculations. This team ensures that users can effectively perform their analyses and understand the results.

Our PCF Tool is built in accordance with international standards such as ISO 14040, ISO 14044 and ISO 14067, and follows guidance from the WRI. This ensures that our calculations of cradle-to-gate greenhouse gas emissions are accurate and reliable. It is important to note that our calculations do not include CO<sub>2</sub>e removals and offsets.

We are committed to continually improving our PCF Tool to ensure that it remains up to date with the latest data, materials and processes. This includes regular updates to the CO<sub>2</sub> values and source data to reflect the most current information available.

Our ongoing activities regarding the PCF Tool include:

- > **Analyzing CO<sub>2</sub> Footprint of New Innovative Products:** We use the PCF Tool to analyze the carbon footprint of innovative products such as Pure Essential, Smart Efficiency 2.0, Soft Back Panel, Soft Side Valance, Sound in Seat, Shell Foam, and more.
- > **Application in RFI and RFQ Programs:** The PCF Tool is implemented across a majority of Request for Information (RFI) and RFQ programs.
- > **Continuous Enhancement and Improvement:** We continuously enhance the PCF Tool to ensure compliance with relevant rulebooks like the Catena-X rulebook for product carbon footprint calculation, adhere to industry standards, and follow OEM guidelines.
- > **Increasing Primary Data Usage:** We are increasing the proportion of primary data over secondary data within our CO<sub>2</sub> emission factor inventory.

- > **Engagement in Industry Working Groups:** We actively participate in the CLEPA working group focused on life cycle assessment and product carbon footprint analysis.
- > **Creating a Product Carbon Footprint Database:** We have started creating a comprehensive product carbon footprint database that includes an array of Adient products ranging from innovations to quoted and sold items.

By leveraging our PCF Tool and continually improving it, we ensure that we provide accurate and transparent information about the environmental impact of our products, helping us and our customers make more informed decisions towards sustainability.

### ADIENT, JLR AND DOW DEVELOP CLOSED-LOOP PU FOAM FOR VEHICLE SEATS

Adient, Jaguar Land Rover (JLR) and Dow have collaborated to develop a closed-loop polyurethane (PU) foam that addresses the environmental impact of PU foams used in automotive seating solutions.

By collecting, sorting and shredding post-consumer PU molded foams from end-of-life vehicles, Dow produces a new circular polyol. This polyol is then integrated into Adient’s seating formulas, resulting in Adient front seat cushion prototypes that are composed of 20% re-polyol from these recycled materials. This innovative approach marks the first time PU molded foam for seating applications has been produced under these conditions, positioning PU at the heart of a circular economy system.

Further research will focus on increasing the re-polyol content, with production-scale testing of the closed-loop seat foam set to begin with JLR in early 2025. Read more on [adient.com](https://www.adient.com).





## SUSTAINABLE MATERIALS AND CIRCULAR ECONOMY

We are committed to identifying sustainable materials and manufacturing methods that promote a circular economy, and we are proud to collaborate with our customers and other stakeholders to reduce our product carbon footprint.

### Metals

In our SS&M business, we are integrating increasing amounts of recycled content and “green” steel in our products to help mitigate the carbon-intensive processes of metal extraction and processing. Our initiatives include:

- > **Partnership with H2 Green Steel:** We have a detailed road map with [H2 Green Steel](#), outlining which grades will be available as green steel starting in April 2026.
- > **Collaborations with OEMs:** We are working to secure green steel volumes for future SS&M programs through partnerships with major OEMs.
- > **Life Cycle Analysis and Product Carbon Footprint:** We have performed LCA/PCF analyses on all core mechanisms to better understand and reduce the environmental impact of our products.
- > **Improving Blank Utilization in India:** Efforts are underway to improve blank utilization, which reduces waste and increases efficiency.
- > **Information Exchange with Kobe Steel in Japan:** We have held information exchanges with Kobe Steel regarding process technology for green steel, which is already available, though not yet in production in Japan.



These initiatives reflect our ongoing commitment to sustainability and reducing the environmental impact of our SS&M products.

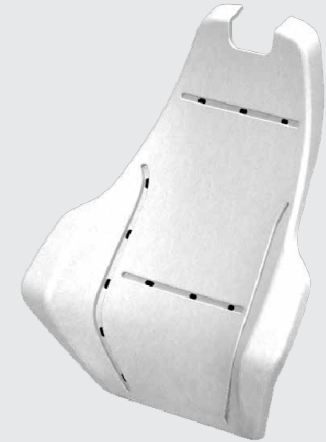
### Foam

As pioneers in foam solutions, we offer a wide selection of options to our customers, including our lightweight Shell Foam, which is up to 50% thinner than traditional foam and more rigid. This facilitates smaller, lighter seats that do not compromise comfort, quality or appearance.

We are delivering PUR foam parts that have a significantly lower product carbon footprint and a high degree of circularity for the premium vehicle segment.

We achieve this by:

- > **Implementing Circular Polyol and Bio-Circular Isocyanate:** Our foam plants in Lucenec and Mandling have renewed their ISCC+ certification, passing their first qualification audit with full traceability.
- > **Recycling Initiatives:** We are part of the [RACE \(Recycling of Automotive plastic in a Circular Economy\) initiative](#), a multi-stakeholder project focused on recycling end-of-life vehicle (ELV) plastics and PUR foam into re-polyol. We collaborate with an OEM, recycling specialists, car repair shops and resin suppliers on this recycling effort.
- > **Developing Eco Models:** We have created plant-specific Eco models for Adient hot cure and cold cure solutions — toluene diisocyanate (TDI) and methylene diphenyl diisocyanate (MDI) — using external LCA software.
- > **Prototype Development:** In our prototype workshop in Strasbourg, France, we produced parts where 20% of the polyol was replaced with re-polyol made from post-consumer seat foams recovered from end-of-life vehicles.
- > **Innovations in India and Japan:** In India, we are working on Shell Foam combined with R-Comfort and using natural polyol in foams. In Japan, a major OEM has issued an RFI for Bio-Foam with at least 25% bio content for the China, Asia Pacific and North America regions.



These initiatives reflect our ongoing commitment to sustainability and reducing the environmental impact of our foam products.

### Trim

In our trim business, our customers directly control the sourcing of the vast majority of our seat cover materials, including leather. However, we are proud to offer a wide selection of alternative sustainable trim and backing materials that are durable, comfortable, and stylish.

Our ongoing activities include:

- > **Research and Investigation:** We continue to research and investigate plant-based artificial leather alternatives. We have successfully tested a recycled leather with 85% recycled leather fibers, achieving an 80% reduction in carbon footprint compared to genuine leather. This material is being assessed for seat trim cover suitability.
- > **Joint Development Projects:** We are engaged in a joint development project with a premium car manufacturer to develop an artificial leather using fruit waste as an organic filler material, bringing it to mass-production maturity level.
- > **Showcasing Innovations:** We are showcasing a new generation of innovative demonstrator seats that feature bio-attributed PU and polyvinyl chloride (PVC) faux leather with high recycled content.
- > **Maximizing Recycled Content:** We are working to maximize recycled content (post-industrial and post-consumer) in trim cover components such as extrusions, listings, retainers, zippers, loop tape, and more.
- > **Regional Initiatives:** In India, we are using recycled plastics for trim components. In Japan, a manufacturer has initiated a project to replace PUR lamination with a textile supplier.



These initiatives reflect our ongoing commitment to sustainability and reducing the environmental impact of our trim products.

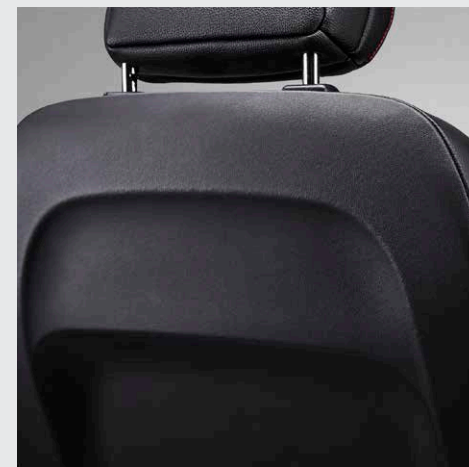
### Plastics

Through intensive collaboration with our plastics suppliers around the world, we offer a variety of recycled and recyclable plastic materials — as well as bioplastics — that help meet our sustainability goals in collaboration with our customers. Currently, we can offer complete seat car sets averaging 50% recycled plastic content. Additionally, products like our Soft Back Panel and Soft Side Valance are made from up to 70% recycled PET and can be combined with a wide variety of trim materials.

In fiscal year 2024, Adient’s EMEA organization announced its cooperation on a sustainability project under the leadership of the Danish Technological Institute. The [RACE project](#) will develop and improve methods to make automotive plastics more circular. Read more about this project at [www.dti.dk](http://www.dti.dk).

Our ongoing activities include:

- > **Recycled Content in Plastic Components:** We maintain an average of 50% recycled content in plastic components related to a complete seat car set.
- > **Supplier Collaboration:** We work intensively with various suppliers to increase the degree of post-consumer recyclate in our products.
- > **Customer Collaboration:** We collaborate with customers to systematically decrease the number of different plastic resin types in a vehicle seat car set and significantly increase the percentage of post-consumer recycled content.
- > **Carbon Footprint Analysis:** We have identified where several of our North American resins fall in the carbon footprint range. This helps us identify opportunities to reduce content and use updated values in our LCA tool to accurately track emissions.
- > **Sustainable Resin Opportunities:** We have identified current parts that have the opportunity to switch to more sustainable resins. We work with engineering teams and customers to replace higher carbon footprint resins with lower carbon footprint resins or increase recycled content in new parts.
- > **India Initiatives:** In India, we are working to reduce electrode discharge machining (EDM) for new programs.



These initiatives reflect our ongoing commitment to sustainability and reducing the environmental impact of our plastic components.



## ADVANCING AUTOMOTIVE PLASTIC RECYCLING EFFORTS

Adient is proud to join an ambitious initiative to enhance the recycling of automotive plastics, including PUR foam. Spearheaded by the Danish Technological Institute, the RACE project is a collaborative effort that aims to significantly boost the reuse and recycling rates of plastics from end-of-life and repaired vehicles.



Currently, over 80% of plastic from scrapped cars in Denmark ends up in incinerators or landfills. To address this, the RACE partnership has been formed, bringing together key stakeholders across the automotive industry, including car manufacturers, repair shops, insurance companies, plastic manufacturers and recyclers. This partnership aims to increase the recycling rate of automotive plastics by up to 75%.

The automotive sector is Europe's third-largest consumer of plastic, with a modern car containing over 200 kilograms of plastic. With upcoming EU regulations requiring that 25% of plastic in new cars be recycled by 2030, of which 25% must come from automotive plastics, the urgency for effective recycling solutions is clear.

The RACE partnership will focus on:

- > Improved sorting and reuse of plastic parts at garages and car recyclers
- > Enhanced shredding and sorting of mixed plastics
- > Mechanical recycling of hard plastics into new raw materials
- > Chemical recycling of seat foam and other plastics through processes like pyrolysis

"Adient is committed to developing and implementing solutions that are both economically and environmentally viable," said Frank Toenniges, director of sustainable product design and business process improvement at Adient. "By collaborating with other industry leaders, we aim to meet the stringent EU requirements and drive the circular economy for automotive plastics forward."

Through this initiative, Adient and its partners are paving the way for a more sustainable automotive industry, ensuring that plastic waste is minimized and valuable resources effectively reused.

## COLLABORATING WITH OUR STAKEHOLDERS

We work closely with our customers to fully understand and align with their sustainability strategies and goals, and our product menu offers a wide variety of sustainable materials and seating solutions to meet their requirements. We maintain a thorough database of current OEM sustainability goals, activities, supplier expectations and product sustainability requirements and developed numerous road maps for our customers to help them decarbonize their products and maximize product circularity.

Using our proprietary [Product Carbon Footprint Tool](#), we may perform life cycle assessments on new products beginning in the early design phase and even compare the product carbon footprints of different seating options available to our customers.

We also closely monitor environmental legislation and regulations at the regional and global levels that may impact our products. Our proactive approach means we are already phasing out materials that do not align with upcoming or proposed regulations.



## 2.6 Forests and Water Management

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**We recognize the importance of Earth’s natural resources such as water and forests to the overall health of our shared planet, and we understand preserving natural resources helps to ensure biodiversity, protect nature and ecosystems, and mitigate climate change.**

We also realize the importance of a healthy planet to our business continuity and are working to conserve these precious resources in our operations globally. Our stakeholder interests such as business continuity, ethical business practices and resource preservation are critical to customers, employees, regulators and communities.

Our water policy requires sites to monitor regional water stress, track and monitor water consumption, and improve water management. We conduct periodic water studies to detect and address water stressed sites. In addition, monthly water intensity and recovery metrics are compared to targets and reviewed in monthly plant and regional operational meetings with management.

Our [Deforestation Commitment](#) acknowledges that forests play a vital role in preserving biodiversity, providing habitats for wildlife, mitigating climate change, and supporting human life. We also recognize that the loss of our forests and rainforests through human-driven deforestation harms the health of our global ecosystem. We have established commitments to better understand — and work to improve — our value chain’s potential impact on deforestation.

### FORESTS

In 2023, Adient completed a supply chain mapping project of our key forest commodities. We engaged with our strategic suppliers of timber-based packaging, leather, soy and palm oil in each global region to determine the level of sustainable certifications in place and to understand more about the different stakeholders in each supply chain. Through this exercise, we gleaned valuable insight into sustainability priorities and road maps of our suppliers and where we have challenges remaining. Adient has updated our [Deforestation Commitment](#) and [Global Supplier Standards Manual](#) to demonstrate our expectations and requirements to supply to Adient as we work to procure forest commodities from more sustainable sources. As part of our commitment to understand our impacts through procurement, we have completed a project to calculate our FLAG emissions under the guidance of SBTi.

We look for sustainable procurement opportunities, such as our recently launched project to determine the percentage of sustainably certified timber-based packaging material received in each global region in 2024, creating a baseline for improvement.

As part of our commitment to understanding our potential impact on deforestation, we joined forces with the [World Wildlife Fund](#), [Global Canopy](#) and the [Leather Working Group](#) as a trusted team of on-the-ground resources while also collaborating with other stakeholders to find potential solutions and alternatives. In 2024, we provided data to the CDP regarding our management of timber, soy, palm oil, leather and rubber-related products.



**[For more information about how Adient utilizes forest commodities, visit the Natural Resources page on adient.com](#)**





**Adient’s Progress toward its Forest Commodity Targets\***

Commitment	Status	Progress
<b>Conduct supply chain mapping of Adient-controlled soy and palm products (100%) by 2025.</b>	✔ Achieved	<ul style="list-style-type: none"> <li>&gt; 100% tier 1 response rate and sourcing regions identified</li> <li>&gt; 75% tier 2+ response rate</li> </ul>
<b>Work with 100% of our soy and palm supply chain to understand status of sustainable certifications during 2023.</b>	✔ Achieved	<ul style="list-style-type: none"> <li>&gt; 100% of tier 1 suppliers can offer sustainably certified product</li> </ul>
<b>Work with 75% of our timber-based packaging supply chain to understand status of sustainable certifications during 2023.</b>	✔ Achieved	<ul style="list-style-type: none"> <li>&gt; Engaged with 89% of our packaging suppliers</li> <li>&gt; 51% of our suppliers are using sustainable-certified materials</li> </ul>
<b>Conduct supply chain mapping of Adient-controlled leather products (100%) by 2025.</b>	🔄 In Progress	<ul style="list-style-type: none"> <li>&gt; Engaged with 100% of key** leather suppliers (directed and controlled) in the mapping exercise</li> <li>&gt; 42% tier 1 response rate (58% data gap filled via market research)</li> <li>&gt; 70% of sourcing regions identified</li> <li>&gt; 19% tier 2+ response rate</li> </ul>
<b>Conduct supply chain mapping of Adient-controlled timber-based products (75%) by 2025.</b>	🔄 In Progress	<ul style="list-style-type: none"> <li>&gt; Engaged with 100% of key packaging suppliers (directed and controlled) in the mapping exercise</li> <li>&gt; 70% tier 1 response rate (58% data gap filled via market research)</li> <li>&gt; 70% of sourcing regions identified</li> <li>&gt; 47% tier 2+ response rate</li> </ul>
<b>Identify opportunities to increase the percent of sustainably certified timber-based packaging materials received by Adient from our global supply base by September 2025.</b>	🔄 In Progress	<ul style="list-style-type: none"> <li>&gt; 2024 study completed with key timber-based packaging suppliers in each region</li> </ul>
<b>Develop key priority actions for protecting biodiversity in line with the Task Force for Nature Related Financial Disclosures (TNFD) by September 2025.</b>	🔄 In Progress	<ul style="list-style-type: none"> <li>&gt; First biodiversity risk assessment completed</li> <li>&gt; Evaluate findings to develop key priority actions going forward</li> </ul>

\*As of Sept. 30, 2024

\*\*Adient excluded low-spend suppliers from the mapping exercise



## WATER SECURITY

We believe access to clean water is a fundamental human right and recognize it is vital to our own operations. We conduct our business in a manner to minimize withdrawals and ensure water is managed in compliance with local regulations and best practices. We use water in our facilities for [safe drinking water, sanitation and hygiene](#) (WASH) purposes and as a component in some of our production processes, recycling and re-using water wherever reasonably possible.

In 2021, we conducted our first water security risk assessment using the World Resources Institute (WRI) Aqueduct Tool to identify our sites that exist in regions of high water stress. In 2024, we repeated this activity to ensure recently added sites were included; this prepared us for our limited assurance activities regarding water withdrawal in areas of high and extremely high baseline water stress. The tool is based on a water risk framework which allows multiple water related risks to be combined. There are 13 indicators covering various types of water risk grouped into three main categories: physical risk quantity, physical risk quality, and regulatory and reputational risk. Finally, the three groups are combined into a single overall water risk score.

Through the assessments, we identified 39 manufacturing and 12 non-manufacturing sites that reside in areas of high water stress, in 12 countries across the three regions. Among these 51 sites, we have identified 12 sites with high physical risk quantity, quality, and regulatory and reputational risk. We are focusing our efforts and resources on our sites facing challenges related to flood risk and water quality. We monitor our water withdrawals, consumption and wastewater using our internal data-management platform. Water-related data from our sites is collected, validated and uploaded into the platform every month. The data captured in the tool is based on our utility use and allows us to view trends, monitor our impact and identify opportunities for improvement. This platform has allowed Adient to improve the completeness and accuracy of our water consumption data.

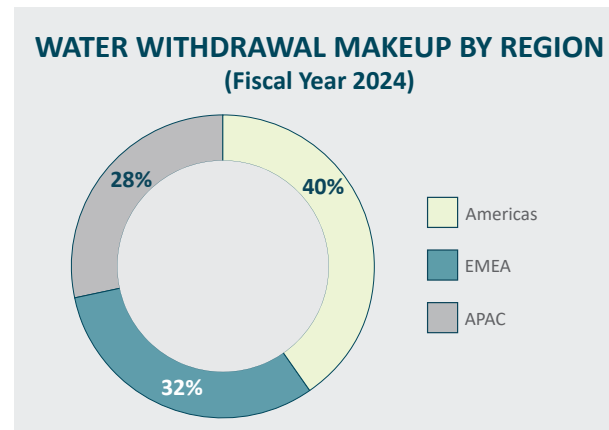
All global manufacturing sites have established site-specific water management programs for reducing and reusing water. Some examples include installing water treatment equipment

and harvesting rainwater and avoiding water use where possible. We provide awareness training to our site EHS employees on water efficiency management programs and best business practices. Based on historical data, our sites set voluntary annual water saving targets to achieve high water efficiency levels, not only in the high water stress regions but globally.

Looking ahead, we have completed a water scenario analysis using current data trends and conducted projection analyses for 2030 and 2050 to help anticipate future challenges concerning drought, flood risk and water quality. We plan to continue analyzing our risks, working with experts in water security, establishing and monitoring KPIs, and continuing to work with high-water-consumption sites to reduce their water usage.

We also track and monitor wastewater discharges from all global sites. All water is discharged within local effluent regulatory parameters, and sites are audited by third parties to ensure regulatory compliance.

With our company Water Management Policy as our guide, we endeavor to conduct our operations in a way that minimizes water withdrawals and wastewater produced to the greatest extent possible and always safely discharges wastewater according to applicable local legal requirements. The policy also requires that our sites monitor water-management KPIs. Adient’s operations leaders monitor these KPIs via a centralized system with input from team members at our sites globally.



**53,669**

cubic meters of water conserved through continuous improvement projects in fiscal year 2024

**7%**

year-over-year reduction in total water withdrawals in fiscal year 2024

## FISCAL YEAR 2025 KEY FOREST AND WATER ACTIONS

Our key actions with respect to water and forest commodities going into 2025 include:

- > Engaging with packaging suppliers to **understand the percent of sustainably certified product** currently being received in our manufacturing sites globally and understand opportunities to increase the percent of certified materials received.
- > Continuing our supply chain mapping work fostered through more **engagement with our suppliers**.
- > Understanding the impact and our role in the new **European Deforestation Free Regulation** (EUDR) and other similar regulations.
- > Develop key priority actions for **protecting biodiversity** in line with the Task Force on Nature Related Financial Disclosures.
- > **Rolling out an internal water strategy** to focus on reduction efforts for high water consumption sites and sites in high water stress regions.
- > **Implementing best practices** from our fiscal year 2024 [Global Water Initiative](#)

For more information about Adient’s management of natural resources, please visit our [Natural Resources page](#).



## ADIENT GLOBAL WATER INITIATIVE

As Adient progresses in its sustainability journey, our teams are turning their attention to water. In 2024, Adient launched its Global Water Initiative — a project-tracking exercise that aims to uncover water-reduction opportunities and promote ideas and success stories at Adient’s sites around the world. The Global Water Initiative is the latest in a string of highly effective projects that will help Adient reach its sustainability goals. These sustainability initiatives begin by increasing awareness about savings opportunities at the site level, then training employees to

develop a critical eye for spotting savings opportunities as they progress through the remaining stages of the project.

Globally in fiscal year 2024, Adient teams completed **235 continuous improvement projects** — including those highlighted below — relating to water usage at our sites around the world. These projects saved a combined **53,669 cubic meters of water** throughout the year.

### Adient Zhaoqing, China

At our Zhaoqing site, the existing faucets are of the on-off type, which often leads to unnecessary water wastage during use. To combat this issue, we are transitioning from these traditional free-switch faucets to modern induction faucets. These sensor-activated faucets will significantly reduce water waste by ensuring that water flows only when needed. This upgrade is projected to save approximately **1,852 cubic meters of water** annually, contributing to our sustainability goals and conserving valuable water resources.

### Adient Pinthong, Thailand

In our Pinthong site, the weekly testing of the fire pump engine involves running it for 30 minutes, resulting in a loss of nearly 7 cubic meters of water each week. To address this, we installed a piping system that returns the water used during testing back to a storage tank. This innovative solution prevents water loss and allows us to reuse the water for future tests. By implementing this system, we save around **350 cubic meters of water** annually, enhancing our water conservation efforts.

### Adient Queretaro, Mexico

At our Adient foam site in Queretaro, Mexico, we identified that a significant portion of our water consumption occurs in the kitchen. In May 2024, the site's total water usage was 320 cubic meters, with the kitchen accounting for 35% of this amount, or 113 cubic meters per month. To reduce this high consumption, we implemented measures to cut kitchen water use by roughly half. This initiative saves approximately **516 cubic meters of water** annually, helping us achieve more efficient water usage and reduce our environmental impact.

