PHINIA

ADVANCING SUSTAINABILITY

Sustainability Report 2024

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LETTER FROM OUR PRESIDENT AND CEO

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Dear Stakeholders,

At PHINIA, we believe sustainability fosters resilience, drives innovation, and creates lasting value. We aim to lead responsibly and make a significant impact through our technologies, culture, and standards. Understanding that our actions today will shape the future for generations to come, we proactively advance sustainable practices into every aspect of our operations.

In our second annual Sustainability Report, we highlight the progress our team made in 2024 across three key areas — environment, social, and governance — as we continue to shape a better, more responsible future for our company, our industry, and the communities we serve.

One of the ways we've embedded sustainability into our foundation is through our operating model — **GOLD: Globally Optimized, Locally Driven.** This approach enables us to scale impact across our global footprint while empowering our regional teams to adapt and lead locally. It reflects how we balance enterprise-wide priorities with local execution to deliver meaningful, measurable results.

We've also taken an important step in formalizing our emissions reduction ambitions — setting a clear target that aligns with our commitment to climate leadership