### Adient Murfreesboro, Tennessee, U.S.

Our Murfreesboro site has been experiencing water waste due to leaky bathroom faucets and manual faucets being left on by employees. To address this, we are replacing the leaking faucets and installing sensor faucets that automatically turn off when not in use. These sensor faucets will ensure that water is only used when necessary, preventing waste. This project is anticipated to save around **2,000 cubic meters of water** annually, significantly contributing to our water conservation efforts.

### Adient Bieriń, Poland

In Bieriń, Poland, we are focusing on reducing water consumption by replacing the existing taps in our toilets with more economical ones. These new taps are designed to minimize water flow without compromising functionality, thereby reducing overall water usage. This initiative is expected to save approximately **600 cubic meters of water** annually, supporting our commitment to sustainability and efficient resource management.



## 2.7 Waste Reduction and Handling

**Keeping waste out of the landfill helps decrease our carbon footprint and limit our negative impact on the environment. We are working to reduce, reuse, recycle and renew materials whenever possible across all our operations.**

We aim to operate as efficiently as possible while generating the least amount of waste we can. As customers and employees expect Adient to minimize and properly manage waste, our policy requires our sites to demonstrate a commitment to reducing waste, including proper waste segregation, handling of hazardous waste, site removal by authorized contractors, and compliance with local regulatory requirements.

### TRACKING OUR PROGRESS

In 2022, we implemented our company Waste Policy to govern how we measure, track and ultimately decrease the amount of waste we send to landfills. Under this policy, Adient sites monitor waste KPIs, which helps us track waste-minimization efforts, reduce the amount of waste sent to landfills, and increase waste recycling content. The policy also includes a requirement for sites to implement waste-saving / improved-waste-recovery projects and share best practices and initiatives. We monitor the status and planned savings of all waste projects using our internal CI Trac software. Our sites completed a minimum of one continuous improvement waste-related project during fiscal year 2024.

We collect and monitor our waste data using our internal data-management platform. Team members upload waste data for our sites into the platform monthly. This platform allows our sites to individually track their waste metrics against targets as well as compare site performance. We track key performance indicators — including waste intensity and waste recovery — measure them against our targets, and review progress in

monthly operational management meetings at the site and regional levels. We provide waste training to our employees, sharing best practices for reducing and reusing waste.

Additionally, through our ES<sup>3</sup> approach to product design, our product development teams around the world are finding new and innovative ways to incorporate recycled and sustainable content into our seat systems to promote a circular economy while simultaneously reducing design complexity and improving our products' end-of-life impact.

Adient's manufacturing sites utilize the waste-management framework outlined in ISO 14001 for handling waste. They implement waste management programs by increasing material and process efficiency and establishing collaborations with external companies to reuse waste. Based on historical trends, Adient's sites set waste reduction and recovery targets, monitor and report progress internally, and engage with suppliers to support their waste-saving efforts. Additionally, we track greenhouse gas emissions from our waste generation to help quantify and mitigate our impact.



In fiscal year 2024, Adient sent

**5,308**  
metric tons less waste  
to the landfill through

**358**  
continuous improvement  
projects



## REDUCING WASTE FROM OUR OPERATIONS

### Adient Solingen, Germany

The current coil feeding system at our Solingen plant is limited to unwinding in a single direction, which has led to increased steel prices due to inefficiencies. To address this, we are implementing a new coil feeding system capable of unwinding in both directions. This upgrade is expected to reduce steel prices by approximately **3% per ton**. With an annual usage of **500 metric tons of steel**, this improvement will result in significant cost savings and enhanced operational efficiency.

### Adient Česká Lípa, Czech Republic

Our Česká Lípa plant faced challenges in finding a consistent and reliable vendor to process the leather scraps generated during the cutting process. We have now established a stable export channel that allows us to efficiently load and transport over **18 tons of leather scraps per container**, resulting in an annual reduction of **144 metric tons of waste**.

### Avanzar San Antonio, Texas, U.S.

At our Avanzar plant in San Antonio, Texas, we are focusing on reducing foam scrap waste. By optimizing our production processes and improving material utilization, we aim to significantly decrease the amount of foam scrap generated. This project is projected to reduce foam scrap waste by **193 metric tons annually**, contributing to our overall sustainability goals and reducing our environmental footprint.

### Ediasa, Juárez, Mexico

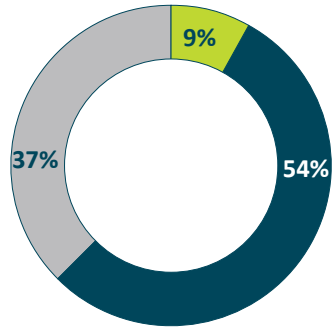
In Juárez, Mexico, one of our Ediasa plants has been incurring disposal costs for cardboard cores, previously sent to landfills as waste. To mitigate these costs and promote sustainability, we are implementing a program to reuse these cardboard cores. By repurposing the cores, we expect to reduce disposal costs and prevent **174 metric tons of waste** from ending up in landfills each year. This initiative supports our commitment to environmental stewardship and cost efficiency.



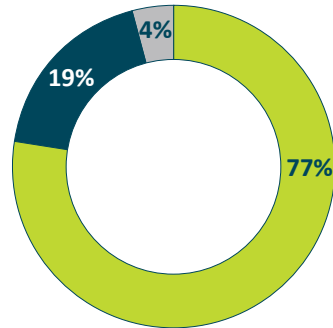
**WASTE DATA**

**WASTE MAKEUP BY REGION — FISCAL YEAR 2024**

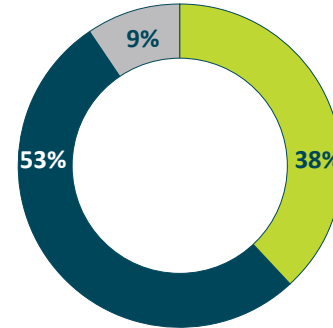
**Total Incinerated Waste**  
(Including Waste Used to Produce Energy)



**Total Landfill Waste**

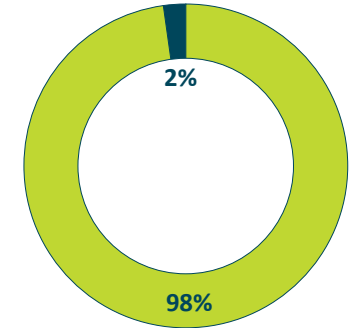


**Total Recycled / Recovered / Reused**



Americas EMEA APAC

**NON-HAZARDOUS WASTE — FISCAL YEAR 2024**



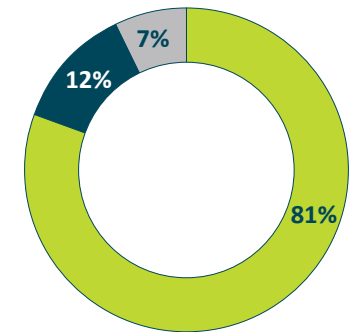
Non-hazardous Hazardous

**GLOBAL WASTE GENERATION (IN METRIC TONS)\***



Fiscal Year 2023 Fiscal Year 2024

**WASTE MAKEUP BY TYPE — FISCAL YEAR 2024**



Total Recycled / Recovered / Reused  
Total Landfill Waste  
Total Incinerated Waste

\* Data includes waste from non-manufacturing sites.



## 2.8 Air Quality

**Air pollution poses a significant threat to human health and is accelerating climate change. As a company, we seek to reduce the amount of air pollutants we generate in our operations.**

We proactively work to curb our volatile organic compound (VOC), nitrogen oxide, carbon monoxide and particulate matter emissions in our operations. We continue to explore and implement manufacturing methods to lower our emissions and reduce waste.

### CLEANER-AIR INITIATIVES

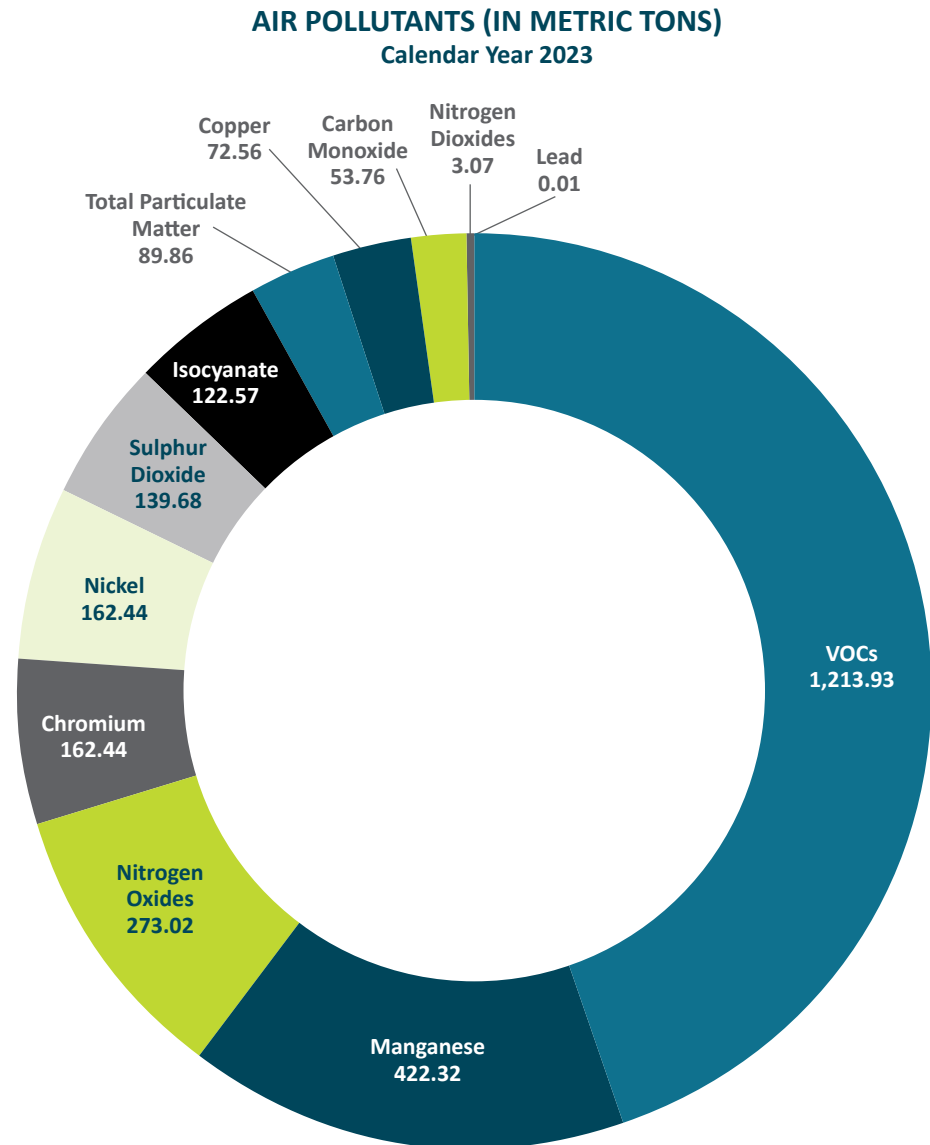
With the ability to monitor air pollution data at more than 175 sites, Adient is committed to contributing to global efforts to track and reduce air pollution. Our sites input annual data for air pollutants into our internal tracking system, using hours worked and the efficiency of exhaust systems as the baseline for calculations. However, as standards for air pollutant emissions become more stringent, year-over-year comparisons can be challenging due to changes in classified substances.

We continue to improve our data accuracy regarding air pollutants. In 2023, ten of our sites began tracking Nitrogen Oxide and Sulfur Oxide; additionally, our China sites are now included in our overall tracking.

Adient proactively works to reduce process-related pollutants, such as those from foam and welding processes and metal drying lines. We use afterburners and specific filters in our exhaust systems and closed conditions, and we strive to reduce mold-release usage and welding wire consumption. In North America, we established a workstream focused on mold-release reduction in our foam plants, saving **46 tons of VOC pollution**.

At our metal location in Rockenhausen, Germany, we upgraded our hardening ovens to use air for cooling, eliminating oil emissions. Older hardening ovens are now equipped with filters to reduce odor emissions. Laser welding processes produce particulate matter, which is extracted from the air using specific filters and collected for disposal by waste management companies.

We continue to explore and implement manufacturing methods to increase energy efficiency, helping to lower our utility emissions, including particulate matter, which are calculated based on the U.S. Environmental Protection Agency’s AP-42 guidelines.



## ADIENT FOAM PLANTS SLASH VOC EMISSIONS

Adient has made significant strides in reducing mold-release usage and VOC emissions across its facilities. Mold-release agents are used to separate the product (foam) from the mold without damaging the product.

In fiscal year 2024, several Americas locations showed continued reductions in mold release usage:

- > **Georgetown, Kentucky, U.S.:** Reduced mold release usage by 1.83 grams/FBE, a 6% reduction.
- > **Pulaski, Tennessee, U.S.:** Reduced mold release usage by 5.47 grams/FBE, a 7.5% reduction.
- > **Queretaro, Mexico:** Reduced mold release usage by 1.92 grams/FBE, a 4% reduction.
- > **Saltillo, Mexico:** Reduced mold release usage by 0.14 grams/FBE, a 2% reduction.
- > **Greenfield, Ohio, U.S.:** Reduced mold release usage by 1.59 grams/FBE, a 3% reduction.

Since the initiative's inception in August 2019, there has been a total reduction of 10.63 grams/FBE.

Key activities driving mold release reduction include:

- > **Monthly Workstream** — Engaging ownership of the process and sharing reduction activities.
- > **Optimizing Spray Coverage** — Fine-tuning patterns of the auto spray system to reduce overspray.
- > **Reducing Spray Applications** — Minimizing overlapping applications of mold release.
- > **Preventive Maintenance** — Calibration checks, spray applications, and cleaning routines.
- > **Monitoring Parameters** — Establishing and daily monitoring of fluid and atomization pressures.

In fiscal year 2024, this project yielded material usage savings of 44.12 metric tons, resulting in a VOC reduction of 46.84 metric tons. The continuous efforts and strategic initiatives have not only met but exceeded the reduction goals set since the initiative's inception. The progress made in fiscal year 2024 sets a strong foundation for achieving our fiscal year 2025 goals and further advancing Adient's sustainability objectives.





# 2.9 Chemicals Management

**Some chemicals used in the automotive industry may impact human health and the environment. Handling them properly is vital to keeping workers and the environment safe.**

The [International Material Data System](#) (IMDS) is the global standard material data system for the automotive industry. It provides information on the presence of legally declarable, restricted or prohibited substances in our products. Our IMDS team in Trenčín, Slovakia, uses the IMDS to ensure we are meeting our legal obligations for managing hazardous chemicals and other materials.

## HAZARDOUS CHEMICALS

We internally screen our serial and spare parts production regularly for the presence of hazardous chemicals — as listed in the publicly available [Global Automotive Declarable Substance List](#) (GADSL) — as one of our core processes to manage hazardous substances in our products. Our suppliers are also required to submit IMDS data sheets for their products to ensure they are complying with international and national chemical legislation.

We perform periodic internal and external audits of our chemical management system following the ISO 14001 standard. Our internal processes define clear responsibilities for chemicals management, including the responsibilities of top management. The IMDS is also part of our internal Engineering Approval Process, which includes defined deliverables at specific steps during the product development process.

With our internal processes, we are compliant with GADSL to improve the protection of human health and the environment from the risks that can be posed by chemicals.

## EYE ON REGULATIONS

We monitor legislation related to chemicals on global and regional levels, including: [Registration, Evaluation, Authorization and Restriction of Chemicals](#) (REACH); the [Stockholm Convention on Persistent Organic Pollutants](#) (POPs); [U.S. Toxic Substances Control Act](#) (TSCA); [California Proposition 65](#) and similar legislation. We work to phase out hazardous substances six months before the official phaseout date and report parts that contain hazardous substances listed on the REACH candidate list into the [EU Substances of Concern in Products](#) (SCIP) database.

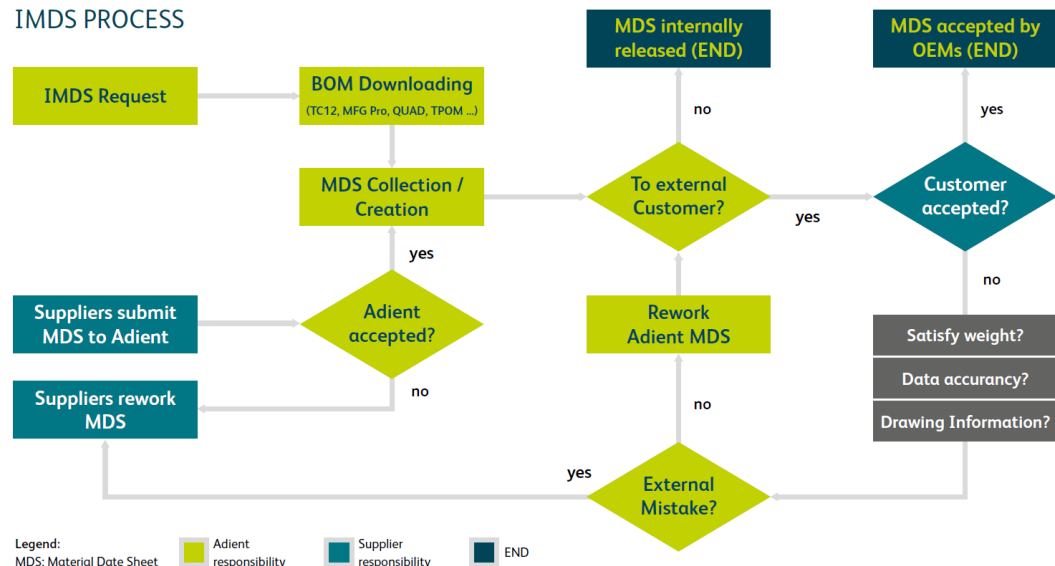
Over the last few years, the number of legally regulated substances has been steadily increasing, including the monitoring of POPs and their uses. We are actively working on reducing per- and polyfluoroalkyl substances (PFAS) substances in our products to improve their environmental footprint. We are also preparing for PFAS reporting requirements according to [U.S. Toxic Substances Control Act](#) (TSCA) section 8(a)(7),

scanning our products, identifying those that need to be reported to the U.S. Environmental Protection Agency (EPA) beginning in May 2025, and collecting information related to their use.

The [EU End-of-Life Vehicles \(ELV\) Directive](#) will introduce mandatory minimum recycled content in materials, and the IMDS system has been upgraded to allow for the necessary entries. To fill in information related to post-industrial and post-consumer recycled content, we are already collecting information from our raw material manufacturers. This helps us to estimate the recycled content and determine whether we will be able to meet the proposed recycled content quota.

Adient is also a member of CLEPA, the foremost lobbyist group for automotive suppliers in Europe. In this role, we are supporting CLEPA's efforts to provide industry input to the chemical strategy of the EU, mainly regarding the use and substitution of hazardous substances in automotive products.

### IMDS PROCESS





# 3. Social



# 3.1 Overview

**Our people are our top priority. That includes our employees, suppliers and customers — and the communities in which they live and work. We will continue to work to protect the human rights, health and safety of our people while fostering an inclusive culture that values diversity.**

We are committed to respecting the UN Global Compact’s 10 Principles, including the six principles on human rights and labor. We recognize that our success as a company hinges on fostering a work environment where our employees feel valued and respected for their individuality.

## OUR PEOPLE-FIRST APPROACH

We are a global leader in automotive seating because of our people — a team of 70,000+ unique individuals who make it all possible.

Our senior leaders, especially our President and CEO, are dedicated to advancing diversity and inclusion as well as career development through inclusive leadership and talent management. Our processes aim to expand access to opportunities by eliminating barriers, reducing bias, and broadening our candidate pool. The Chief Legal and Human Resources Officer, reporting to the President and CEO, oversees global talent processes to attract, develop and retain our most valuable asset: our employees. This officer regularly updates the board of directors on our progress with key people metrics.

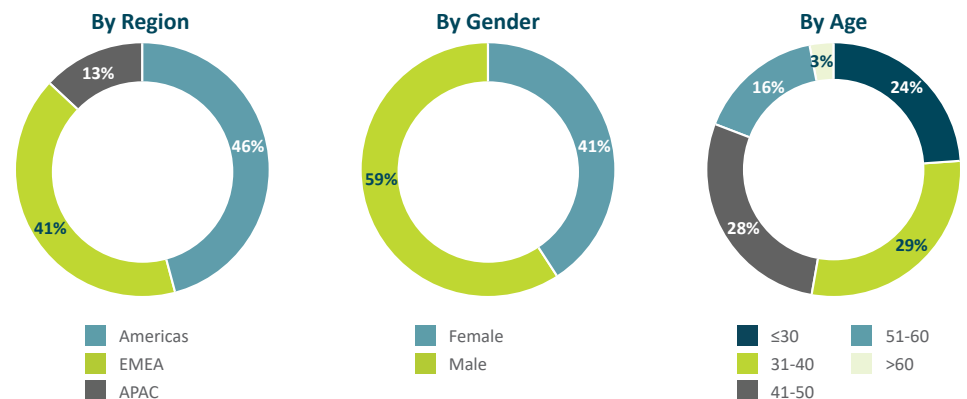


While our global talent-management practices apply to all regions in which we operate, we recognize different locations have different needs, and we empower each region to implement their own programs to drive performance and employee-development activities in line with our business needs and the local labor market. This localized approach helps us attract and retain engaged employees who work collaboratively to achieve the company’s goals.

We also attract and retain engaged employees through positive employee-relations activities that focus on our people and their families. Employees have numerous opportunities to communicate directly with leadership to ask questions, make suggestions, or provide input. These lines of communication include our global engagement survey, global and regional town hall meetings, periodic informal Let’s Talk sessions hosted by leaders, open-door policies, high-performance work teams, local and global recognition programs, and Adiant’s Integrity Helpline.

In fiscal year 2024, Adiant conducted an engagement survey to solicit employee feedback on topics that are integral to our culture, including overall employee satisfaction, ethics and integrity, employee development, overall well-being, communicating expectations, and diversity and inclusion. Over 10,000 Adiant and consolidated joint venture salaried employees voluntarily participated in the survey and shared their feedback. This important feedback helped us understand areas where we are on the right course and areas where we need to improve. We have implemented both global and regional action plans based on this critical feedback.

## OUR GLOBAL WORKFORCE Fiscal Year 2024



## 3.2 Human Rights

**Human rights are essential to society and crucial for our business success. As a multinational company, we believe it is our responsibility to use our influence to make a positive impact.**

 [Read more in Adient's Human Rights Policy Statement](#)

We are committed to incorporating the UN Global Compact’s core principles into our strategy, culture and operations, and to engage in collaborative projects that advance the broader development goals of the United Nations — particularly the [Sustainable Development Goals](#).

Adient communicates its commitment to human rights and expectations of our stakeholders in a number of our policies and practices, including our [Human Rights Policy Statement](#), [Ethics Policy](#), and our [Global Supplier Standards Manual](#). Among other requirements, our human rights policies and practices:

- > Prohibit the use of forced, bonded, indentured, child or involuntary prison labor
- > Require compliance with regard to minimum legal working age requirements
- > Require compliance with regard to work hours and applicable local law
- > Require compliance with applicable wage laws, regulations and relevant collective bargaining agreements — including those relating to minimum wages, overtime hours and legally mandated benefits

- > Require workplaces be free of unlawful discrimination and harassment in all its forms, including discrimination and harassment related to race, gender or any other factors protected by law
- > Require respect for employees’ voluntary freedom of association, including the right to organize and bargain collectively

We train employees annually on Adient’s Ethics Policy and the methods for reporting potential ethics violations or claims of harassment or discrimination without fear of retaliation. Adient also provides human rights training to employees on topics such as child labor prevention, forced labor prevention and other human rights risks.

Adient investigates all good-faith reports of alleged human rights violations, ethical concerns and claims of harassment or discrimination, and we take appropriate disciplinary action as needed. Workers’ representatives are given the access necessary to carry out their required functions. Adient does not tolerate discrimination against workers’ representatives.

Adient works to identify human rights risks and takes action to mitigate and remediate these risks and potential impacts. In 2024, we made a number of improvements in risk assessment and mitigation, including updating our [Human Rights Policy Statement](#), implementing an annual process with Adient’s sustainability steering committee to identify and align on Adient’s salient human rights risks, and implementing a semi-annual process to proactively assess human rights risks at all locations globally.





## RESPONSIBLE SUPPLY CHAIN

In addition to preventing and mitigating risks in our own workforce, we continue to develop a risk-based responsible sourcing program that helps proactively assess this risk in our supply chain, including more robust vetting and contract provisions for vendors that supply labor to Adient. We conduct supply chain risk mapping in certain regions relative to human rights risk and expect our suppliers to identify and mitigate/remediate these risks as well as conduct additional due diligence of their own supply chains. Our [Global Supplier Standards Manual](#) contains specific prohibitions against child, forced, indentured, bonded and involuntary labor, which includes slavery and human trafficking.

Simply put, we expect our suppliers to treat workers with dignity and follow our global supplier standards and Ethics Policy (or their own equivalent policy). Suppliers are encouraged to adopt business values and practices that align with the 10 Principles of the UN Global Compact and help advance the UN’s broader Sustainable Development Goals.

We support the principles behind laws prohibiting forced and child labor. Adient’s California Transparency in Supply Chains Act and UK Modern Slavery Act Disclosure can be found (CTSCA and UKMSA Disclosure) with most recently available disclosures supporting these principles made available on our Supplier Portal. We train our global purchasing employees and senior management to identify potential red flags for forced labor in the supply chain.

For more information about how Adient manages its broader supply chain risk, visit the [Supplier Management](#) section of this report.

## CONFLICT MINERALS MANAGEMENT

We are committed to responsibly sourcing conflict minerals and critical raw materials (CRM) and, since 2012, report on the use of Conflict Minerals (Tin, Tantalum, Tungsten and Gold — 3TG). We also report on cobalt and mica for customers that require this reporting. We conduct annual supply chain reviews based on the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected Areas and High Risk Areas, and we are a member of RMI. Our cross-functional conflict minerals steering committee meets quarterly to review and evaluate our policies and procedures.



[Visit our Supplier Portal for more information on Conflict Minerals Management](#)

We encourage our first-tier suppliers to conduct conflict-free sourcing from RMI-certified smelters per the guidelines in our Global Supplier Standards Manual. As part of our supplier due diligence processes, which conform to the OECD’s Due Diligence Guidance, we communicate regularly with our suppliers to understand their supply chain and, if necessary, clarify their answers on the Conflict Minerals Reporting Template (CMRT). (Adient uses RMI’s CMRT.)

Based on their CMRT responses, we identify the suppliers who potentially use or source conflict minerals, assign them a risk level, and work with them to ensure they comply with our guidelines. We provide our suppliers with online conflict minerals training and support. We follow our escalation processes for any suppliers not in compliance with conflict minerals requirements.





In fiscal year 2024, our activities were centered on improving the supplier in-sourcing process. This process aims at selecting the suppliers that need to submit a CMRT to report on their efforts on conflict-free sourcing. Selection criteria were reviewed and adjusted to allow for a more representative regional spread and the inclusion of suppliers from conflict affected and high-risk areas.

Every year, we disclose any potential use of conflict minerals in the products we manufacture or contract to manufacture in compliance with the Securities and Exchange Commission’s disclosure rules. In fiscal year 2024, we expanded our reporting to include cobalt and mica, using RMI’s Extended Minerals Reporting Template (EMRT) to gather data from relevant suppliers. This process follows the same rules and procedures as our conflict minerals reporting.

We also support the U.S. and EU critical raw materials initiatives to sustain resilient, diverse and secure supply chains by providing usage data to determine the CRMs that are important for the automotive industry. For example, in the EU, Adient is actively engaged in the CLEPA’s CRM subgroup of the Materials and Substances Working Group to identify upcoming CRM topics and support the phase-out and substitution of CRMs in automotive products.



-  [Read our most recent Conflict Minerals Policy Statement](#)
-  [Read our most recent Conflict Minerals Report](#)

**FREEDOM OF ASSOCIATION**

Adient respects employees’ rights to form and join trade unions of their choosing. In locations that are represented by a labor union, Adient facilitates the collective bargaining with the trade union representatives and bargains in good faith, including providing trade union representatives with information required for meaningful bargaining in the context of bona fide negotiations. We bargain in good faith with a goal of reaching a collective agreement that meets the needs of our employees while allowing our business to grow and prosper. We respect the rights of workers to submit grievances without reprisal.





## 3.3 Diversity and Inclusion

**We are dedicated to creating an inclusive culture that values diversity and empowers everyone. When we bring our true selves to work, with all our unique traits and perspectives, we all succeed.**

### OUR CULTURE

We recognize diversity and inclusion are essential to the success of our business and that living these values encourages different perspectives, ignites innovation and creativity, increases employee engagement, and strengthens partnerships with our customers, suppliers and stakeholders.

Our diversity and inclusion processes and programs are designed to expand access to opportunities for all by eliminating barriers, reducing bias, and expanding our potential candidate pool.

We promote a diverse and inclusive culture by:

- > Hiring and developing the best and brightest talent with **diverse representation** at all levels of the organization, including senior management.
- > Creating an **environment** where employees can be their authentic and best selves.
- > Building an **inclusive supply chain** that fosters innovation and economic development through greater supplier choice.
- > Investing in the **communities** in which we operate.



[Read Adient's Commitment to Diversity and Inclusion to learn more](#)

### DIVERSITY & INCLUSION VISION

To be a premier employer that champions an inclusive and equitable work culture enriched by our diversity, where all employees are valued and respected.

### DIVERSITY & INCLUSION MISSION

Adient is committed to driving an inclusive culture that celebrates our differences and empowers our people. Through progressive programs and initiatives, we will enrich our company's culture through recruitment, retention and development of diverse talent throughout the organization. By integrating the values of diversity and inclusion into the way we do business, we are a better partner to our employees, suppliers, customers and communities.



### GLOBAL FOCUS AREAS

**Guided by this vision and mission, Adient has developed global focus areas, including:**

- > Developing, engaging, and attracting **diverse talent** at all levels of the organization, including the leadership level, over the next **three years**.
- > Ensuring there is equity in our **people and pay practices**.
- > Continuing to develop and refine our **people metrics**.

## DEVELOPING OUR DIVERSITY PIPELINE

- > Partnership with external organizations, such as Society of Women Engineers, Automotive Women’s Alliance Foundation, and National Society of Black Engineers on events
- > Inclusive recruitment practices – increasing the candidate pool in the recruitment and selection process
- > Internship program

**Attracting Talent**

- > Global Business Resource Groups (BRGs), created and led by employee volunteers
- > Monthly speaker events, panel discussions, and development workshops hosted by BRGs
- > Annual diversity and inclusion training
  - > Monthly recognition for BRG members (empowerU and town hall spotlights)

**Building an Inclusive Culture**

- > Succession planning process – identifying and developing high-potential talent
- > Panels and development discussions/workshops
- > Global and local development programs
- > EMEA pilot mentoring program

**Developing Talent**

- > Partnerships with organizations such as Vista Maria and Detroit PAL, supporting under-represented youth
  - > Golf outings and fundraisers supporting various local charities
- > Career coaching and workshops
- > Clothing drives to support under-represented populations

**Community Outreach**

## FROM THE TOP DOWN

Enthusiastic support from Adient leadership is crucial to the success of our diversity and inclusion initiatives. Our President and CEO has signed the [CEO Action for Diversity and Inclusion pledge](#) to advance diversity and inclusion in the workplace. He and the rest of our executive leadership team drive our inclusion and belonging strategy from the top down. Their strong support, along with Adient’s membership in organizations like the Center for Automotive Diversity, Inclusion and Advancement (CADIA), guides us in achieving our diversity and inclusion goals.

To advance diversity and inclusion, our executive leadership team established regional diversity and inclusion councils across the Americas, EMEA, and APAC. These councils identify barriers, raise awareness, and drive organizational change. They support our strategic goals in talent acquisition and retention, communications and employee feedback, training and education, metrics and KPIs, and our employee-run business resource groups (BRGs). The councils collaborate across regions to ensure alignment and shared progress toward our enterprise-wide diversity and inclusion goals.

Our executive leaders, including the CEO, host quarterly town hall meetings to share critical business information, recognize employees, and provide opportunities for employees to ask questions. Additionally, senior leaders occasionally hold Let’s Talk sessions with targeted employee groups, such as Adient Accelerate participants. These informal roundtable discussions encourage open communication and allow participants to speak directly with leadership.



## CREATING AN INCLUSIVE CULTURE

Adient is committed to providing an inclusive culture and workplace that is free from harassment, discrimination and any other behavior that diminishes a person’s integrity or self-esteem. We do not tolerate harassment or abuse in any form, including physical, sexual or psychological harassment. We recognize it is up to all our employees to create a respectful, safe workplace and require management at all our sites to implement equal-opportunity and no-harassment policies in accordance with their national, state or provincial law.

We strive for all salaried employees to be trained on discrimination and other related diversity and inclusion topics. In 2024, we partnered with CADIA to conduct a series of training sessions for all people managers in the Americas region. These live virtual sessions covered topics such as leveraging diversity and inclusion to drive engagement, inclusive leadership, and cultural competence. These trainings further cultivate an inclusive culture, supplementing our existing local and in-person trainings in this area. In fiscal year 2024, an average of 564 people managers voluntarily attended each session for a total of 1,692 training hours.

We encourage all our employees, contractors, temporary employees, visitors, interns and other non-employees to immediately report situations of harassment perpetrated by anyone — including visitors and other non-employees — to their department manager, site manager, local human resources manager, legal compliance or Adient’s Integrity Helpline. Employees who are found to have violated our policies following an investigation have faced dismissal, disciplinary actions and warnings, employee counseling, leadership training, and equal employment/anti-harassment training. We also expect our suppliers to treat their employees with dignity and to maintain workplaces free from discrimination and harassment in all forms, and we may terminate a supplier that does not comply with these expectations.



## INCLUSIVE BENEFITS

Adient offers inclusive benefits that create a more supportive workplace and environment, offering a variety of social benefits to our employees globally, depending on their location.

In the U.S., Adient offers a parental leave benefit for working parents. This benefit is part of a large portfolio of offerings focused on well-being, including 24/7 access to Employee Assistance Program (EAP) support for life’s everyday challenges, financial planning assistance, and tools and resources for a healthier life.

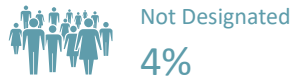
In addition, Adient has hybrid work programs in our EMEA and Americas non-plant offices. The programs align with Adient’s focus on an ownership culture and promote employee empowerment and flexibility. If the individual job allows, managers and employees are encouraged to create a hybrid work arrangement (ideally a mix of remote and office days) that provides for flexibility and collaboration. We continue to monitor these programs for effectiveness and alignment with our evolving business landscape.

## EQUITY IN OUR PEOPLE AND PAY PRACTICES

Adient reviews its people and pay practices regularly to ensure the processes are equitable. In fiscal years 2023 and 2024, we partnered with an external third party to conduct a pay equity analysis for our salaried employees in a number of countries. These analyses confirmed that our pay policies are working as expected and are equitable. These external analyses augmented the internal processes that we have in place to validate equity throughout our compensation processes.

### U.S. ETHNIC MINORITY (FISCAL YEAR 2024)

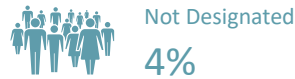
#### All U.S. Employees



#### Above Plant\* U.S. Population



#### U.S. Plant Population



### GLOBAL GENDER DIVERSITY (FISCAL YEAR 2024)

#### All Employees



#### Above Plant\* Population



#### Plant Population



\* Above Plant population is professional/corporate staff comprised of technical and support function roles.

### DIVERSITY IN MOTION: FISCAL YEAR 2024 HIGHLIGHTS

42%

of **employees hired** globally were **female**

68%

of **employees hired** in the U.S. identify as an ethnic **minority**

19%

of **leaders** globally are **female**

27%

of **leaders** in the U.S. identify as an ethnic **minority**

## OUR BUSINESS RESOURCE GROUPS

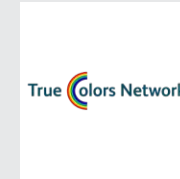
Adient’s BRGs are organized by employees, for employees, and focus on professional development, community outreach, education and awareness to build an inclusive culture. Globally, we are establishing and expanding our BRGs, creating local inclusion opportunities by country and location. We continuously look for opportunities to expand our BRGs globally to include additional under-represented groups.



**ADICARE**  
Indonesia  
*Fostering a culture of sharing and caring for our communities, the environment and humanity.*



**HOLA! (Hispanic Origins • Latino Ancestry)**  
Americas  
*Building bridges to attract, empower and retain talented Hispanics and Latinos within Adient.*



**True Colors Network**  
Americas  
*Developing and nurturing Adient’s LGBTQ+ workforce and allies while cultivating an inclusive culture for all.*



**African Ancestry BRG**  
Americas  
*Improving the recruitment, retention, professional development and engagement of Adient employees of African descent.*



**Jagruti**  
India  
*Giving back to our communities through economic empowerment, volunteerism and educational opportunities.*



**Women’s Resource Network**  
Americas, EMEA and Japan  
*Inspiring our people, advocating for women and minorities, and leading the way in corporate citizenship.*



**Connected**  
Malaysia  
*Connecting, celebrating and engaging individuals from diverse backgrounds to create a community of inclusion and belonging.*



**MIL (Mission\*Integrity\*Leadership)**  
U.S.  
*Uniting service and support to foster professional excellence and civic responsibility at Adient.*



**Young Generation Leaders**  
Thailand  
*Recognizing and supporting the next generation of leaders at Adient.*



**Diversity & Inclusion Network**  
EMEA  
*Fostering diversity and inclusion as a guiding principle for everything we do.*



**MODU (Making the Organization Diverse and United)**  
Korea  
*Enhancing an inclusive organizational culture that respects and embraces diversity.*



**Young Professionals Network**  
EMEA  
*Empowering and developing young professionals at Adient and connecting employees across generations.*



**Eva Committee**  
India  
*Celebrating diversity and empowering the women of Adient India.*



**South Asian Community (SAC)**  
Americas  
*Supporting and empowering professionals of South Asian origin while facilitating cross-cultural interactions at Adient.*



**Green 360°**  
China  
*Improving the experience of a world in motion through sustainability and diversity and inclusion.*



**Technology Professionals Society (TPS) Affinity Group**  
Global  
*Empowering and uniting a diverse community of professionals with a passion for technology and community.*



## MENTORING THE NEXT GENERATION

### *Detroit Cristo Rey High School*

For more than 10 years, Adient has partnered with Detroit Cristo Rey, a high school in southwest Detroit that provides a high-quality college preparatory education to local students who may not otherwise be able to afford it. Part of the curriculum is a work study program that exposes students to a professional work environment. During the 2023-2024 school year, Adient sponsored four students who each spent four to five days per month during the school year at our corporate headquarters in Plymouth, Michigan, U.S.

Students are assigned managers and mentors to guide them as they gain real-world experience and knowledge working in our Engineering, IT and VA/VE departments. We hold an annual end-of-year celebration to recognize the students and give them an opportunity to present what they have learned during their time at Adient. We are very proud to mentor these bright students and expose them to the automotive industry and STEM careers.

### *Atlanta University Center Consortium*

Adient’s African Ancestry Business Resource Group (AABRG) partners with the Atlanta University Center Consortium (AUCC), the world’s oldest and largest consortium of historically Black colleges and universities. The Consortium is comprised of four member institutions — Clark Atlanta University, Morehouse College, Morehouse School of Medicine, and Spelman College. Through the AABRG, Adient offers summer internships to select students.

## LEADERS IN INCLUSION AND BELONGING



In 2024, Adient received a sHero International Award for the third consecutive year. This recognition underscores our ongoing commitment to advancing diversity and inclusion within our organization.

Our journey of recognition began in 2022, when Adient China received its first Best Company X Best Practice in Diversity and Inclusion Silver Award, acknowledging our efforts to accelerate progress and set industry standards in diversity and inclusion.

Winning the sHero Award again reinforces our dedication to creating an inclusive workplace where every employee can thrive and contribute to our collective success.



## ADIENT EMPLOYEES #INSPIREINCLUSION

Adient employees around the world celebrated International Women’s Day in March. In the Americas region, the Women’s Resource Network hosted a variety of activities, including a toiletry collection drive, networking BINGO event, and special panel discussion featuring members of the region’s business resource groups as well as Bridgewater Interiors CEO Ron Hall. The EMEA Women’s Resource Network invited employees to join a discussion on “empowering yourself to empower others” with an executive coach and strategist.

In the APAC region, employees celebrated both International Women’s Day and Diversity Week during the week of March 4-8. The celebration involved 33 events in seven countries, and more than 1,300 employees attended the Diversity Week kick-off meeting. Thousands of employees participated in local activities, and more than 700 employees joined the diversity and inclusion forum.

## 3.4 Supporting Diverse Suppliers

**For 31 years, we have recognized the importance of diversity and inclusion — in both our own workforce and our supply base — in fueling strong business performance. Driving supplier diversity and inclusion (SD&I) to mirror the consumers who sit in our seats reflects our commitment to inclusivity and our responsiveness to the changing demographics and needs of our customers and their diverse customer base.**

### OUR COMMITMENT

Our commitment to supplier diversity is to foster a diverse and inclusive supply chain that benefits both Adient and our suppliers while also promoting economic empowerment in underrepresented communities. Our supplier diversity activities support our diversity and inclusion commitments and demonstrate our commitment to inclusivity, which can be attractive to customers, employees, investors and other stakeholders. This dedication begins with our President and CEO and extends throughout the entire organization. We consistently meet our customers’ supplier diversity goals and collaborate on initiatives that drive opportunities for diverse-owned suppliers.

Since becoming Adient in October 2016, we have spent \$9.6 billion with diverse businesses. This investment has significantly contributed to economic growth and job creation in diverse communities.

### EMPOWERING EVERY TIER

Our commitment extends to our supply base, where we encourage our supplier partners to purchase from diverse suppliers and actively implement supplier diversity initiatives, particularly through our Tier 2 program. These initiatives are valuable as they promote engagement with diverse suppliers, stimulate economic growth in underrepresented communities, support small businesses, and contribute to a more resilient and innovative supply chain. Since our establishment as Adient in 2016, our Tier 2 supplier program has invested over \$600 million in purchases to diverse-owned businesses.

Since becoming Adient in October 2016, we have spent

**\$9.6 billion**

with



minority-owned  
businesses



women-owned  
businesses



veteran-owned  
businesses

Fiscal Year 2024 Economic Impact:



**\$1.8 billion**

economic  
impact through  
supplier diversity  
initiatives



**12,082 jobs**

supported  
through small  
and diverse  
suppliers



**\$541 million**

in earnings  
through jobs  
created or  
sustained

## ADVOCATING FOR CHANGE

We continue to advocate for change through our membership in several global, national and regional advocacy councils where we actively support and promote supplier diversity initiatives through training, sponsorships and participation in advocacy committees as well as customer-led initiatives. This multi-faceted approach drives a significant positive impact on supplier diversity and the growth of certified diverse-owned businesses in the automotive industry.

Adient is a proud member of:

- > Women’s Business Enterprise National Council (WBENC)
- > National Minority Supplier Development Council (NMSDC)
- > National Veterans Business Development Council (NVBDC)
- > Michigan Minority Supplier Development Council (MMSDC)
- > Great Lakes Women’s Business Council (Great Lakes WBC)
- > WEConnect International
- > Billion Dollar Roundtable



We also work to ensure that certified diverse-owned businesses have the opportunity to meet our buying teams, learn about opportunities, and receive feedback at every event we attend. This promotes a proactive and impactful approach to promote a diverse supply base. Events included in our annual plans, among others, are:

- > OEM Customer events
- > NMSDC Conference
- > NVBDC Conference
- > MMSDC Conference
- > WBENC Conference
- > WEConnect International in Mexico and Brazil
- > WBENC Automotive Industry Group

By taking a holistic approach that combines training, sponsorship, networking and participation in committees, we are able to create a larger and more significant impact on supplier diversity.



“Adient is dedicated to ensuring our supply base mirrors the diversity of our automotive customer base, fostering economic empowerment in underrepresented communities. We have developed a Tier 2 program to educate and promote the importance of supplier diversity further down the supply chain, and we strive to add more women and minority suppliers to our base. When we promote supplier diversity, it helps drive innovation, enhance competitiveness, and support economic growth in all our communities.”



**Razzaaq McConner**  
Vice President of  
Americas Purchasing







“Adient continues to forge pathways for inclusive growth and sustainable practices, ensuring that every stride we take towards innovation is matched by our commitment to diversity and social responsibility. Our dedication to supplier diversity not only drives our success but also empowers diverse-owned businesses, fostering a more inclusive and resilient supply chain.”



**Sherry Diccion**  
 Director of Supplier Diversity  
 and GLWBC 2024 Corporate  
 Champion of the Year

## AWARDS AND RECOGNITION

Receiving external recognition for our supplier diversity achievements validates our team’s dedication and commitment to developing and sourcing from certified-diverse suppliers. It further demonstrates that our commitment is not just internal but is acknowledged and respected by external experts and peers. This recognition also engages and motivates our stakeholders — including employees, customers, investors and partners — to feel a sense of pride and alignment with our values and efforts.

We are pleased to celebrate the following supplier diversity recognition in 2024:

- > Women’s Business Enterprise National Council (WBENC) All Time Top Corporation for Women-Owned Businesses
- > WEConnect [2024 Top Global Champion](#) for Supplier Diversity & Inclusion (SD&I) — Gold Level
- > Great Lakes Women’s Business Council (Great Lakes WBC) [2024 Excellence in Supplier Diversity “Best in Class” Category](#)
- > Great Lakes Women’s Business Council (Great Lakes WBC) [2024 Corporate Champion of the Year](#) honoring Sherry Diccion
- > Toyota Supplier Diversity [Superior Performance Award](#)
- > Minority Business News USA (MBN USA) 2024 [Corporate Buyers of the Year](#) honoring Miguel Martinez and Monique Veasley
- > Women’s Enterprise USA (WE USA) 2024 [Corporate Buyers of the Year](#) honoring Miguel Martinez and Monique Veasley
- > [Nominated for Corporation of the Year](#) by Michigan Minority Supplier Development Council (MMSDC)

**MBN USA and WE USA  
 2024 Corporate Buyers of the Year**



**Monique Veasley**



**Miguel Martinez**

## ADIANT'S MINORITY-OWNED JOINT VENTURES

We recognize the important role our partners have in creating an inclusive work environment and helping us reach our highest potential as a company, and we are proud of our successful joint ventures with two minority-owned businesses: Avanzar Interior Technologies and Bridgewater Interiors.

### Avanzar Interior Technologies

**Founded:**

2005 by Heriberto "Berto" Guerra

**Location:**

San Antonio, Texas, U.S.

**Meaning:**

"Advance" or "Move Forward" in Spanish

**Vision:**

"Moving toward perfection to become the most successful and respected supplier of auto parts"

**Partnership:**

Joint venture with Johnson Controls Inc. (now Adient)

**Principles:**

- Changing lives positively
- Giving back to the community
- Remembering roots

**Culture:**

Mentorship and family-like support

**Achievements:**

- International tier 1 automotive supplier
- Products delivered in less than two hours



### Bridgewater Interiors Joint Venture

**Founded:**

1998 as a joint venture between Epsilon Technologies and Johnson Controls Inc. (now Adient)

**Location:**

Detroit-based

**Initial Contract:**

Largest awarded to a minority-owned business by an automaker

**Leadership:**

- **Founder:** Ronald E. Hall Sr.
- **Current CEO:** Ronald E. Hall Jr.

**Culture:**

Mentorship and family-like support

**Footprint:**

- 4 sites in 2 states
- 2,400 employees
- **Customers:** 4 OEMs, supporting 11 vehicle models

**Recognition:**

Two JD Power Awards in 2024 (for the Chevy Traverse and Dodge Ram 1500)



## 3.5 Community Outreach

**We strive to have a positive impact on the communities in which we operate. Our global presence allows us to support communities around the world, and we strongly encourage our employees to engage in community outreach and charitable giving activities.**

Our sustainability vision — “Together, we are committed to creating a sustainable future for our employees, customers, and communities” — concisely conveys our pledge to be a good steward for our stakeholders.

Through our employees and the Adient Foundation, which provides financial support to soundly managed and operated U.S.-based not-for-profit organizations that are recognized by the Internal Revenue Service as tax-exempt, the Adient Foundation and the company have contributed to numerous organizations that support health and social services, education, culture and the arts and civic activities, including organizations that are dedicated to supporting under-represented populations.



[Learn more about the Adient Foundation](#)

As stewards of the organization, employees at Adient’s more than 200 sites support the communities in which we operate by donating time and resources to positively impact local social, economic and environmental initiatives.

To see some of Adient’s latest community outreach activities, follow us on:



[Facebook](#)



[X \(formerly Twitter\)](#)



[YouTube](#)



[LinkedIn](#)





## ADIENT EMPLOYEES GIVE BACK

We are dedicated to enriching the communities where we operate through a variety of impactful outreach projects organized at the site level. These highlights showcase just some of the many ways in which Adient employees are making a difference in our communities.



### Bridgewater Interiors Detroit, Michigan, U.S.

- > **Christmas Sock Drive:** BWI Detroit holds an annual sock drive to collect socks for unhoused individuals in the Detroit community; in 2024, employees collected and donated more than 2,000 pairs.
- > **Feeding Those in Need:** Employees also assemble lunch bags each year to help feed area unhoused individuals; these items are given to Noels project in downtown Detroit. Additionally, for Halloween, BWI Detroit hosts a Trunk-or-Treat event for the community at its flagship Detroit location. In fiscal year 2024, more than 800 people visited the event and collected Halloween treats.

### Adient Madison Heights, Michigan, U.S.

**Backpacks for Students:** At our Madison Heights facility, we recognize the importance of giving back to our community. Our team contributed 50 school backpacks to a local school.

### Adient Lakewood, Michigan, U.S.

- > **Planting Tulips in Holland:** Our Lakewood team participated in the annual tulip planting event in Holland, Michigan. They helped plant nearly 7,000 tulip bulbs at Windows on the Waterfront, preparing for the Tulip Time festival in May.
- > **Plant Clean-up for Earth Day:** In celebration of Earth Day, our Lakewood team took the opportunity to clean up green areas around the plant. This effort not only improved the environment but also demonstrated our commitment to sustainability and community involvement.
- > **Trick-or-Treat Event for Halloween:** Our Lakewood team volunteered at a local trick-or-treat event during Halloween 2023. This community engagement activity provided a safe and enjoyable experience for children and families.
- > **Reading to Elementary Students:** During National Reading Month in March, our Lakewood team volunteered at a local elementary school. This initiative involved reading to students and promoting literacy.

### Adient Plymouth, Michigan, U.S.

- > **Focus: HOPE:** Our employees volunteer year-round with Focus: HOPE, a Detroit organization dedicated to overcoming racism, poverty and injustice through intelligent and practical action.
- > **Clean Love Project:** Employees donated 84 personal hygiene kits to the Clean Love Project in March 2024. This initiative provides essential hygiene products to those in need, demonstrating our commitment to supporting community health and well-being.
- > **Special Olympics:** Adient's team of 32 volunteers supported the Special Olympics fall softball championship games in August 2024. This volunteer effort provided crucial support to athletes, promoting inclusivity and community engagement.
- > **Habitat for Humanity:** Numerous business resource groups and business units partnered with Habitat for Humanity of Huron Valley to help rehabilitate a home for a local family in the late fall of 2023. This project, which Adient engages in every year, provides safe and affordable housing.
- > **Holiday Toy Drive:** A Holiday Toy Drive collected more than 100 toys donated by Adient employees, up from 74 toys the previous year. Completed on Dec. 4, 2023, this initiative aimed to bring joy to children during the holiday season.

### Adient South America

**Supplies for Students:** The IT team coordinated with volunteers to donate notebooks and computer equipment to the Casa dos Velinhos Dona Adelaide nursing home and to the institution Casa Transitória dos Servidores de Maria, which takes care of children and adolescents in situations of social vulnerability. Both organizations are located in the city of São Bernardo do Campo, Brazil.

### Adient Aguascalientes, Mexico

**Tree-Adoption Program:** At our Aguascalientes plant, climate change is a global concern, and trees and plants play a crucial role in improving oxygen levels and enhancing our environment. To address this, employees launched a campaign to engage at least 20% of our Aguascalientes workforce in adopting a tree or plant that generates oxygen.



**Adient Trenčín, Slovakia**

- > **20th Anniversary Book Swap:** To celebrate its 20th anniversary, employees in Trenčín organized a book swap for employees, fostering a culture of sharing and community engagement.
- > **Herb and Spice Planting:** Employees planted various herbs and spices for employees to enjoy, creating a mini herb farm that enhances workplace well-being.
- > **Spreading Holiday Cheer:** Employees supported clients of DSS Adamovské Kochanovce with Santa Claus packages, bringing joy to children and adults with cognitive disabilities.

**Adient Zilina, Slovakia**

**Repairing Fences:** Our Zilina JIT team spent a day painting and repairing the old fence at CSS Synnómia, a center for individuals with severe disabilities.

**Adient Bratislava Business Center, Slovakia**

- > **Volunteer Days:** Employees in Bratislava can use two fully paid volunteer days per year for activities like walking dogs at shelters, cleaning up trash in forests, and preparing meals for the homeless. Participation has grown significantly since the program's launch in 2022.
- > **Christmas Wishes Initiative:** In 2023, employees fulfilled 105 Christmas wishes for children in need and donated 23 food packages.

**Adient Stip, North Macedonia**

**Emergency Donations:** Adient employees provided essential food and water supplies during emergencies through donations from employees and the company. This initiative supports the local community and enhances employee engagement.

**Adient Lesotho, Africa**

- > **Tree Planting:** Our Lesotho plant faces challenges with waste that cannot be recycled, leading to soil and air pollution. To combat this, we planted 520 trees (Leucosidia sericea, Olea Africana, and Rhus lancea) on the premises. This initiative aims to reduce air pollution, minimize soil erosion, maintain healthy soil, increase rainfall, and absorb sunlight as energy.
- > **Stone Line Community Project:** In the Mokema Village of Lesotho's Maseru district, soil erosion on steep hills is a significant issue. Our team joined the World Day to Combat Desertification and Drought on June 17 to build stone lines. These structures help reduce the force of gravity from rainwater, preventing soil erosion and preserving the environment.





**Adient Korea**

- > **Taking Out the Trash:** At our JC Dongsung Auto Seating plant in South Korea, we addressed the issue of trash around the plant area. Our team organized a cleanup effort to improve the environment, demonstrating our commitment to sustainability and community well-being.
- > **Celebrating Women:** To celebrate International Women’s Day, 16 employees participated in a community-building event to clean up the area around the plant. This activity highlighted Adient’s commitment to the environment and community engagement.
- > **Reusing Foam:** Our team created eco-friendly Bio-PU mouse pads from a byproduct of prototype production. Initially conceived for the 2023 APAC team rally, these mouse pads are now included in new employee welcome kits and used as recognition gifts. The project required no monetary investment and resulted in annual savings of \$5,000.

**Adient Japan**

**Sponsoring Polio Vaccination:** Approximately 400 employees collected used plastic bottle caps to reduce waste and help children in developing countries. Over one year, 56 kg of caps were collected, helping to sponsor 44 polio vaccinations.

**Adient China**

**Upgrading School Computers:** Adient employees collaborated with a local charity to create a “recycled computer classroom” for Menghai No. 1 Primary School. This project involved upgrading old computers and donating thousands of books, promoting education equity and sustainability. Funds were raised through a Diversity and Inclusion Cultural Week Charity Sale.

**Adient Thailand**

**Planting Mangroves:** Sixty-five employees engaged with the community near Laem Cha Bang, Chonburi, by planting mangrove trees to create a sustainable environment and reduce carbon emissions. The goal is to plant 600 trees per year. The project required a small monetary investment and resulted in a reduction of 0.0187 kg CO2 per hectare.

**Adient Malaysia**

**Collecting School Supplies:** During its Back to School event, the Adient Shah Alam team supported children at Pusat Jagaan Baitul Hidayah by providing essential school supplies and resources. Activities included crafting pencil boxes from obsolete materials, distributing stationery, providing shopping vouchers for school uniforms, and organizing a lunch event with the children.



## 3.6 Employee Development and Engagement

**At Adient, we recognize that our sustainable and profitable growth hinges on our ability to attract, develop, motivate and retain talented employees.**

We are aware that, just like our customers, our current and prospective employees have various employment options. Therefore, we are committed to maintaining a strong focus on our talent management and development programs to ensure we continue to attract and retain top talent.

### CONTINUOUSLY IMPROVING

We have a global performance-management process through which employees provide a self-assessment and managers provide evaluation and feedback on annual performance. To encourage continuous feedback and augment the annual review process, we conduct check-ins throughout the year to ensure that employees understand their priorities and are progressing as expected. This process informs employee development goals and development plans.

### BUILDING OUR LEADERSHIP PIPELINE

Adient’s annual Leadership Talent Review (LTR) identifies and evaluates talent to align individual aspirations and development plans with the organization’s needs and build a diverse pipeline of leaders to mitigate leadership vacancy risk. This inclusive process enhances talent visibility, validates succession plans, and ensures efficient application of development efforts.

The LTR process includes both potential assessment and succession planning. Managers assess and assign a potential rating that is reflective of employees predicted future performance and confirmed career aspirations. Additionally, managers identify talent to succeed in critical positions within Adient. Both potential assessments and succession plans are calibrated with broader leadership groups to ensure consistency, awareness and alignment on decisions and development actions.



### EMPLOYEE DEVELOPMENT PROGRAMS

At Adient, we have a number of global and regional development programs, growing our employees at multiple stages in their career. The programs are investing in the long-term success of our employees, helping them develop skills and leadership acumen based on current needs and in anticipation of future needs. Examples of these programs include Adient Accelerate and our newest global development program, Adient Leadership & Performance Skills (“ALPS”).

#### *Adient Accelerate*

Adient also makes a substantial investment in employee development through its partnership with the University of Michigan’s Ross School of Business. Through this partnership, we offer Adient Accelerate, a leadership development program. The program includes live virtual sessions with world-class Michigan Ross faculty, executive coaching, and a team-based action learning project where cross-regional and cross-functional project teams are tasked with addressing strategic challenges that Adient faces.

#### *ALPS*

In fiscal year 2024, Adient expanded our partnership with University of Michigan’s Ross School of Business to offer a complimentary development program to Adient Accelerate called ALPS. The ALPS program is targeted to providing mid-level managers the leadership skills and competency to address Adient’s current and future challenges. Similar to Adient Accelerate, the program consists of classroom learning with Michigan Ross faculty, executive coaching, and a team-based action learning project. The first cohort of ALPS consisted of 25 leaders from the Americas and EMEA regions. The inaugural cohort has been a success, and we look forward to continuing the program.

#### *People Development*

In China, Adient offers several people-development programs for employees at various levels of the company. These programs help catalyze individual growth and build a capable and diversified workforce to drive business success:

- > Leading Excellence Acceleration Program (LEAP)
- > HR Upskill Program (HRUP)
- > Shopfloor Team Leader Development Program (STLDP)
- > China Engineering Enhancement Program (CEEP)
- > PM University (PMU), Launch Management University (LMU) and EHS Academy (EHSA)
- > Leading Ingenuity for Frontline Talent (LIFT)

In fiscal year 2024, Adient employees completed:

**84,000+**  
e-Learning courses and

**~850**  
instructor-led courses

### LEARNING IN MOTION

Adient’s approach to learning focuses on reinforcing key principles that are designed to support an individual’s effectiveness in his or her current job, and in future situations. At Adient, we live a “Learning in Motion” strategy: learning by doing, learning by others, and learning by training (with the majority — 70% — being learning-by-doing activities).

Throughout the world, Adient employees are encouraged to develop by doing, taking charge of their learning and growth while seeking support along the way.

### ALWAYS ADVANCING

In addition, Adient ensures managers and employees are equipped with the tools necessary to continue to learn, grow and develop throughout their careers by providing technical, soft-skill and leadership training locally and specific to their country and/or work location.

Across the organization, our leaders partner with human resources to monitor our talent pipeline and identify career advancement opportunities. As Adient is still a relatively new and developing company, it continues to monitor, review and assess the outcomes of its policies on social and employee matters to ensure they are having the desired impact.

### ADIANT ACCELERATE WELCOMES COHORT 4

Now in its fourth year, Adient Accelerate brought together a diverse and global group of 25 director-level employees from ten different countries to participate in an intensive 16-week program. The program includes live virtual sessions with world-class Michigan Ross faculty as well as executive coaching. The program also includes an action learning project where cross-regional and cross-functional project teams were tasked with addressing strategic issues that Adient faces. These teams were paired up with a Michigan Ross faculty member who is an expert in a respective area of the project to guide and counsel the project teams.

"I've gained a lot from the Adient Accelerate program in terms of a broader global view, intensive connection with global teams through our great cooperation and deep cross-functional investigation, and strategic thinking and leadership improvement through our sessions with professors and coaches from Michigan Ross," said Yi Yang, Sr. Mgr. Commercial, APAC.

Program participants gathered for an in-person event at Adient’s corporate headquarters in Plymouth, Michigan, U.S. While in Plymouth, participants had the opportunity to present their project findings and recommendations to Adient’s Board of Directors and executive teams, visit local plant sites, network with leadership and program alumni, and attend a graduation ceremony at the University of Michigan Stephen M. Ross School of Business in Ann Arbor, Michigan.

“The leadership development program has been an incredible opportunity, offering fresh and insightful perspectives on various aspects of leadership,” said Katarína Vrábová, Executive Director of Global Business Services. “This experience has truly helped to break down silos between involved parties and opened new perspectives on approaching business challenges.”



**The 25 participants in our fourth Adient Accelerate cohort:**

> were **36%** female

> came from **10** different countries

> had backgrounds in **10** separate disciplines

## 3.7 Employee Health, Safety and Well-being

**We are committed to safeguarding the physical and mental well-being of our colleagues, customers, suppliers and anyone with whom we interact with worldwide.**

We maintain a health and safety management system that is certified to the ISO 45001 Occupational Health and Safety standard. Globally, 98% of our manufacturing sites in serial production are third-party audited and certified to the standard. Our management system involves worker participation and creates a culture of safety that is evident throughout our organization.

Our management system proactively reduces health and safety risks across our business. We have established processes to prevent workplace accidents, including hazard identification, formal risk assessments, and risk control implementation. Health and safety management is detailed at every organizational level, incorporating input from workers, contractors, and stakeholders. Each location undergoes an annual internal audit to share findings and best practices. We continuously monitor, measure and manage outcomes, using feedback to enhance our overall management system.

### OUR SAFETY RECORD

We have consistently reduced our Occupational Safety and Health Administration (OSHA) Recordable Rate year-over-year, including in fiscal year 2024. This success is driven by global collaboration, sharing best practices, procedures, and information on accidents and injuries. Our Adient Manufacturing System principles underpin our procedures and expected behaviors, standardizing safe work practices across our plants, offices and technical centers.

### OUR APPROACH TO RISK

At Adient, our goal is promoting safety and preventing risk in the ideation of our products and processes. This intentional approach to considering health and safety carries through in each phase of our product and program launches.

While Adient has a team of competent Health and Safety experts deployed globally, this is further bolstered with the integration of health and safety requirements through various functions of the organizations. Equipment specifications and process standards include Health and Safety criteria, which plays a key role in eliminating risk before it is initiated. Every change in machine, operation, building or workstation requires a safety risk assessment. When our employees come to work, they can know that where they work has undergone an extensive review to identify associated risks of injury or illness and that those risks are eliminated and/or minimized through our robust processes and controls. We review these risks using the most up-to-date technology and associated regulatory requirements within each country.

### DATA-DRIVEN RESULTS

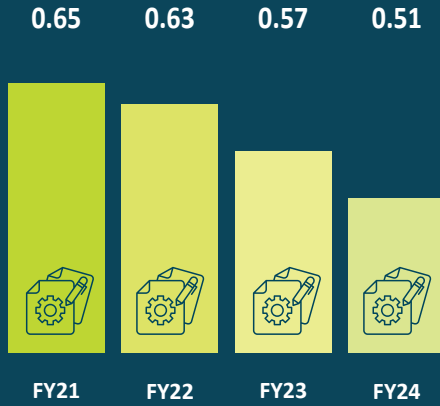
Over the past several years, we have invested in and embraced technology to centralize our environmental, health and safety data collection through cloud-based software. At the click of a button, we can view metrics and data trends at the site, country, regional or global level, which improves transparency and enhances our ability to create more thorough and efficient action plans. This has helped Adient move toward a more robust, leading-indicator-driven approach to risk management.



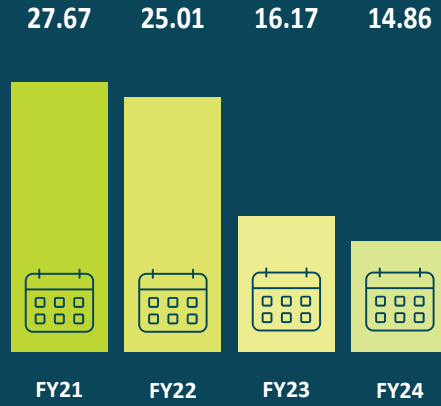


## GLOBAL SAFETY PERFORMANCE

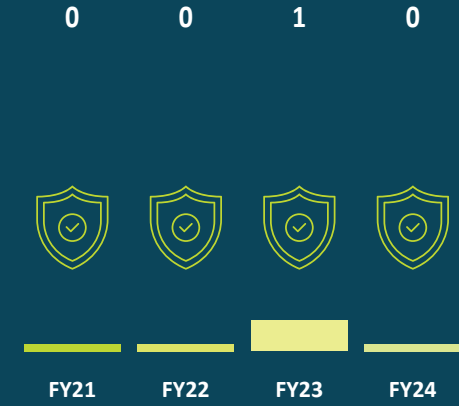
**OSHA Recordable Rate**  
(Annually, per 100 employees)



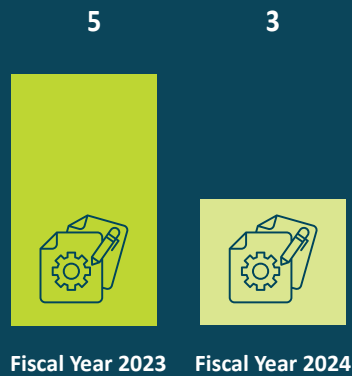
**OSHA Lost Workday Rate**  
(Annually, per 100 employees)



**Fatalities**



**OSHA Recordable Count — Unsupervised Contractor\***

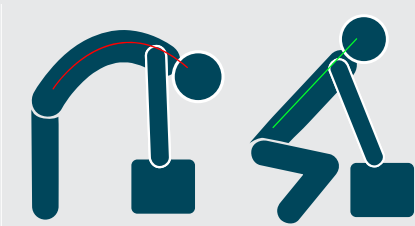


**OSHA Lost Workday Count — Unsupervised Contractor\***



\* Contractor data not available prior to fiscal year 2023

## LEVERAGING ERGONOMICS TECHNOLOGY



Adient has long embraced ergonomic principles to enhance our employees' safety, well-being, and performance in the workplace. We use TuMeke, an artificial intelligence (AI)-based technology, to reduce our ergonomic risk assessment and training time by nearly 67%. This improved efficiency has allowed us to focus more on implementing solutions to mitigate

ergonomic injuries. Additionally, TuMeke has improved accuracy, objectivity and consistency across our operations.

TuMeke enables our team members from various functions to swiftly perform industry-standard risk assessments, providing a summary of ergonomic injury risks, and generate automatic recommendations for improvements within minutes. We also use TuMeke to compare pre- and post-intervention scenarios to evaluate the effectiveness of changes in job processes, and many locations use it to train new employees on optimal ergonomic techniques.

More than 400 Adient employees now use TuMeke at 59 sites in 10 countries around the world. We have assessed more than 3,000 unique jobs for risk and training purposes. This initiative is advancing Adient's leadership in proactive ergonomics.

## PROMOTING LEARNING AROUND THE GLOBE

In 2024, Esil Mertoglu, senior EHS manager — EMEA, facilitated the "Learning Insights from Incidents" workshop on Adient's potential serious injury or fatality (PSIF) sharing process at the EHS Congress in Berlin. The workshop demonstrated how organizations can establish a structured process to maximize learning from incidents and improve EHS practices.

We aim to be a learning organization by sharing incidents and observations that represent the highest potential risks and unique hazards, along with the required actions to be implemented across relevant parts of our organization. Internally, we refer to this as the PSIF sharing process. We believe learning from incidents is crucial to preventing their recurrence and protecting lives. This learning is enhanced by proactive observations from our global team members.

## FOCUSED ON FORKLIFT SAFETY



Adient proudly participated in this year's National Forklift Safety Day, held at the Washington Press Club in Washington, D.C. Ajay Bhardwaj, Adient's Director of EHS — Americas, represented the company and highlighted our commitment to forklift and pedestrian safety. He also acknowledged the ongoing challenges in ensuring safe operations. Adient joined leaders from the Industrial Truck Association (ITA), Toyota Material Handling, and U.S. OSHA at the event, which brought together stakeholders and industry experts.

National Forklift Safety Day, now in its eleventh year, was initiated by the ITA to emphasize the critical importance of safety for those involved in manufacturing, operating and working around forklifts. Originally a U.S. initiative, it has expanded to several European countries, reflecting its growing global significance. Further details on our collaboration with Toyota on Sens+ technology for forklift safety appear in our [2023 Sustainability Report](#).

## MENTAL HEALTH AWARENESS



We believe that mental well-being is essential for both personal and professional success, and we are dedicated to providing resources, raising awareness, and creating initiatives that promote mental health across our global workforce. As part of our global efforts, which include our EAP well-being resource, our Adient EMEA team

launched an internal mental health awareness campaign in February 2024 to emphasize mental health's importance, raise awareness, and eliminate stigma. Various events — including live sessions, informative posters, coffee talks and expert consultations — were held across different EMEA locations. Additionally, workshops like "Understanding, Embracing, and Cultivating Employee Well-being" promoted collaboration and organizational growth, ensuring mental health remains a priority worldwide.



# 4. Governance



# 4.1 Overview

**Adient’s governance framework ensures robust oversight and management of sustainability activities, with the executive team and sustainability steering committee playing pivotal roles in addressing impacts, risks and opportunities. This integrated approach involves cross-functional collaboration and regular reviews to align with the company’s strategic objectives and enhance shareholder value.**

## RISK MANAGEMENT AND REPORTING

Adient’s day-to-day sustainability activities are embedded in the business. Management, including the executive team and the sustainability steering committee, is responsible for the day-to-day management and administration of the impacts, risks and opportunities Adient may face. The responsibilities of addressing impacts, risks and opportunities are managed by cross-functional subject matter experts including purchasing, engineering, manufacturing, environmental, health and safety, information technology, finance, legal and human resources.

As sustainability is embedded within Adient's operations, regular cross-functional meetings are conducted with subject matter experts to improve metrics tracking and accountability, develop products and technologies to address customer needs, and achieve company commitments. KPIs for energy, carbon footprint, water and waste are reviewed at a site and regional level monthly by operational leadership. Regional operational teams report out on key environmental metrics through operations review meetings conducted with the Chief Executive Officer.

The corporate sustainability team coordinates cross-functional communication as well as corporate targets and commitments, manages reporting, participates in external training, and

networks with applicable associations on a regular basis. At times, external advisory consultants are leveraged for technical expertise.

The corporate sustainability team reports out to Adient’s sustainability steering committee — comprised of the President and Chief Executive Officer; Executive Vice President, Chief Financial Officer; Executive Vice President and Chief Legal and Human Resources Officer; Executive Vice President Americas; Executive Vice President EMEA; Executive Vice President APAC; Executive Vice President of Global IT, Business Services and Sustainability; Vice President of Investor Relations; and the Executive Director of Sustainability — which meets quarterly to review key sustainability initiatives, activities and disclosures. Periodic activities such as water, forest commodity and nature risk assessments; diversity and inclusion metrics; and supplier due diligence survey results are reviewed with the sustainability steering committee on a quarterly basis.

Annual sustainability reporting is supported by various functions with leadership oversight including environmental, health and safety, procurement, engineering, operations, sustainability, human resources and legal. Disclosure information is aligned to supporting documents with overall review responsibility by the Executive Vice President of Global IT, Business Services and Sustainability. Annual sustainability reporting is also reviewed by the sustainability steering committee.

The Executive Vice President of Global IT, Business Services and Sustainability reports at least quarterly to the board on its strategic short-term and longer-term initiatives and objectives, reviews external rating agency results, and annually highlights changes to the public sustainability report.

## BOARD OVERSIGHT

In accordance with Adient’s constitution and its Corporate Governance Guidelines, the board of directors, as a whole or through its committees, oversees an enterprise-wide approach to risk management that is intended to achieve Adient’s long-term strategic and organizational objectives and enhance shareholder value. The board’s risk management oversight includes responsibility for the full range of risks and opportunities related to the impact of sustainability-related matters on Adient’s business and strategy. In this oversight role, the board is responsible for ensuring that the management frameworks, and any supporting processes implemented by management, are adequate and functioning as designed. A summary of the primary areas of risk oversight of the board and its committees can be found in [Adient’s 2025 Proxy Statement](#).

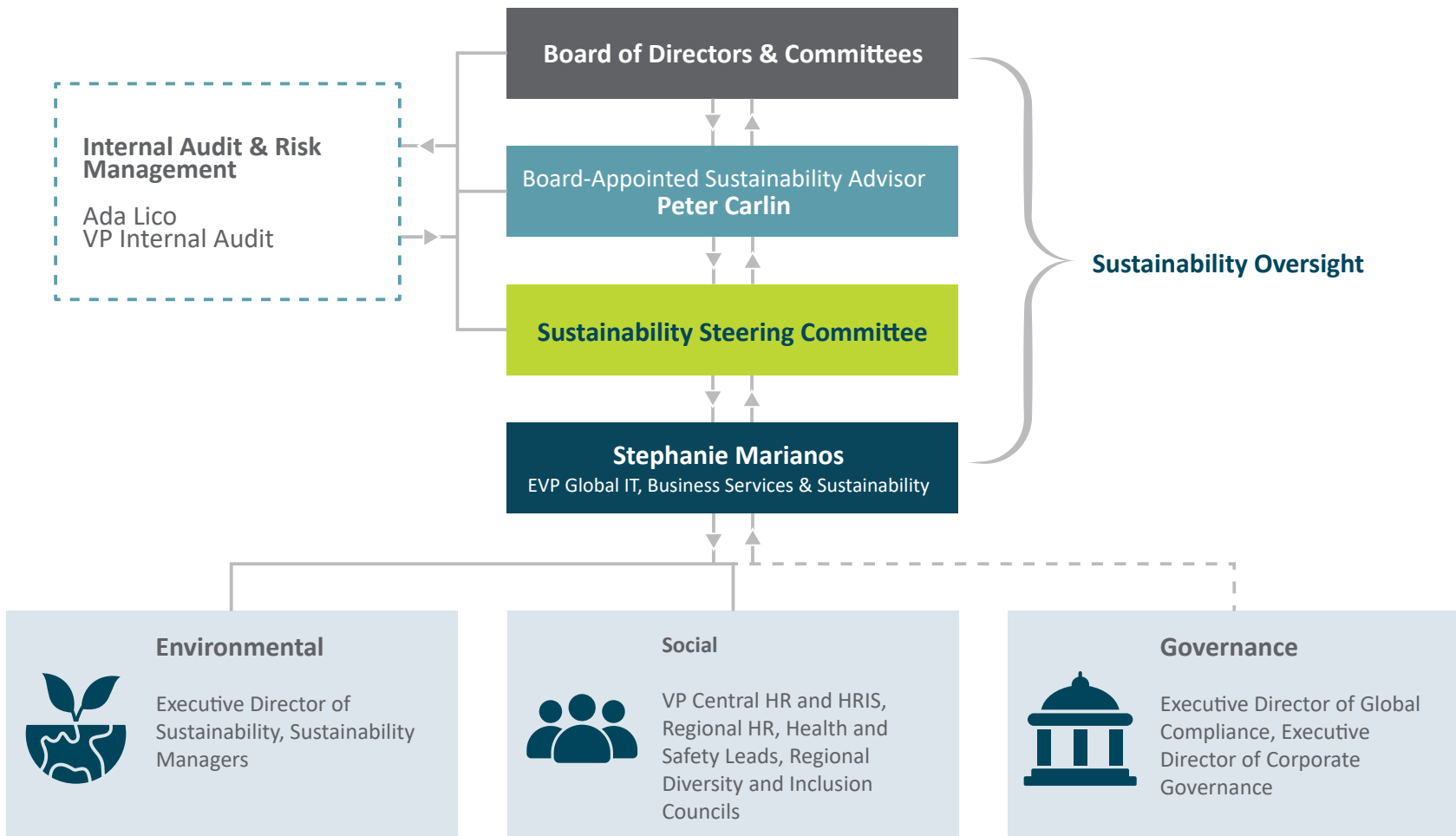
In addition, the board’s corporate governance committee under its charter is responsible for overseeing Adient’s sustainability strategies, initiatives, policies and practices, as well as the company’s public disclosures of sustainability matters, including annually reviewing the sustainability report.

	Executive Members	Percent Female	Percent Ethnic Minority
<b>Board of Directors</b>	<b>1 of 9</b>	<b>33%</b>	<b>22%</b>
<b>Executive Team</b>	<b>7 of 7</b>	<b>28%</b>	<b>14%</b>
<b>Sustainability Steering Committee</b>	<b>7 of 11</b>	<b>36%</b>	<b>9%</b>

Board member Peter Carlin continues to provide board-level sustainability oversight to management and provides advisory input on our annual Sustainability Report. Similarly, the human capital and compensation committee under its charter is responsible for overseeing Adient’s policies and strategies related to broad human capital matters. The human capital and compensation committee periodically receives updates on key human capital topics, trends and metrics, as well as key management observations regarding such topics, trends and metrics.

The board brings a wide range of professional experience, functional expertise and diversity of backgrounds that provide a balance of perspectives and contribute to the board’s effectiveness in overseeing Adient’s business and strategy. Each member contributes years of experience in the automotive or manufacturing sectors, in the international geographies in which the company operates or in functional expertise that is relevant to the company’s business. The executive team represents decades of automotive, manufacturing, operational, seating product and functional experience, and the sustainability steering committee includes subject matter experts with a wealth of expertise in sustainability.

**ADIENT'S SUSTAINABILITY ORGANIZATION**



## 4.2 Ethics and Integrity

**We are committed to operating our business ethically and in accordance with Adient’s policies as well as applicable laws and regulations.**

Adient’s [Ethics Policy](#) — available in 26 languages — is our foundational document. It provides important guidance to its employees, suppliers and business partners on Adient’s commitment to conduct its business ethically, and for all of its employees and business partners to act in a manner consistent with that commitment.

### INTEGRITY HELPLINE

We encourage anyone who has ethics-related concerns or questions to report them via our 24-hour [Integrity Helpline](#); we enforce a strict no-retaliation policy for employees who report concerns in good faith. The Integrity Helpline is available to employees, former employees, suppliers, customers and any third party. Reports may be made through the web, phone or mobile device. Adient receives approximately 400 reports a year through the Integrity Helpline.

Every question or concern submitted to the Integrity Helpline is triaged and routed to the appropriate team for handling. All good-faith reports are thoroughly investigated and remediated as appropriate. Our investigators follow our investigation protocol and receive periodic training on investigation best practices. Investigation oversight is performed by Adient’s Chief Legal Officer, as well as its Chief Accounting Officer and VP of Internal Audit. In addition, Integrity Helpline statistics are reviewed with Adient’s Chief Legal Officer and external auditor quarterly and by the board audit committee bi-annually. Key statistics and metrics are also shared with regional compliance committees periodically.

But the Integrity Helpline is just one of a number of ways to raise questions or concerns. Employees often discuss questions or concerns directly with their supervisor; these managers may then escalate issues to human resources or legal compliance, if needed. We encourage our employees to speak up and raise concerns however they are most comfortable — whether through their supervisor, their human resources representative, our legal compliance department, or the Integrity Helpline.

### ANNUAL ETHICS CAMPAIGN

Each year, our salaried global workforce certifies compliance with our Ethics Policy. This year, 99% of these employees certified their compliance. We also run a similar annual ethics certification campaign for our China joint ventures; 100% of those employees certified their compliance with our updated Ethics Policy.

**99%** of Adient's global salaried workforce certified compliance with Adient's Ethics Policy in fiscal year 2024

### COMPLIANCE TRAINING

We provide our employees with extensive compliance training on topics such as antitrust compliance, conflicts of interest, anti-bribery and anti-corruption, compliance awareness, speak-up culture, trade compliance, diversity and inclusion, data privacy, human rights and more. This training program includes a combination of classroom-style trainings and online training modules. Our training plan takes a risk-based approach and tailors training to particular functions based on the risk presented. We also modify our training plan throughout the year to incorporate lessons learned from internal investigations and audits. Trainings are tracked and documented, and training statistics are reported quarterly to the Chief Legal Officer and periodically to Adient's regional compliance committees.

On average, we offer approximately 50 classroom-style trainings per quarter that target smaller employee groups by function and risk. In addition, the compliance team offers two to three global online training campaigns annually. This year, these modules focused on human rights and data privacy. Adient also provides periodic training to its suppliers during Supplier Days and other events.





## REPORTING STRUCTURE AND BOARD OVERSIGHT FOR COMPLIANCE

Our board of directors and senior leadership team set the tone at the top with their collective commitment to integrity, ethics and compliance. Adient's Executive Director, Global Compliance reports directly to the Executive Vice President, Chief Legal and Human Resources Officer, who in turn reports to the Chief Executive Officer.

Adient's board committees have oversight of its compliance program and receive regular updates. Specifically, the board's corporate governance committee annually reviews and evaluates our compliance program and Ethics Policy; the compliance program's charter defines key elements of the program and how it is governed. The Executive Director, Global Compliance also reviews at least two times per year Adient's Integrity Helpline statistics, trends, any significant cases and remedial measures, as well as regulatory updates.

Our senior leaders regularly communicate the importance of ethics and compliance to Adient employees through regular town hall meetings, staff meetings, messages cascaded through their direct reports, and email communications to employees.

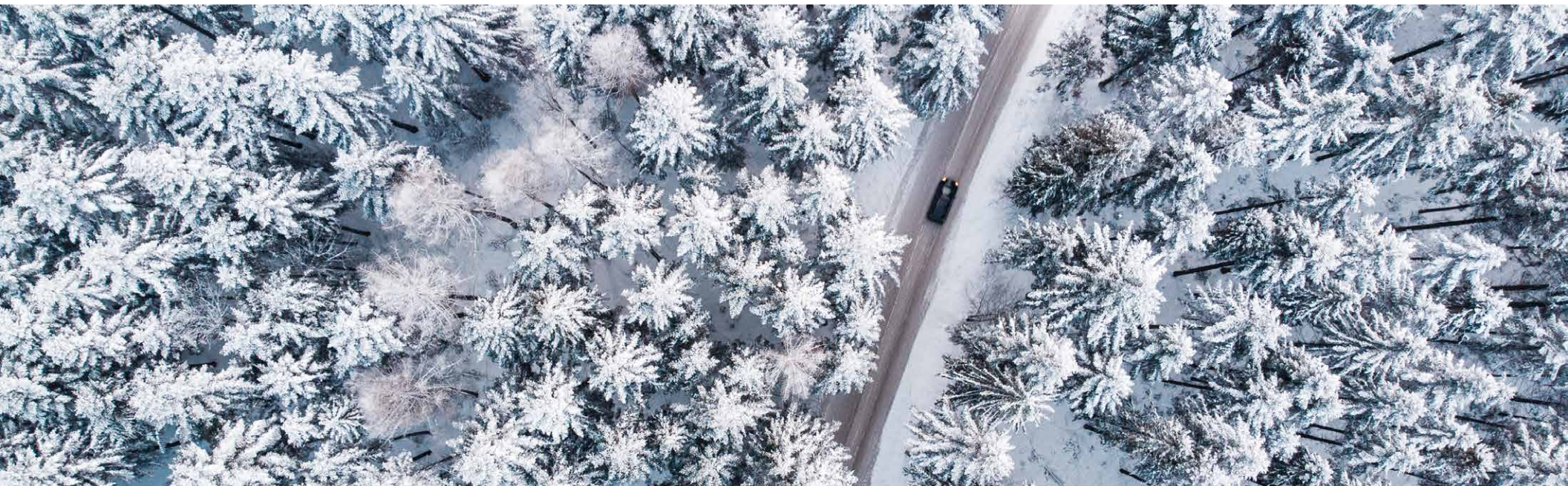
## RISK ASSESSMENT AND ANALYSIS

Adient and its legal compliance team evaluate risk on an ongoing basis. Each year, our internal audit team conducts an enterprise risk management assessment. The enterprise risk management process is a companywide, cross-functional assessment that identifies, assesses, manages and mitigates risks annually. Risks are evaluated based on significance and likelihood of a potential event occurring within the next five years. An executive leadership team member is accountable for each identified key risk and involves subject matter experts. Executive management provides periodic updates on risk management mitigation strategies and actions to the board of directors.

The legal compliance team uses survey results to help develop its training plan and other initiatives. Our legal compliance team also periodically reviews the design and effectiveness of its program, which may include internal audits, self-evaluations, gap analyses, surveys and other feedback channels. Our legal compliance team regularly monitors legal and regulatory developments and informs management and leadership of those developments and their impact on the company.

## REGIONAL COMPLIANCE COMMITTEES

We have active regional compliance committees in each of the three regions: EMEA, APAC and the Americas. The Committees contain cross-functional leaders from various areas — including purchasing, finance, human resources, legal, internal audit, operations and commercial — and meet quarterly. Our regional executive vice presidents chair these meetings where leaders are briefed on compliance initiatives, policies, procedures and lessons learned from recent internal investigations. These leaders also receive trainings and messages to cascade to their teams and to embed compliance initiatives and procedures in their areas of the business.





## 4.3 Bribery and Corruption

**We do not tolerate any form of bribery with our business dealings and actively oppose corruption within our business. Our stance against bribery and corruption is a key statement of principle in our Ethics Policy.**

As a global enterprise, we are subject to laws that govern our international operations, including laws that prohibit bribery and corruption and laws regarding international trade and sanctions. These laws include, but are not limited, to: the U.S. Foreign Corrupt Practices Act (FCPA), the Irish Criminal Justice (Corruption Offences) Act, the U.K. Bribery Act and the U.S. Export Administration Act, as well as international economic sanctions and money-laundering regulations.

We also utilize internal policies and procedures relating to compliance with such laws and regulations to protect Adient from risks associated with the improper acts of employees, agents, business partners, joint venture partners or representatives.

### POLICIES AND PROCEDURES

In addition to our Ethics Policy, our Anti-Bribery and Anti-Corruption Standard, Global Supplier Standards Manual, Terms and Conditions, and other compliance program elements (including training) provide detailed guidance to our employees, third parties and joint ventures regarding how to conduct business with integrity and make decisions that are legal, ethical and responsible, and that minimize risks related to bribery and corruption.

The Anti-Bribery and Anti-Corruption Standard describes the types of prohibited conduct such as bribes, kickbacks, facilitation payments and improper gifts, travel and entertainment; provides guidance on how to identify, address and mitigate third-party risk, including a due diligence review

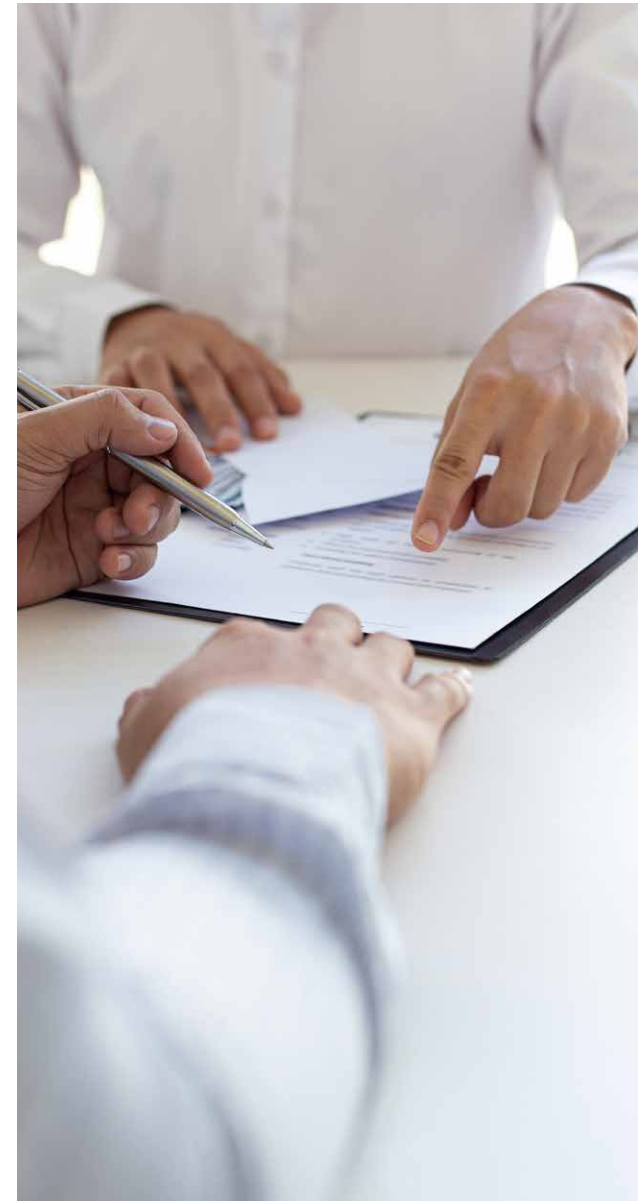
process for high-risk suppliers; requires that any pre-approved, appropriate government-related expenditures are properly listed in expense reports and in Adient’s books and records; and provides a reporting mechanism for any potential misconduct.

### ACTING TO MINIMIZE RISK

To help prevent bribery and corruption, we are:

- > Collaborating with our senior leaders to identify Adient employees whose job responsibilities have a higher corruption risk, which facilitates targeted anti-corruption training and guidance
- > Providing targeted anti-bribery and anti-corruption employee training globally
- > Embracing a speak-up culture where our no-retaliation policy strongly encourages reporting bribery, corruption and other ethical concerns
- > Managing corruption allegations via our allegation case management system, which provides alerts and priority ranking for corruption allegations
- > Leveraging our internal investigation procedures for guidance on when and to whom high-risk allegations should be escalated

Additionally, we conduct thorough due diligence of our high-risk suppliers, such as government-facing consultants and customs brokers. These suppliers must complete a lengthy questionnaire, make certain representations and certifications, and undergo an extensive screening process at onboarding and are monitored on an ongoing basis. In addition, we offer online anti-bribery training to our high-risk suppliers.



## 4.4 Trade Compliance

**We are dedicated to full compliance with all relevant trade laws and regulations, as noted in our Ethics Policy. We believe that strict adherence to these laws is fundamental to our success as a responsible entity and reliable business partner.**

Our trade compliance policies and supporting processes establish a comprehensive framework for managing and controlling the following:

- > Accuracy of declarations to the appropriate authorities regarding tariff classification, country of origin, trade program eligibility and customs value regarding the goods, services and technology that Adient moves across international borders
- > Adient's operations at the border and interactions with customs brokerages
- > Accuracy and timely payment of customs duties
- > Management of the customs aspects of Adient's free trade and investment zones, which provide duty and tax benefits
- > Supervision of export controls, strategic trade restrictions, import and export regulations, and supply chain security programs
- > Thorough screenings of business partners against sanctions and embargo lists

We continuously update our Sanctions Policy and related documents as well as conduct additional risk-based screenings as new sanctions are implemented. Additionally, we regularly disseminate targeted awareness messages addressing sanctions, embargoes, export controls and other trade compliance topics.





## 4.5 Data Privacy

**We have a responsibility to safeguard our employees’ data as well as other personal data, and we follow applicable data and privacy laws.**

We collect and process personal data for specific purposes to comply with contractual or legal obligations and to support our operations and provide employee benefits. We inform individuals about the collection and processing of their personal data as well as their rights under applicable privacy laws. We ask for individuals’ consent where it is legally required.

Access to personal data is limited to those individuals who need it for legitimate business purposes and legal obligations. We take additional safeguards to protect personal data by implementing adequate technical and organizational protection measures. Our data privacy procedures and applicable privacy regulations govern how we assess and document the privacy impact of our data processing activities. Additionally, we conduct data privacy training for all global, salaried employees to ensure they understand their rights and obligations for securing personal data.

Adient’s global privacy office works closely with different business areas and the IT organization on a regular basis to evaluate any new internal or external IT business solutions, ensuring that

any potential data privacy impact is evaluated before implementation (privacy-by-default and privacy-by-design principles).

Our due diligence process includes privacy risk assessments for suppliers with access to personal data at Adient, and checking their compliance with applicable privacy laws, including cross-border data transfer requirements. We also incorporate privacy terms and conditions in applicable contracts. We follow local data protection and privacy laws and continuously monitor changes in this area. Adient has an internal network of local privacy coordinators that support Adient’s Global Privacy Office.

Our global privacy office and legal teams also work closely with IT on cybersecurity preparedness to ensure Adient personal data is protected from potential threats to our own systems and our vendors’ systems.



[Read more about our approach to data privacy in our Data Privacy Notice](#)



## 4.6 Cybersecurity

**We are focused on securing and preserving the confidentiality, integrity and continued availability of the information we own as well as the information of our customers, suppliers, employees and anyone else in our care.**

Our cybersecurity program incorporates controls and procedures for timely and accurate cybersecurity incident reporting and leverages applicable industry standards such as the Trusted Information Security Assessment Exchange (TISAX), as well as standards from the International Organization for Standardization (ISO) and the U.S. National Institute for Standards and Technology (NIST).

Our Global Information Security Director oversees our cybersecurity program. Adient’s board of directors and audit committee oversee Adient’s cybersecurity risk and receive frequent updates that cover:

- > IT and cybersecurity threats
- > Internal response preparedness
- > Incident response exercises
- > Analysis of internal, external and third-party assessments
- > Cybersecurity-aligned IT metrics

### A PROACTIVE APPROACH

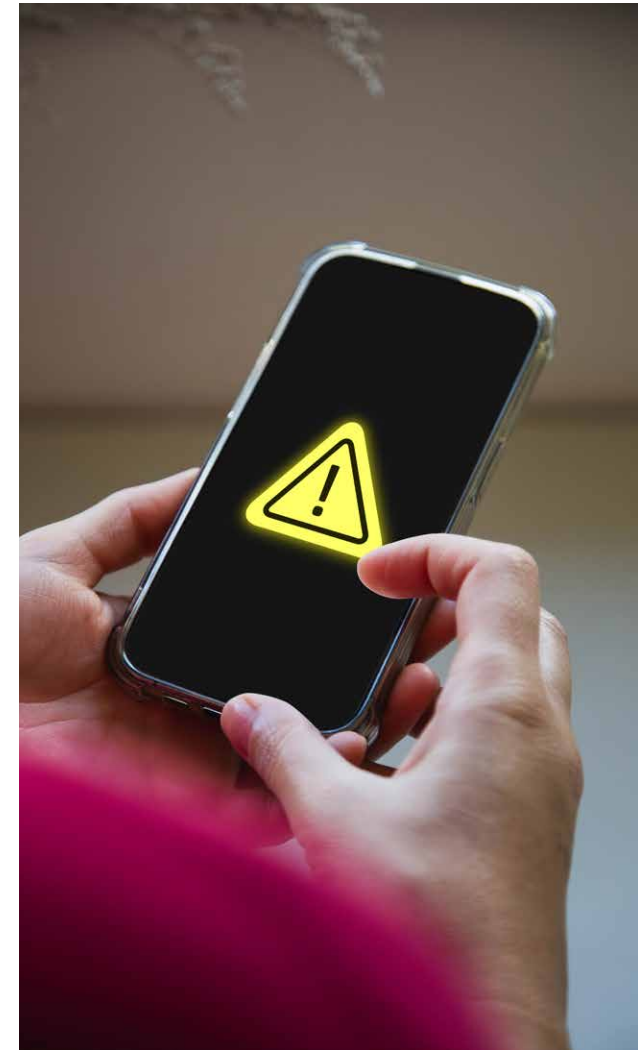
To ensure we are prepared to respond to cybersecurity threats, our IT security team routinely tests controls and procedures through independent third-party assessments. We offer annual cybersecurity training for employees, provide user-friendly tools for reporting potential phishing emails, and issue frequent

security updates. To maintain vigilance, we conduct periodic phishing simulations that mimic real-world scenarios, with the IT Security team closely monitoring the outcomes. Additionally, we conduct multiple cybersecurity tabletop exercises along with third-party penetration testing to ensure our cybersecurity teams are prepared for new events.

During fiscal year 2024, we launched several projects to further bolster our cybersecurity efforts. Our operational technology (OT) visibility expansion aims to provide comprehensive oversight over our OT environments, ensuring early detection of vulnerabilities and minimizing potential risks. Our certificate life-cycle management project is integral in maintaining the authenticity and trustworthiness of our digital certificates, enabling secure communications and safeguarding data integrity. Implementing robust web compliance measures ensures that our organization adheres to regulatory standards, mitigates risks, and enhances our overall security posture, ultimately protecting our reputation and fostering trust with stakeholders. Our identity-management program includes enhanced controls governing privileged access management (PAM), which provides greater visibility into permission tiers and transaction monitoring.

Adient leverages threat intelligence to monitor our customers, vendors and partners specifically around cyber and data breaches. Our team consists of multiple business owners who evaluate and provide remediation with the goal of limiting business impact and protecting Adient.

Collectively, these initiatives underline Adient’s commitment to cybersecurity, and to ensuring the sustainability of our digital assets and protection of our stakeholders’ interests.



## 4.7 Product Safety

**Our products often form an integral part of our customers’ total vehicle system safety strategies. We take this responsibility seriously and have robust processes in place to identify, address, mitigate and prevent product safety concerns.**

### OUR TOP PRIORITY

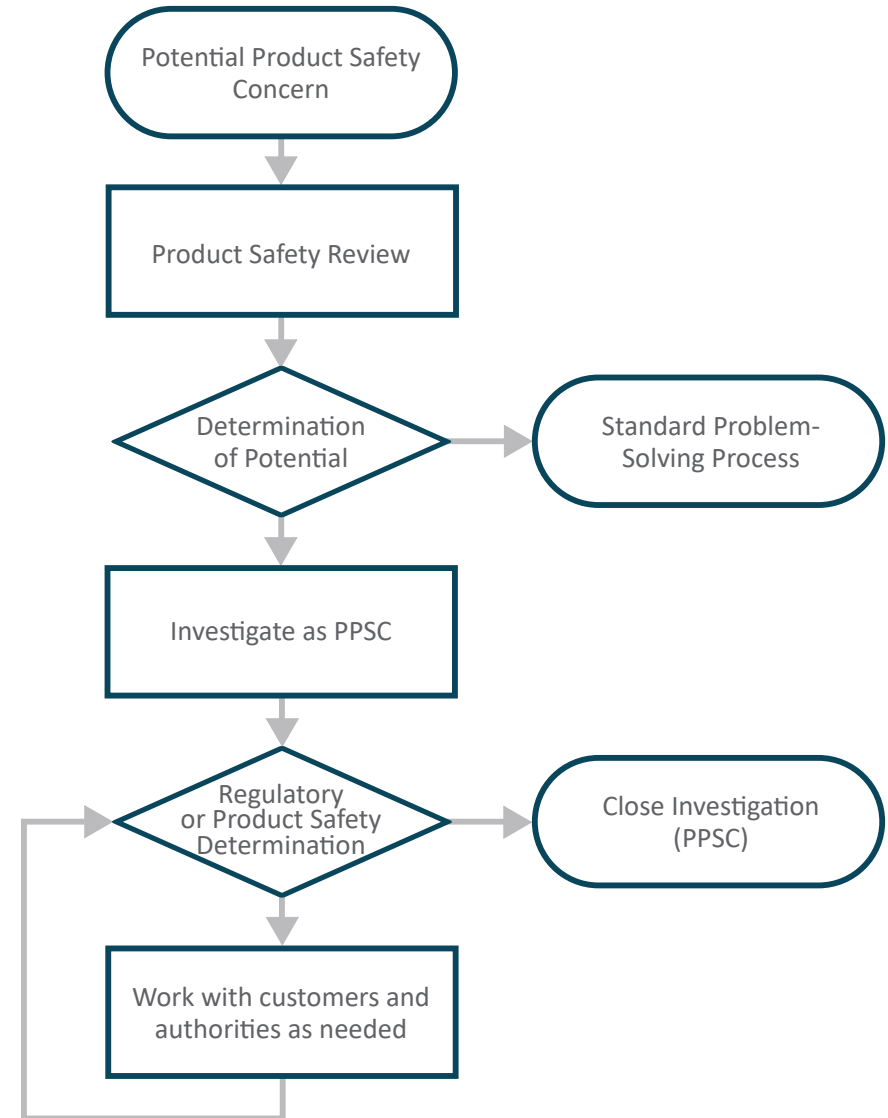
Adient’s seats are a critical part of the vehicle’s safety system, and the safety of our products is our top priority. Adient’s proactive approach to product safety is centered on robust functional deliverables and execution through development and serial production. A clear process to guide investigations and continuous improvement enables Adient to act quickly with integrity and transparency to resolve all potential concerns.

Adient’s safety culture encourages all employees to identify and bring forward any potential safety issues through Adient’s Potential Product Safety Concern (PPSC) process. The PPSC process:

- > Supports Adient’s safety culture and encourages all employees to identify and bring potential safety issues forward
- > Guides investigations and is used to make determinations on potential product safety concerns
- > Assigns a PPSC owner and team as needed to provide support and expertise from all necessary functions
- > Establishes a clear cross functional decision structure involving product safety, engineering, quality and legal (regional alignment and decision teams)

Adient ensures our business obligations regarding product integrity (based on IATF 16949 and VDA “Product Integrity”) through our structure of product safety and conformity representatives (PSCRs). Adient’s regional alignment and decision teams and meetings provide guidance and decision making regarding PPSCs under the direction of Adient legal counsel. Adient looks for additional continuous improvement, lessons learned and read-across opportunities by monitoring global field actions, recalls and campaigns in our internal market observation process.

Additionally, as part of Adient’s safety culture, employees who are involved in the manufacturing or product design process are assigned an annual product safety training module, which includes information on how to identify potential product safety issues as well as how to initiate a PPSC. Globally, 97% percent of these salaried employees completed the training in fiscal year 2024.





## 4.8 Supplier Management

**Adient is committed to ensuring ethical practices, sustainability, and compliance throughout our supply chain, reflecting our dedication to responsible governance. Our sourcing decisions are fully aligned with Adient standards, commitments and supplier expectations.**

In August 2024, Adient created a new global Center of Excellence (COE) addressing supplier compliance and supplier risk management at a central and global level to support the existing supplier risk management groups in the regions and to support the efforts of the supplier due diligence working group. This COE is dedicated to continuously improving Adient’s processes, procedures and systems for vetting and performing due diligence on its suppliers. This team is also enhancing its escalation processes to promptly address any suppliers that do not meet Adient’s sustainability and compliance requirements.

In October 2024, Adient launched its new Global Comprehensive Supplier Scorecard 2.0, which will be fully

integrated with Adient’s supplier portal. This new scorecard has points assigned to sustainability, which influences the overall supplier score. The comprehensive global supplier scorecard aims to:

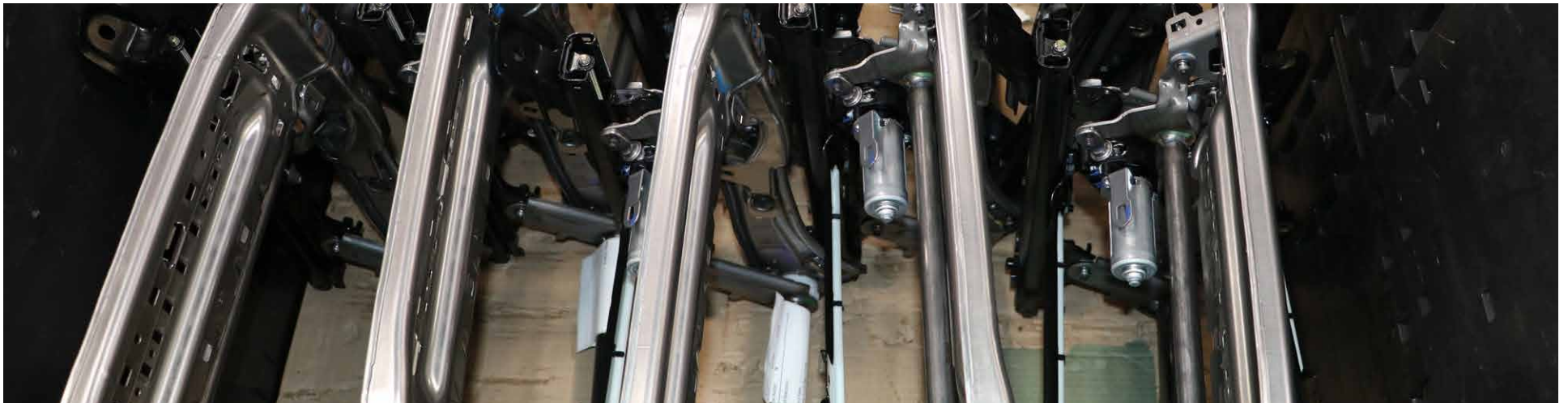
- > Monitor supplier performance in the areas of quality, delivery, commercial, launch and sustainability
- > Ensure compliance with IATF 16949 requirements and customer requirements
- > Mitigate risk
- > Support data-driven sourcing decisions

Our supplier selection process helps us choose businesses with proven financial and quality ratings and a track record for implementing the principles of the UN Global Compact.

As part of our commitment to ethical business practices and compliance with relevant regulations, we have developed protocols to share pertinent information with our suppliers, aiming to build an ethical and compliant supply chain. We

recognize that supplier engagement and education are critical stepping stones to achieving our customers’ goals as well as our own sustainability commitments. Below are examples of actions taken to support our commitment:

- > Improved communication channels to notify the supply base of potential supply chain disruptions through risk alerts
- > Launched a new supplier publication, “Green Connections,” to periodically share resources, educational information, and other valuable content to promote responsible sustainability initiatives
- > Provided guidance to suppliers regarding the Uyghur Forced Labor Prevention Act (UFLPA) to address rising compliance concerns in the supply chain; this guidance includes links to resources for suppliers to review their supply base and thoroughly compare against the UFLPA Entity List published by the U.S. Department of Homeland Security (DHS)





## OUR EXPECTATIONS

Our Terms and Conditions, Ethics Policy and Global Supplier Standards Manual outline the minimum set of expectations we have for our suppliers, including our expectation that they demonstrate their commitment to quality and creating a sustainable future for their employees, customers, communities and environment.

We updated our Global Supplier Standards Manual in late 2024 to reflect revised requirements for our suppliers. Changes include:

- > Incorporating climate change as a potential risk factor that needs to be considered by our supplier base
- > Clarification related to acceptance of ISO 14001 and ISO 45001 certificates
- > Cybersecurity requirements
- > Additional provisions related to human rights compliance
- > New requirements for full transparency to our supply chain providers (e.g., supply chain mapping)

To help our suppliers comply with Adient’s requirements, we are:

- > Informing our supplier base about new or recent changes in applicable regulations
- > Incorporating sustainability topics into regular business reviews including sustainability survey results
- > Including risk management approval into supplier sourcing processes

## GERMAN SUPPLIER DUE DILIGENCE

Adient has well-developed risk mapping, due diligence and risk-mitigation procedures to comply with the German Due Diligence Act. These procedures are run by a cross-functional

team of operations, purchasing, sustainability, supply chain risk, environmental health and safety, and legal experts. Their work is supervised by the EMEA VP of Purchasing and Supply Chain and the EMEA VP Operations.

As part of these annually repeated processes, assessments are conducted concerning Adient Germany’s high-risk in-scope suppliers. If risk mitigation is needed, this team initiates escalations and works with the suppliers to implement corrective actions.

As part of the risk assessment, this team uses an online survey tool that focuses on human rights and environmental risk. The survey was sent out to close to 400 suppliers in 2024, and the vast majority of suppliers answered the survey. The suppliers’ answers are evaluated by the cross-functional expert team and corrective actions are put in place if necessary.

The same team is responsible for ad hoc risk assessments and risk mitigation if Adient learns about potential human rights or environmental violations within Adient Germany’s supply chain. This ongoing activity informs our internal review process, ensuring that Adient continually enhances its processes, policies, contracts, and supplier training to maintain high standards of human rights and environmental responsibility.

## SUSTAINABILITY SURVEY ASSESSMENTS

For fiscal year 2025, Adient has contracted one of the leading providers for supplier sustainability assessments. The EcoVadis assessment tool will be used to assess suppliers’ management systems to support environmental, human rights, ethics and sustainability performance of our supplier base. With the support of this company, we are planning to extend the number of suppliers being assessed and evaluated for sustainability-related risk. They will also perform investigations and initiate corrective actions where gaps exist for high risk-suppliers. This will further enhance Adient’s ability to ensure sustainable procurement globally.

## 4.9 Task Force on Climate-related Financial Disclosures

**Climate-related risks pose serious threats to people and organizations all over the world. At Adient, we recognize the importance of communicating our climate-related risks and opportunities transparently and clearly to our stakeholders in order to support our vision to create a sustainable future together. To do so, we have aligned this Sustainability Report to the TCFD's recommendations on climate disclosures, and we encourage all our stakeholders to do the same.**

### GOVERNANCE

Our board of directors and senior managers ensure we operate our business ethically and in accordance with applicable laws and regulations, and they oversee our sustainability policies and strategy with input from a cross-functional team of subject matter experts across our organization. Executive Vice President of Global IT, Business Services and Sustainability Stephanie Marianos reports to the President and CEO Jerome Dorlack; board member Peter Carlin, who was appointed by the corporate governance committee to oversee sustainability-related opportunities, provides board-level oversight of sustainability-related topics at Adient, including climate-related risks. We manage climate-related issues through Adient's sustainability steering committee.

### STRATEGY

Climate change creates both risks and opportunities for Adient. Climate-related risks may have both financial and strategic impacts. Monitoring these over the shorter, medium, and longer term is essential for effective strategic planning. In terms of opportunities, Adient recognizes that its transformation into a sustainable business will drive new revenue growth as well as cost savings.

Our approach is three-fold. First, we describe different scenarios, i.e., possible evolutions of the global economic, social, regulatory and environmental conditions. Second, we conduct an exhaustive screening of possible risks and opportunities. Last, we assess these risks and opportunities in each of our scenarios.

We are using three climate scenarios for our analysis. The underlying data used in modeling is based on climate scenarios used by the Network for Greening the Financial System (NGFS), the International Environmental Agency (IEA), and the International Panel on Climate Change (IPCC).

- > **1.5 degrees Celsius scenario:** Based on NGFS' "Net Zero 2050" scenario and the IPCC's "SSP1-1.9" scenario. The world is on track to keep global warming to 1.5 degree Celsius above pre-industrial levels by 2050. Both disorderly and orderly pathways are considered, and the outcome is averaged. In the orderly pathway, climate policies are introduced early and become gradually more stringent, allowing both physical and transition risks to be relatively subdued. In the disorderly pathway, the change is late, disruptive, sudden and unanticipated, and there are higher transition risks due to policies being delayed or divergent across countries and sectors.
- > **2 degrees Celsius scenario:** Based on the IEA's "Stated Policies" scenario and the IPCC's "SSP2-4.5" scenario. This scenario reflects the impact of existing policy frameworks and today's announced policy intentions, e.g., Nationally Determined Contributions. There is delayed policy response and reduced availability of CO<sub>2</sub>e removal (CDR) technologies.
- > **3 degrees Celsius scenario:** Based on the IEA's "Current Policies" scenario and the IPCC's "SSP5-8.5" scenario. This scenario reflects how global energy markets would evolve if governments made no changes to their existing policies and measures. Nationally Determined Contributions are not met, and emissions grow until 2080, leading to severe physical risks.

The screening of the possible risks and opportunities is exhaustive: We consider transition risks (e.g., changes in regulations, supply chain issues, changes in stakeholders' expectations including investors, customers, end-users and staff) and physical risks (e.g., acute and chronic risks for Adient's assets, activities and staff), as well as revenue, cost and asset opportunities. Four risks and two opportunities were identified for Adient (see table on next page).

### RISK MANAGEMENT

At Adient, senior leadership identifies, assesses and manages key risks that may impact



the ability to achieve strategic objectives through the annual enterprise risk-management process. An executive management sponsor is responsible for monitoring each key risk with risk owners, including mitigating actions. The board of directors oversees management actions through ongoing financial and operational reporting, including strategic planning and risk-management activities.

### METRICS AND TARGETS

We define our sustainability related KPIs in line with guidance from international standards (e.g., the [WRI, Global Reporting Initiative](#) and [Sustainability Accounting Standards Board](#)). Our KPIs reflect the areas of sustainability that are relevant and material to our business, and we calculate them in an accurate and consistent way and disclose them transparently and consistently. We are reporting on the impact of our operations and supply chain above using these KPIs and following the principles outlined in the [Sustainable Operations](#) and [Supply Chain Emissions](#) sections, respectively.

Climate-related Risks and Opportunities				
Type	Description	Short (0-1)	Med (2-5)	Long (6+)
Risk: Customer Behavior	OEMs have started to impose targets on their Tier 1 suppliers (e.g., requiring them to switch to renewable electricity). Failure to meet customer expectations may result in the loss of business, diluted market valuation and an inability to attract customers.			
Risk: Investor Behavior	Not meeting investors’ increasing expectations on sustainability performance could make it more difficult for Adient to access capital or increase the cost of such capital and may result in a diluted market evaluation.			
Risk: Carbon Tax	Rising carbon tax may impact profit through increased taxes (on direct emissions from operations) and costs (suppliers may reflect their own carbon tax increase in selling prices for all the products and services used in operations).			
Risk: Physical	Adient’s assets may be damaged by extreme weather events like hurricanes or heat waves, incurring repair or replacement costs. Operations may also be interrupted (e.g., due to heat waves, storms, floods, etc.), incurring delays in production and delivery.			
Opportunity: Cost Savings	Cost savings from more effective management of energy, water and transport. For example, water management initiatives, such as leak management, reduce water consumption.			
Opportunity: Customer Contracts	Being a first mover on sustainability issues could give a competitive advantage, as Adient would become a trusted partner to OEMs. This would enable an increase in revenue through winning additional OEM contracts.			

Finally, we analyze each of these risks and opportunities in the context of our three scenarios

Scenario Analysis												
Scenario	1.5°C scenario				2°C scenario				3°C scenario			
	Now	2030	2040	2050	Now	2030	2040	2050	Now	2030	2040	2050
Risk: Customer Behavior	Yellow	Orange	Red	Red	Yellow	Yellow	Orange	Red	Yellow	Yellow	Yellow	Yellow
Risk: Investor Behavior	Green	Yellow	Orange	Orange	Green	Green	Yellow	Orange	Green	Green	Green	Yellow
Risk: Carbon Tax	Green	Green	Yellow	Orange	Green	Green	Yellow	Yellow	Green	Green	Green	Green

Risk Level	Impact
Low	Low <\$10M impact on profit or assets
Medium	\$10M-\$100M impact on profit or assets
High	\$100M-\$500M impact on profit or assets
Very High	\$500M+ impact on profit or assets



# 5. Appendix

## 5.1 About This Report

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The content of this report covers our most recent fiscal year — Oct. 1, 2023, to Sept. 30, 2024 — and includes data from prior years where available and relevant.

Adient (NYSE: ADNT) is a global leader in automotive seating with 70,000+ employees at more than 200 sites in 29 countries around the world. In fiscal year 2024, Adient manufactured approximately 11.7 million parts in roughly 2,224,000 square meters of manufacturing space globally.

The financial control approach is used to account for and report the sustainability metrics within this report. This includes owned and leased manufacturing sites, warehouses, technical centers, and office sites (collectively referred to as “sites”) as well as mobile fleet vehicles (powered industrial vehicles and on-road) of Adient’s wholly owned subsidiaries and those entities in which Adient has a controlling interest.

As we update and refine our data, we may revise information from prior years within the report. Unless otherwise noted, the data represented in this report was captured Nov. 1, 2024. This report was made available Jan. 28, 2025.





This report contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements can also be identified by words such as “future,” “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “will,” “would,” “could,” “can,” “may,” or similar terms. Forward-looking statements are not guarantees of future performance and Adient’s actual results may differ significantly from the results discussed in the forward-looking statements. Adient cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond Adient’s control, that could cause Adient’s actual results to differ materially from those expressed or implied by such forward-looking statements, including, among others, risks related to the effects of local and national economic, credit and capital market conditions (including the persistence of high interest rates, vehicle affordability and volatile currency exchange rates) on the global economy, automotive vehicle production levels, mix and schedules, as well as the concentration of exposure to certain automotive manufacturers, shifts in market shares among vehicles, vehicle segments or away from vehicles on which Adient has significant content, changes in consumer demand, risks associated with Adient’s joint ventures, volatile energy markets, Adient’s ability and timing of customer recoveries for increased input costs, the availability of raw materials and component products (including components required by Adient’s customers for the manufacture of vehicles), geopolitical uncertainties such as the Ukraine and Middle East conflicts and the impact on the regional and global economies and additional pressure on

supply chain and vehicle production, uncertainties in U.S. administrative policy regarding trade agreements, tariffs and other international trade relations, the ability of Adient to effectively launch new business at forecast and profitable levels, work stoppages, including due to strikes, supply chain disruptions and similar events, wage inflationary pressures due to labor shortages and new labor negotiations, the ability of Adient to execute its restructuring plans and achieve the desired benefit, the ability of Adient to meet debt service requirements and, terms of future financing, the impact of global tax reform legislation, global climate change and related emphasis on sustainability matters by various stakeholders, and the ability of Adient to achieve its sustainability-related goals, cancellation of or changes to commercial arrangements, and the ability of Adient to identify, recruit and retain key leadership. A detailed discussion of risks related to Adient’s business is included in the section entitled “Risk Factors” in Adient’s [Annual Report on Form 10-K](#) for the fiscal year that ended September 30, 2024, filed with the U.S. Securities and Exchange Commission (the “SEC”) on November 18, 2024, and in subsequent reports filed with or furnished to the SEC, available at [www.sec.gov](http://www.sec.gov). Potential investors and others should consider these factors in evaluating the forward-looking statements and should not place undue reliance on such statements. The forward-looking statements included in this document are made only as of the date of this document, unless otherwise specified, and, except as required by law, Adient assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this document.

For further clarification on any topic within this report, please email [investors@adient.com](mailto:investors@adient.com).





## Report of Independent Accountants

To the Board of Directors of Adient plc

We have reviewed the accompanying management assertion of Adient plc that the Scope 1 and Scope 2 greenhouse gas (GHG) emissions, total energy consumption, total water withdrawal, and percentage of water withdrawal in countries with high and extremely high baseline water stress indicator metrics (collectively, the “sustainability metrics”) for the year ended September 30, 2024 in management’s assertion are presented in accordance with the assessment criteria set forth in management’s assertion. Adient plc’s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the sustainability metrics. Our responsibility is to express a conclusion on management’s assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management’s assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management’s assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The firm applies the Statements on Quality Control Standards established by the AICPA.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, performed tests of mathematical accuracy of computations on a sample basis, read relevant policies, where available, to understand terms related to relevant information about the sustainability metrics, reviewed supporting documentation in regards to the completeness and accuracy of the data in the sustainability metrics on a sample basis, and performed analytical procedures.

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

The preparation of the total energy consumption, total water withdrawal, and percentage of water withdrawal in countries with high and extremely high baseline water stress indicator metrics requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

As discussed in management’s assertion, Adient plc has estimated usage data for certain sources of GHG emissions, energy consumption, and water withdrawal for which no primary usage data is available.

As discussed in management’s assertion, in 2024, Adient plc changed the criteria used to calculate its Scope 1 and Scope 2 GHG emissions metrics.

Based on our review, we are not aware of any material modifications that should be made to Adient plc’s management assertion in order for it to be fairly stated.

*PricewaterhouseCoopers LLP*

Washington, D.C.  
January 22, 2025

## 5.3 Adient Management Assertion

### OVERVIEW

With respect to the Scope 1 and Scope 2 greenhouse gas (GHG) emissions, total energy consumption, total water withdrawal, and percentage of water withdrawal in countries with high and extremely high baseline water stress indicator metrics (collectively, the “sustainability metrics”) for the year ended September 30, 2024 (fiscal year), presented in the table below, management of Adient plc (Adient) asserts that the sustainability metrics are presented in accordance with the assessment criteria set forth below. Management is responsible for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the sustainability metrics, and for the completeness, accuracy, and validity of the sustainability metrics.

### ORGANIZATIONAL BOUNDARY

The financial control approach is used to account for and report the sustainability metrics. This includes owned and

leased manufacturing sites, warehouses, technical centers, and office sites (collectively referred to as “sites”) as well as mobile fleet vehicles (powered industrial vehicles and on-road) of Adient’s wholly-owned subsidiaries and those entities in which Adient has a controlling interest.

### GHG EMISSIONS DISCLOSURES

Adient considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development’s (WBCSD) internationally recognized reporting standards:

- > **The Greenhouse Gas Protocol:** A Corporate Accounting and Reporting Standard (2015 Revised Edition)
- > **GHG Protocol Scope 2 Guidance:** An amendment to the GHG Protocol Corporate Standard (2015)

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG

emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

The carbon emissions are measured in the standard unit of carbon dioxide equivalent (CO<sub>2</sub>e). Adient’s reported emissions are comprised of two greenhouse gases: carbon dioxide (CO<sub>2</sub>) and hydrofluorocarbons (HFCs). The GHGs of methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) were emitted in fiscal year 2024 but were excluded, whereas for fiscal year 2023, emissions from CH<sub>4</sub> and N<sub>2</sub>O were included in the reported Scope 1 and Scope 2 emissions metrics. The GHGs sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), and nitrogen trifluoride (NF<sub>3</sub>) are not emitted by Adient’s sites as part of its manufacturing processes or by Adient’s mobile fleet vehicles. These carbon dioxide equivalent emissions utilize Global Warming Potentials (GWPs) defined by the Intergovernmental Panel on Climate Change’s (IPCC) Sixth Assessment Report (AR6), unless otherwise indicated. Carbon dioxide equivalent emissions are calculated by multiplying actual or estimated energy and fuel usage or refrigerant gas loss by the relevant emission factor and/or GWP.

#### 1. Related to Scope 1 emissions:

- a. **Stationary combustion (natural gas):**
  - i. Combustion from stationary equipment and machinery at Adient’s sites.
  - ii. Global natural gas usage data was collected from utility invoices obtained from third-party providers, where available. If an invoice covers multiple months, usage was allocated to the months covered by the invoice evenly based on the number of months.
  - iii. If usage data was not available where a previous

Sustainability Metrics	Quantity
<b>Scope 1<sup>1</sup>:</b> Direct emissions occurring from stationary combustion, mobile combustion, refrigerants, and process emissions	54,917 metric tons of CO <sub>2</sub> equivalent (mtCO <sub>2</sub> e)
<b>Scope 2 (Location-based)<sup>2</sup>:</b> Indirect emissions occurring from purchased or acquired electricity, purchased or acquired district heat and steam, and electric vehicles charged offsite	248,792 mtCO <sub>2</sub> e
<b>Scope 2 (Market-based)<sup>2</sup>:</b> Indirect emissions occurring from purchased or acquired electricity, purchased or acquired district heat and steam, and electric vehicles charged offsite	208,413 mtCO <sub>2</sub> e
<b>Total energy consumption<sup>3</sup>:</b> Direct and indirect energy consumed from fuel and energy consumption (natural gas, liquefied petroleum gas (LPG), diesel, fuel oil, gasoline, biomass, purchased or acquired electricity (renewable and non-renewable), purchased or acquired district heat and steam, onsite generated renewable electricity, and electric vehicles charged off-site)	825,707,798 kilowatt hour (kWh)
<b>Total water withdrawal<sup>4</sup>:</b> Water withdrawn from third parties and groundwater on site	1,258,962 cubic meters (m <sup>3</sup> )
<b>Percentage of water withdrawal in countries with high and extremely high baseline water stress indicator<sup>5</sup></b>	29%



invoice was available, Adient estimated natural gas usage using the following hierarchy:

1. Average value of the surrounding two months before and/or after when actual monthly usage data was available for those two months
  2. Average value based on available historical data, utilizing the most recent six months' average usage. If fewer than six months of data was available, then those months with actual monthly usage was averaged
  3. Known value from the same month from within the two most recent fiscal years
- iv. If no previous invoice was available, Adient estimated natural gas usage using the square footage of the site obtained from a third-party real estate management company or regional legal documents multiplied by an intensity factor obtained from the 2018 Commercial Buildings Energy Consumption Survey (CBECS) published in 2022 by the United States (U.S.) Energy Information Administration (EIA).
- v. Emission factor source: U.S. Environmental Protection Agency (EPA) Code of Federal Regulations (CFR) – Mandatory Greenhouse Gas Reporting, 40 CFR Part 98 (2024)

**b. Stationary and mobile combustion (LPG, diesel, fuel oil, and gasoline):**

- i. Combustion from emergency and portable generators, powered industrial vehicles (e.g., forklifts), temporary space heaters, and other portable equipment (e.g., landscaping equipment) at Adient's manufacturing sites.
- ii. Global LPG, diesel, fuel oil, and gasoline usage data was collected from utility invoices or fuel reports obtained from third-party providers, where available. If an invoice covers multiple months, usage was allocated to the months covered by the invoice evenly based on the number of months.
- iii. Beginning in fiscal year 2024, if usage data was not available where a previous invoice or fuel report was available, Adient estimated fuel usage using the following hierarchy:
  1. Average value of the surrounding two months before and/or after when actual monthly usage data was available for those two months
  2. Average value based on available historical data, utilizing the most recent six months' average usage. If fewer than six months of data

was available, then those months with actual monthly usage was averaged

3. Known value from the same month from within the two most recent fiscal years
  - iv. Beginning in fiscal year 2024, if no previous invoice or fuel report was available, Adient estimated usage using site-specific information as a proxy.
  - v. Emission factor source: U.S. EPA CFR – Mandatory Greenhouse Gas Reporting, 40 CFR Part 98 (2024)
- c. Fleet mobile combustion (diesel and gasoline):**
- i. Combustion from the operation of Adient's on-road mobile fleet vehicles.
  - ii. Global diesel and gasoline usage was collected from fuel cards issued by Adient's fleet management partner or receipts, where available.
  - iii. If usage data was not available, Adient estimated diesel and gasoline usage using the following methods:
    1. For fleet used in countries other than Japan:
      - a. Spend data from employee expense reports to convert spend data to kilometers using a cost to consumption factor obtained from the Department for Energy Security and Net Zero (DESNZ) United Kingdom (UK) Government's Energy Prices Road Fuels and Other Petroleum Products, 2021 (published 2021)
      - b. Actual average data from previous quarters as a proxy for missing data
    2. Beginning in fiscal year 2024, for Japan's fleet, fuel usage was estimated by dividing the vehicle distance driven obtained from an internal logbook by an estimated average of 8 kilometers per liter
  - iv. Emission factor source and GWPs: DESNZ UK Government GHG Conversion Factors for Company Reporting 2023 (2023), which uses GWPs from the IPCC's Fifth Assessment Report (AR5)

**d. Process emissions:**

- i. The Adient manufacturing process for foam results in the release of CO<sub>2</sub> due to the chemical reaction between toluene diisocyanate (TDI) and H<sub>2</sub>O.
- ii. The foam intensity factor was determined by calculating the CO<sub>2</sub> emissions (described in d. iii.) for one month for one manufacturing site and dividing that by the number of foam pieces manufactured at that manufacturing site during the month obtained from Adient's internal systems. This foam intensity factor was then applied to the number of

foam pieces manufactured at Adient's other foam manufacturing sites.

- iii. The foam CO<sub>2</sub> emissions for the manufacturing site are calculated by applying the standard weight ratio of a mole of CO<sub>2</sub> relative to a mole of H<sub>2</sub>O against the H<sub>2</sub>O consumption during the month.
- iv. H<sub>2</sub>O consumption is comprised of two parts:
  1. H<sub>2</sub>O utilized in the production of foam parts. This figure is calculated by taking the total number of foam parts manufactured during the month, which are obtained from Adient's internal systems, and multiplying this by the H<sub>2</sub>O utilized in the production of the foam parts which is based upon the requirements in the bill of materials.
  2. H<sub>2</sub>O contained within the chemical diethanolamine (DEOA) is 15% H<sub>2</sub>O by weight and is an ingredient used in the manufacture of foam. H<sub>2</sub>O content is calculated by taking the DEOA consumed during the month obtained from Adient's internal systems and multiplying that value by 15%.

**e. Refrigerants:**

- i. Leakage of refrigerants from Adient's owned equipment and any top up (additional refrigerant added to the equipment during servicing/ inspection).
- ii. Global refrigerant leakage was collected from internally produced annual maintenance data.
- iii. GWPs: IPCC's AR6

**f. Estimated emissions from the sources above account for approximately 18% of reported Scope 1 emissions.**

**g. In fiscal year 2024, Adient changed the criteria used to calculate our Scope 1 emissions. In addition to the changes described above, the changes included:**

- i. Stationary combustion (natural gas):
  1. No longer utilize a proxy site intensity factor to estimate usage based upon headcount or square footage
  2. No longer utilize an intensity factor from the Chartered Institute of Building Services Engineers (CIBSE) Guide F (2012) and instead utilize an intensity factor from CBECS to estimate usage
  3. Utilize the U.S. EPA emission factors rather than the Department of Business, Energy & Industrial Strategy (BEIS) UK Government GHG emission factors

- ii. Stationary and mobile combustion (LPG, diesel, fuel oil, and gasoline):
  1. No longer utilize an average monthly usage value based on manufacturing sites that had third-party monthly usage data to estimate usage
  2. Now include usage data from Adient’s warehouses, technical centers and offices which were excluded in fiscal year 2023
  3. Utilize the U.S. EPA emission factors rather than the BEIS UK Government GHG emission factors
- iii. Refrigerants:
  1. Utilize the IPCC GWPs rather than the BEIS UK Government GWPs
- iv. The changes were estimated to result in a less than 5% reduction in reported Scope 1 emissions for fiscal year 2024.

**2. Related to Scope 2 emissions:**

**a. Purchased or acquired electricity:**

- i. Global electricity usage data for all sites was collected from utility invoices obtained from third-party providers, where available. If an invoice covers multiple months, usage was allocated to the months covered by the invoice evenly based on the number of months.
- ii. If usage data was not available where a previous invoice was available, Adient estimated electricity usage using the following hierarchy:
  1. Average value of the surrounding two months before and/or after when actual monthly usage data was available for those two months
  2. Average value based on available historical data, utilizing the most recent six months' average usage. If fewer than six months of data was available, then those months with actual monthly usage was averaged
  3. Known value from the same month from within the two most recent fiscal years
- iii. If no previous invoice was available, Adient estimated electricity usage using the square footage of the site obtained from a third-party real estate management company or regional legal documents multiplied by the intensity factors from the 2018 CBECS published in 2022 by the U.S. EIA.
- iv. Renewable Energy Certificates (RECs) / Guarantees of Origin (GOs)
  1. Electricity from renewable sources is provided

through Renewable Energy Credits (RECs) and Guarantees of Origin (GOs) obtained via (i) power purchase agreements (PPAs), (ii) utility programs with suppliers, and (iii) the direct purchase of RECs (U.S.) and were applied in calculating Scope 2 (market-based) emissions.

2. For the Mandling site located in Austria and, beginning in fiscal year 2024, the Torslanda site located in Sweden, Adient participates in a voluntary consumer purchasing program with the energy supplier. These GOs did not meet all Scope 2 Quality Criteria, specifically, retirement certificates were not separately evidenced on behalf of Adient, rather a detailed allocation was evidenced as part of the consumption certificate. In addition, the renewable energy was inclusive of biogenic CO<sub>2</sub> emissions that are considered to be renewable under the Association of Issuing Bodies (an organization that promotes the use of a standardized European Energy Certificate System (EECS)) but not under the GHG Protocol. The impact of these GOs is contributing to the reduction of our Scope 2 (market-based) emissions by 121 mtCO<sub>2</sub>e.
3. Other RECs and GOs follow the application and retirement guidelines on geography, vintage, certification and retirement established by the GHG Protocol.
4. Other RECs and GOs applied in calculating Scope 2 (market-based) emissions for fiscal year 2024 have been contracted and will be retired before August 15, 2025.
5. Emissions related to purchased or acquired electricity remaining after the application of RECs/GOs were calculated based on the market-based emission factors as described below.

**b. Purchased or acquired district heat and steam:**

- i. Purchased or acquired district heat and steam is used by certain Adient sites.
- ii. Global purchased or acquired district heat and steam usage data was collected from utility invoices obtained from third-party providers, where available. If an invoice covers multiple months, usage was allocated to the months covered by the invoice evenly based on the number of months.
- iii. If usage data was not available where a previous invoice was available, Adient estimated purchased

or acquired district heat and steam usage using the following hierarchy:

1. Average value of the surrounding two months before and/or after when actual monthly usage data was available for those two months
2. Average value based on available historical data, utilizing the most recent six months' average consumption. If fewer than six months of data was available, then those months with actual monthly usage was averaged
3. Known value from the same month from within the two most recent fiscal years

**c. Electric vehicles charged offsite:**

- i. Global electric vehicles charged offsite usage data for all sites was collected from Adient’s employee expense system, where available.
- ii. If usage data was not available, Adient estimated the average usage by taking actual quarterly mileage for one vehicle from other sites as a proxy and multiplying the mileage by the number of vehicles in use at the sites with missing mileage.

**d. Emission factor sources (purchased or acquired electricity location-based):**

- i. U.S. sites: U.S. EPA Emissions & Generated Resource Integrated Database (eGRID) 2021 for the U.S. factors by sub-region (2023)
- ii. Mexico sites: Mexico Secretaria de Medio Ambiente y Recursos Naturales, Factor De Emision Del Sistema Electrico Nacional 2022 (2023)
- iii. International (except U.S. and Mexico) sites: International Energy Agency (IEA) Emission Factors - 2021 (2023)

**e. Emission factor sources (purchased or acquired electricity market-based):**

- i. The following hierarchy was applied in identifying the emission factor to be applied:
  1. European sites: Association of Issuing Bodies (AIB) European Residual Mixes 2021 (2022)
  2. Certain U.S., German, Japanese, and Indonesian sites: Edison Electric Institute’s Utility Emission Factors 2022 (2024) where available for the specific utility provider
  3. Certain U.S. sites: Green-e® Residual Mix Emissions Rates (2021 data) (2023)
  4. Where residual mix or specific utility provider emission factors were not available, location-based emission factors were used

**f. Emission factor source and GWPs (purchased or**

acquired district heat): DESNZ UK Government GHG Conversion Factors for Company Reporting 2023 (2023), which uses GWPs from the IPCC’s AR5

- g. **Emission factor source** (electric vehicles charged offsite): IEA Emission Factors - 2021 (2023)
- h. **Emission factor source** (purchased or acquired steam): U.S. EPA CFR – Mandatory Greenhouse Gas Reporting, 40 CFR Part 98 (2024)
- i. **Estimated emissions from the sources above account for approximately 1% of reported Scope 2 emissions (location-based) and approximately 2% of the reported Scope 2 emissions (market-based).**
- j. **In fiscal year 2024, Adient changed the criteria used to calculate our Scope 2 emissions. In addition to the changes described above, the changes included:**
  - i. Purchased or acquired electricity:
    - 1. No longer utilize a proxy site intensity factor to estimate usage based upon headcount
    - 2. No longer utilize an intensity factor from CIBSE Guide F (2012) to estimate usage and instead utilize an intensity factor from CBECS for all sites to estimate usage
    - 3. Emission factors (location-based):
      - a. Utilize IEA emission factors rather than the BEIS UK Government GHG emission factors for the UK sites and other sites where IEA emission factors were not available
      - b. Utilize Mexico Secretaría de Medio Ambiente y Recursos Naturales, Factor De Emision Del Sistema Electrico Nacional 2022 (2023) emission factors rather than IEA emission factors for Mexico sites
    - 4. Emission factors (market-based):
      - a. Utilize the Green-e® Residual Mix Emissions Rates and specific utility provider emission factors, where available
  - ii. Electric vehicles charged offsite:
    - 1. Utilize IEA emission factors rather than the BEIS UK Government GHG emission factors
  - iii. Purchased or acquired steam:
    - 1. Utilize U.S. EPA CFR – Mandatory GHG Reporting, 40 CFR Part 98 (2024) emission factors rather than BEIS UK Government GHG emission factors
  - iv. The changes were estimated to result in a less than 5% increase in reported Scope 2 location-based and Scope 2 market-based emissions for fiscal year 2024.

## ENERGY CONSUMPTION DISCLOSURES

### 3. Related to total energy consumption:

- a. Direct and indirect energy consumed in kilowatt hour (kWh) from direct on-site renewable energy consumption from solar panels (onsite generated renewable electricity which is measured using data coming from meters), biomass (beginning in fiscal year 2024), direct energy consumed from fuel consumption, which is comprised of natural gas, LPG, diesel, fuel oil, and gasoline, and indirect energy consumed from energy consumption, which is comprised of purchased or acquired electricity, purchased or acquired district heat and steam generated, as well as electric vehicles charged offsite.
- b. The preparation of the total energy consumption metric requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in a materially different amount or metric being reported.
- c. Energy consumption was calculated using the same usage data and estimation methodology described in footnotes 1 and 2 as well as energy consumption derived from biomass which was measured using an on-site metering system.
- d. Estimated energy consumption accounts for approximately 2% of the reported total energy consumption.

## WATER WITHDRAWAL DISCLOSURES

Adient considers the principles and guidance of the Global Reporting Initiative (GRI) Standards, *GRI 303: Water and Effluents (2018)*, to guide the criteria to assess, calculate and report the water withdrawal metrics.

The preparation of the total water withdrawal and percentage of water withdrawal in countries with high and extremely high baseline water stress indicator metrics requires management to establish the criteria, make determinations as to the relevancy of information to be included, and make assumptions that affect reported information. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

### 4. Related to total water withdrawal:

- a. Represents the total water withdrawn from the following sources:
  - i. Third-party water
  - ii. Groundwater on site
- b. Groundwater on site and third-party water procured are measured at the site level through usage data collected from third-party invoices or direct volumetric meter readings, where available.
- c. Where actual water withdrawal data was not available, data was estimated as follows:
  - i. If water withdrawal data was not available where a previous invoice or direct volumetric reading was available, Adient estimated water withdrawal using the following hierarchy:
    - 1. Average value of the surrounding two months before and/or after when actual monthly water withdrawal data was available for those two months
    - 2. Average value based on available historical data, utilizing the most recent three months' average water withdrawal data. If fewer than three months of data were available, then those months with actual monthly usage was averaged
    - 3. Last known value from within the previous eleven months
    - 4. Known value from the same month from within the two most recent fiscal years
  - ii. If no previous invoice or direct volumetric meter readings were available, Adient estimated water withdrawal using the square footage of the site obtained from a third-party real estate management company or regional legal documents multiplied by the intensity factors from the 2012 CBECS published in 2017 by the U.S. EIA.
- d. Estimated water withdrawal accounts for approximately 10% of the reported total water withdrawal.

### 5. Related to percentage of water withdrawal in countries with high (category 3-4) and extremely high (category 4-5) baseline water stress indicator:

- a. Adient calculated using the water withdrawal data described in footnote 4 and by considering the country level baseline water stress indicator and total weight from the World Resource Institute (WRI) Water Risk Atlas tool (Aqueduct 4.0 - WRI Aqueduct 2023).



## 5.4 Greenhouse Gas Protocol Reporting

The Greenhouse Gas (GHG) Protocol has created a comprehensive, global, standardized framework for measuring and managing emissions from private and public sector operations. Adient’s carbon footprint has been calculated in consideration of the World Resources Institute and World Business Council for Sustainable Development’s internationally recognized reporting standards:

- > Greenhouse Gas (GHG) Protocol — A Corporate Accounting and Reporting Standard (2015 revised edition)
- > GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard
- > Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard
- > GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0)

Categories excluded from Adient’s carbon footprint report are listed in the table to the right.

Scope 3 Emissions	
Category	Justification for exclusion
8. Upstream leased assets	Adient does not have any scope 3 upstream leased assets. Adient does lease offices and manufacturing buildings; however, these emissions fall under scope 1 and 2 emissions.
10. Processing of sold products	All emissions associated with the processing of vehicle seats in the OEMs’ operations are excluded on the grounds of lack of influence, limited risk (not core to business operations), and lack of reliable data to base the analysis on.
11. Use of sold products	Emissions from the use of vehicle seats sold are excluded on the grounds of lack of influence, limited risk (not core to business operations), and lack of reliable data to base the analysis on.
13. Downstream leased assets	Adient does not have any leased downstream assets.
14. Franchises	Adient does not own any franchises.

# 5.5 Data Tables

Greenhouse Gas Emissions (in mtCO <sub>2</sub> e)			
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
<b>Scope 1 and 2</b>	<b>291,024</b>	<b>278,919</b>	<b>263,330</b>
<b>Scope 1</b>	<b>71,646</b>	<b>65,675</b>	<b>54,917*</b>
Natural Gas	57,867	43,195	36,536
Company Vehicles	7,176	7,742	6,714
Other Fuels	5,952	7,731	5,489
Refrigerants	651	82	119
Process Emissions	not available	6,925	6,059
<b>Scope 2 (market-based)</b>	<b>219,378</b>	<b>213,244</b>	<b>208,413*</b>
Electricity (market-based)	217,643	211,609	206,447
Company Cars	not available	40	159
Purchased or Acquired Heat and Steam	1,735	1,595	1,807
<b>Scope 3</b>	<b>N/M**</b>	<b>5,743,099</b>	<b>5,537,171</b>
1. Purchased goods and services	—	5,127,278	4,952,457
2. Capital goods	—	3	6
3. Fuel- and energy-related activities	—	86,204	87,036
4. Upstream transport & distribution	—	246,168	230,733
5. Waste generated in operations	—	9,587	10,938
6. Business travel	—	16,130	14,077
7. Employee commuting	—	147,975	149,363
9. Downstream transport & distribution	—	858	741
12. End of life treatment of sold products	—	12,782	13,691
15. Investments (non-consolidated sites)	—	96,114	78,129

\* PricewaterhouseCoopers LLP performed a limited assurance engagement over scope 1 and scope 2 greenhouse gas emissions, total energy consumption, total water withdrawal, and % of water withdrawals in countries with high and extremely high baseline water stress indicator. The [Report of Independent Accountants](#) and [Adient Management Assertion](#) are also provided in the Appendix.

\*\* Not Meaningful. This data is not available on a comparable basis due to scope 3 data process improvements.

\*\*\* Intensity values calculated using the sum of net sales for all three regions before any corporate eliminations.

Total Energy Consumption by Fiscal Year				
	Units	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
<b>Total Energy Consumption</b>	<b>kWh</b>	<b>966,860,125</b>	<b>881,196,250</b>	<b>825,707,798*</b>
Natural Gas	kWh	319,739,147	236,641,761	201,588,115
Purchased Fuel	kWh	24,703,707	31,860,278	24,112,237
Biomass	kWh	—	—	618,330
Company Cars	kWh	30,637,353	33,387,460	29,724,106
Renewable Purchased or Acquired Electricity	kWh	112,792,536	148,592,208	165,360,588
Non-renewable Purchased or Acquired Electricity	kWh	467,554,309	419,845,136	392,686,669
Onsite Generated Renewable Electricity	kWh	1,272,998	1,527,916	1,964,644
Purchased or Acquired Heat and Steam	kWh	10,160,075	9,341,491	9,653,109
Grid Electricity Share, Including Heat and Steam	%	81%	74%	71%
Energy Intensity (Scope 1 and 2)***	Unit	FY22	FY23	FY24
<b>Global Total</b>	<b>kWh/\$ million in sales</b>	<b>67,864</b>	<b>56,851</b>	<b>55,863</b>
Americas	kWh/\$ million in sales	67,016	55,416	54,881
EMEA	kWh/\$ million in sales	88,466	70,964	68,893
APAC	kWh/\$ million in sales	36,760	36,447	36,160

Fiscal Year 2024 Energy Consumption by Region			
Region	Unit	Energy Consumption	% of total
<b>Global Total</b>	<b>kWh</b>	<b>825,707,798*</b>	<b>100%</b>
Americas	kWh	371,160,486	45%
EMEA	kWh	346,465,033	42%
APAC	kWh	108,082,279	13%
Region	Unit	Renewable Electricity Consumption	% of total
<b>Global Total</b>	<b>kWh</b>	<b>167,325,232</b>	<b>100%</b>
Americas	kWh	48,800,894	29%
EMEA	kWh	102,372,370	61%
APAC	kWh	16,151,968	10%

# 5.5 Data Tables

Water Management			
Key Performance Indicator	Units	Fiscal Year 2023	Fiscal Year 2024
Total Water Withdrawal	Cubic Meters	1,345,917	1,258,962*
Third-Party Water	Cubic Meters	1,252,060	1,170,532
Groundwater-On-Site	Cubic Meters	93,472	88,430
Waste Water Discharge	Cubic Meters	961,856	1,085,000
Total Water Consumption	Cubic Meters	384,061	173,962
Water Withdrawals in High-Water-Stress regions	Cubic Meters	—	367,748
% of Water Withdrawals in Countries with High and Extremely High Baseline Water Stress Indicator	%	—	29%*
Total recycled/reused water	Cubic Meters	—	8,426
Rainwater	Cubic Meters	385	902
<b>Water intensity**</b>	<b>m<sup>3</sup>/\$ million in sales</b>	<b>86.8</b>	<b>85.2</b>

Waste Management***			
Key Performance Indicator	Units	Fiscal Year 2023	Fiscal Year 2024
<b>Total</b>	<b>Metric Tons</b>	<b>127,960</b>	<b>138,998</b>
Recycled, Recovered or Reused	Metric Tons	102,044	111,883
Hazardous — Incinerated	Metric Tons	681	734
Hazardous — Landfill	Metric Tons	455	1,213
Non-Hazardous — Incinerated	Metric Tons	1,369	1,095
Non-Hazardous — Landfill	Metric Tons	15,051	16,042
Energy — Incinerated	Metric Tons	8,360	8,031

Air Pollutants (in Metric Tons)			
Pollutant	Calendar Year 2021	Calendar Year 2022	Calendar Year 2023
<b>Total</b>	<b>2,615.10</b>	<b>2,713.66</b>	<b>2,713.90</b>
Hydrogen Sulfide	—	—	0.00
Carbon Monoxide	69.35	64.55	53.76
Nitrogen Oxides	379.07	343.24	273.02
Sulphur Dioxide	181.58	176.44	139.68
Sulphur Oxide	—	—	0.00
Nitrogen Dioxides	4.44	4.26	3.07
Chromium	157.30	163.10	162.44
Copper	70.23	70.18	72.56
Isocyanate	0.53	0.58	122.57
Lead	0.02	0.01	0.01
Manganese	93.59	96.34	422.32
Nickel	157.39	163.20	162.44
Total Particulate Matter	219.13	172.99	89.86
VOC	1,282.47	1,458.76	1,213.93

\* PricewaterhouseCoopers LLP performed a limited assurance engagement over scope 1 and scope 2 greenhouse gas emissions, total energy consumption, total water withdrawal, and % of water withdrawals in countries with high and extremely high baseline water stress indicator. The [Report of Independent Accountants](#) and [Adient Management Assertion](#) are also provided in the Appendix.

\*\* Intensity values calculated using the sum of net sales for all three regions before any corporate eliminations.

\*\*\* Data includes waste from non-manufacturing sites.



## 5.5 Data Tables

### Fiscal Year 2024 Employee Data\*

Description	Data Set	Headcount	%
Characteristics of undertaking's employees - number of employees by gender [table]	Female	28,913	41%
	Male	41,587	59%
	Not Declared	10	0%
Number of employees (head count)	Total Headcount	70,510	
Number of employees in countries with 50 or more employees representing at least 10% of total number of employees	Mexico	20,714	29%
	United States of America	10,078	14%
Characteristics of undertaking's employees - information on employees by region	Americas	32,618	46%
	EMEA	28,849	41%
	APAC	9,043	13%
	Total Headcount	70,510	
Employees (head count & percentage) at top management level	Top Management Employees (CEO + Direct Reports)	7	0%
Number and percentage of employees (head count) under 30 years old	Employees under 30 years old	15,509	22%
Number of employees (head count) and percentage between 30 and 50 years old	Employees between 30 and 50 years old	41,653	59%
Number of employees (head count) and percentage over 50 years old	Employees over 50 years old	13,348	19%

\* Data as of September 30, 2024. Includes Adient legal entities and consolidated JVs. Data reported is headcount (not FTE).

# 5.6 GRI Index

Adient has referenced Global Reporting Initiative (GRI) Standards in the preparation of this Sustainability Report. This GRI Content Index references the location of disclosure where the information can be found. In some cases, the referenced information partially satisfies the referenced disclosure standard.

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>GRI 101: Foundation 2016 General Disclosures</b>		
<b>Organizational Profile</b>		
GRI 102: General Disclosures 2016	102-1 Name of the organization	<a href="#">1</a>
	102-2 Activities, brands, products, and services	<a href="#">4, 7</a>
	102-3 Location of headquarters	<a href="#">7, 8, 9</a>
	102-4 Location of operations	<a href="#">9</a>
	102-5 Ownership and legal form	<a href="#">10, 95, Appendix 5.1</a>
	102-6 Markets served	<a href="#">7, 9</a>
	102-7 Scale of the organization	<a href="#">9</a>
	102-8 Information on employees and other workers	<a href="#">3, 56, 63</a>
	102-9 Supply chain	<a href="#">27, 34, 45</a>
	102-10 Significant changes to the organization and its supply chain	<a href="#">89, 94</a>
	102-11 Precautionary Principle or approach	<a href="#">4, 15, 18</a>
	102-12 External initiatives	<a href="#">25</a>
	102-13 Membership of associations	<a href="#">61, 67</a>
<b>Strategy</b>		
GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	<a href="#">6, 14, 22, 37, 67, 68, 83</a>
	102-15 Key impacts, risks, and opportunities	<a href="#">15, 16</a>
<b>Ethics and Integrity</b>		
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behavior	<a href="#">18</a>
	102-17 Mechanisms for advice and concerns about ethics	<a href="#">20</a>
<b>Governance</b>		
GRI 102: General Disclosures 2016	102-18 Governance structure	<a href="#">80</a>
	102-19 Delegating authority	<a href="#">80, 81</a>

## 5.6 GRI Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 102: General Disclosures 2016	102-20 Executive-level responsibility for economic, environmental, and social topics	<a href="#">80</a> , <a href="#">81</a>
	102-21 Consulting stakeholders on economic, environmental, and social topics	<a href="#">19</a>
	102-22 Composition of the highest governance body and its committees	<a href="#">4</a> , <a href="#">14</a> , <a href="#">15</a> , <a href="#">27</a> , <a href="#">80</a> , <a href="#">81</a>
	102-23 Chair of the highest governance body	<a href="#">11</a>
	102-25 Conflicts of interest	<a href="#">84</a>
	102-26 Role of highest governance body in setting purpose, values, and strategy	<a href="#">61</a> , <a href="#">80</a> , <a href="#">81</a> , <a href="#">91</a>
	102-27 Collective knowledge of highest governance body	<a href="#">81</a> , <a href="#">82</a>
	102-28 Evaluating the highest governance body's performance	<a href="#">81</a> , <a href="#">82</a>
	102-29 Identifying and managing economic, environmental, and social impacts	<a href="#">80</a>
	102-32 Highest governance body's role in sustainability reporting	<a href="#">80</a>
<b>Stakeholder Engagement</b>		
GRI 102: General Disclosures 2016	102-41 Collective bargaining agreements	<a href="#">57</a> , <a href="#">59</a>
	102-43 Approach to stakeholder engagement	<a href="#">14</a> , <a href="#">19</a> , <a href="#">25</a> , <a href="#">45</a>
<b>Reporting Practice</b>		
GRI 102: General Disclosures 2016	102-46 Defining report content and topic Boundaries	<a href="#">97</a>
	102-47 List of material topics	<a href="#">14</a> , <a href="#">15</a> , <a href="#">92</a>
	102-48 Restatements of information	<a href="#">94</a>
	102-49 Changes in reporting	<a href="#">94</a>
	102-50 Reporting period	<a href="#">94</a>
	102-51 Date of most recent report	<a href="#">94</a>
	102-52 Reporting cycle	<a href="#">2</a>
	102-53 Contact point for questions regarding the report	<a href="mailto:investors@adient.com">investors@adient.com</a>
	102-54 Claims of reporting in accordance with the GRI Standards	<a href="#">105</a>
	102-55 GRI content index	<a href="#">105</a>



## 5.6 GRI Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>Material Topics</b>		
<b>200 Series (Economic Topics)</b>		
<b>Economic Performance</b>		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	<a href="#">66</a> , <a href="#">67</a>
	201-2 Financial implications and other risks and opportunities due to climate change	<a href="#">14</a> , <a href="#">17</a> , <a href="#">47</a> , <a href="#">91</a>
<b>Anti-corruption</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">20</a> , <a href="#">25</a> , <a href="#">82</a> , <a href="#">84</a>
	103-2 The management approach and its components	<a href="#">20</a> , <a href="#">25</a> , <a href="#">82</a> , <a href="#">84</a>
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	<a href="#">84</a>
	205-2 Communication and training about anti-corruption policies and procedures	<a href="#">82</a>
<b>Anti-competitive Behavior</b>		
	103-2 The management approach and its components	<a href="#">84</a>
<b>300 series (Environmental topics)</b>		
<b>Materials</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">27</a> , <a href="#">36</a> , <a href="#">38</a> , <a href="#">43</a> , <a href="#">45</a>
	103-2 The management approach and its components	<a href="#">27</a> , <a href="#">36</a> , <a href="#">38</a> , <a href="#">43</a> , <a href="#">45</a>
<b>Energy</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">14</a> , <a href="#">15</a> , <a href="#">22</a> , <a href="#">24</a> , <a href="#">27</a> , <a href="#">29</a> , <a href="#">30</a>
	103-2 The management approach and its components	<a href="#">14</a> , <a href="#">15</a> , <a href="#">22</a> , <a href="#">24</a> , <a href="#">27</a> , <a href="#">29</a> , <a href="#">30</a>
GRI 302: Energy 2016	302-1 Energy consumption within the organization	<a href="#">102</a>
	302-2 Energy consumption outside of the organization	<a href="#">26</a> , <a href="#">102</a>
	302-3 Energy intensity	<a href="#">102</a>
	302-4 Reduction of energy consumption	<a href="#">30</a>
<b>Water</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">47</a> , <a href="#">48</a>
	103-2 The management approach and its components	<a href="#">47</a> , <a href="#">48</a>
	303-2 Management of water discharge-related impacts	<a href="#">47</a> , <a href="#">48</a>
	303-3 Water withdrawals	<a href="#">3</a> , <a href="#">47</a>
	303-4 Water discharge	<a href="#">103</a>
	303-5 Water consumption	<a href="#">103</a>

# 5.6 GRI Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>Emissions</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">4</a> , <a href="#">14</a> , <a href="#">15</a>
	103-2 The management approach and its components	<a href="#">4</a> , <a href="#">14</a> , <a href="#">15</a> , <a href="#">27</a>
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<a href="#">3</a> , <a href="#">97</a> , <a href="#">102</a>
	305-2 Energy indirect (Scope 2) GHG emissions	<a href="#">3</a> , <a href="#">97</a> , <a href="#">102</a>
	305-3 Other indirect (Scope 3) GHG emissions	<a href="#">3</a> , <a href="#">102</a>
	305-4 GHG emissions intensity	<a href="#">28</a>
	305-5 Reduction of GHG emissions	<a href="#">30</a>
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	<a href="#">52</a> , <a href="#">103</a>
<b>Effluents and Waste</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">49</a>
	103-2 The management approach and its components	<a href="#">49</a>
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	<a href="#">49</a> , <a href="#">50</a> , <a href="#">51</a> , <a href="#">103</a>
	306-2 Management of significant waste-related impacts	<a href="#">51</a> , <a href="#">103</a>
	306-3 Waste generated	<a href="#">51</a> , <a href="#">103</a>
	306-4 Waste diverted from disposal	<a href="#">51</a> , <a href="#">103</a>
	306-5 Waste directed to disposal	<a href="#">51</a> , <a href="#">103</a>
<b>Environmental Compliance</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">22</a> , <a href="#">23</a> , <a href="#">26</a>
	103-2 The management approach and its components	<a href="#">22</a> , <a href="#">23</a> , <a href="#">26</a>
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	<a href="#">80</a>
<b>Supplier Environmental Assessment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">14</a> , <a href="#">15</a> , <a href="#">34</a>
	103-2 The management approach and its components	<a href="#">14</a> , <a href="#">15</a> , <a href="#">34</a>
<b>400 series (Social topics)</b>		
<b>Employment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">15</a> , <a href="#">16</a> , <a href="#">57</a>
	103-2 The management approach and its components	<a href="#">15</a> , <a href="#">16</a> , <a href="#">57</a> , <a href="#">74</a>

## 5.6 GRI Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>Labor/Management Relations</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">15</a> , <a href="#">16</a>
	103-2 The management approach and its components	<a href="#">15</a> , <a href="#">16</a>
<b>Occupational Health and Safety</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">15</a> , <a href="#">76</a> , <a href="#">78</a>
	103-2 The management approach and its components	<a href="#">15</a> , <a href="#">76</a> , <a href="#">78</a>
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<a href="#">15</a> , <a href="#">76</a>
	403-2 Hazard identification, risk assessment, and incident investigation	<a href="#">49</a> , <a href="#">52</a> , <a href="#">54</a> , <a href="#">103</a>
	403-3 Occupational health services	<a href="#">15</a> , <a href="#">76</a>
	403-4 Worker participation, consultation, and communication on occupational health and safety	<a href="#">78</a>
	403-5 Worker training on occupational health and safety	<a href="#">79</a>
	403-6 Promotion of worker health	<a href="#">79</a>
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<a href="#">78</a>
	403-8 Workers covered by an occupational health and safety management system	<a href="#">78</a> , <a href="#">79</a>
	403-9 Work-related injuries	<a href="#">77</a>
	403-10 Work-related ill health	<a href="#">77</a>
<b>Training and Education</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">16</a>
	103-2 The management approach and its components	<a href="#">16</a> , <a href="#">61</a> , <a href="#">64</a>
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	<a href="#">16</a> , <a href="#">61</a> , <a href="#">64</a>
<b>Diversity and Equal Opportunity</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">16</a> , <a href="#">60</a> , <a href="#">62</a> , <a href="#">63</a>
	103-2 The management approach and its components	<a href="#">16</a> , <a href="#">60</a> , <a href="#">62</a> , <a href="#">63</a>
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<a href="#">16</a> , <a href="#">60</a> , <a href="#">62</a> , <a href="#">63</a>
<b>Non-discrimination</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">15</a> , <a href="#">16</a> , <a href="#">57</a> , <a href="#">62</a>
	103-2 The management approach and its components	<a href="#">15</a> , <a href="#">16</a> , <a href="#">57</a> , <a href="#">62</a>



## 5.6 GRI Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
<b>Freedom of Association and Collective Bargaining</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">16</a> , <a href="#">57</a> , <a href="#">59</a>
	103-2 The management approach and its components	<a href="#">16</a> , <a href="#">57</a> , <a href="#">59</a>
<b>Child Labor</b>		
	103-2 The management approach and its components	<a href="#">16</a> , <a href="#">57</a> , <a href="#">58</a>
<b>Forced or Compulsory Labor</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">16</a> , <a href="#">57</a> , <a href="#">89</a>
	103-2 The management approach and its components	<a href="#">16</a> , <a href="#">57</a>
<b>Security Practices</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">87</a>
	103-2 The management approach and its components	<a href="#">87</a>
<b>Human Rights Assessment</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">14</a> , <a href="#">56</a>
	103-2 The management approach and its components	<a href="#">14</a> , <a href="#">56</a>
	412-2 Employee training on human rights policies or procedures	<a href="#">57</a>
<b>Local Communities</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">61</a> , <a href="#">64</a> , <a href="#">70</a>
	103-2 The management approach and its components	<a href="#">61</a> , <a href="#">64</a> , <a href="#">70</a>
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	<a href="#">61</a> , <a href="#">64</a> , <a href="#">70</a>
<b>Customer Privacy</b>		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">82</a> , <a href="#">86</a>
	103-2 The management approach and its components	<a href="#">82</a> , <a href="#">86</a>

## 5.7 SASB Index

This index references Adient’s voluntary reporting against the Sustainability Accounting Standards Board (SASB) standards. All metrics in this table are referring to fiscal year 2024.

Topic	Code	Accounting Metric	Page Number(s)
Materials Sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	<a href="#">42</a> , <a href="#">45</a> , <a href="#">59</a>
Waste Management	TR-AP-150a.1	Total amount of waste from manufacturing	<a href="#">51</a> , <a href="#">103</a>
	TR-AP-150a.1	Percentage hazardous	<a href="#">3</a>
	TR-AP-150a.1	Percentage recycled	<a href="#">3</a>
Energy Management	TR-AP-130a.1 / TC-SI-130a.1	Total energy consumed	<a href="#">3</a> , <a href="#">102</a>
	TR-AP-130a.1 / TC-SI-130a.1	Percentage grid electricity	<a href="#">102</a>
	TR-AP-130a.1 / TC-SI-130a.1	Percentage renewable electricity	<a href="#">29</a>
Number of Parts Produced	TR-AP-000.A	Number	<a href="#">94</a>
Area of Manufacturing Sites	TR-AP-000.C	Square meters (m <sup>2</sup> )	<a href="#">94</a>

## 5.8 TCFD Index

This index references Adient’s voluntary reporting against the Task Force on Climate-Related Financial Disclosures (TCFD) and is our fourth report to these guidelines.

TCFD core elements	Required information	CDP questionnaire 2023 reference	Page Number(s)
<b>Governance</b> Disclosure of the organization’s governance around climate-related risks and opportunities	A. Executive Board’s oversight of climate-related risks and opportunities	C1.1b	<a href="#">91</a>
	B. Management’s role in assessing and managing climate-related risks and opportunities	C1.2, C1.2a	<a href="#">91</a>
<b>Strategy</b> Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material	A. Description of climate-related opportunities and risks	C2.1, C2.1a, C2.2, C2.3, C2.3a, C2.4, C2.4a	<a href="#">16</a> , <a href="#">91</a>
	B. Impact of climate-related risks on the organization’s businesses, strategy, and financial planning	C2.3, C2.3a, C2.4, C2.4a, C3.1	<a href="#">16</a> , <a href="#">91</a>
	C. Resilience of the organizational strategy	C3.1, 3.2, 3.3	<a href="#">91</a>
<b>Risk Management</b> Disclosure of how the organization identifies, assesses, and manages climate-related risks	A. Organization’s processes for identifying and assessing climate-related risks	C2.2	<a href="#">91</a>
	B. Organization’s processes for managing climate-related risks	C2.2	<a href="#">91</a>
	C. Integration of processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	C2.2	<a href="#">91</a>
<b>Metrics &amp; Targets</b> Disclosure the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	A. Metrics used by the organization to assess climate-related risks and opportunities	C4.1, C4.1a	<a href="#">3</a>
	B. Disclosure of Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions	C6.1, C6.2, 6.3, C6.5, C6.10	<a href="#">3</a> , <a href="#">102</a>
	C. Targets used by the organization to manage climate-related risks and opportunities	C4.1, C4.1a	<a href="#">16</a> , <a href="#">29</a> , <a href="#">46</a> , <a href="#">47</a>



## 5.8 TCFD Index

Climate-Related Metrics	Unit	Page Number(s)
GHG emissions (Absolute Scope 1, Scope 2, and relevant, material categories of Scope 3 emissions, as well as carbon intensity)	MT of CO <sub>2</sub> e	<a href="#">3</a> , <a href="#">97</a> , <a href="#">102</a>

Key Performance Indicator	Unit	Page Number(s)
Energy Intensity*	kWh / \$ million in sales	<a href="#">3</a> , <a href="#">33</a> , <a href="#">102</a>
Share of Renewable Electricity	Percentage	<a href="#">29</a>
CO <sub>2</sub> e Intensity*	MT of CO <sub>2</sub> e / \$ million in sales	<a href="#">28</a>
Water Intensity*	m <sup>3</sup> / \$ million in sales	<a href="#">3</a> , <a href="#">103</a>
Total Waste Recycled, Recovered, Reused	Percentage	<a href="#">3</a>

\* Adient follows all intensity KPIs at the regional, country, business group and plant levels.



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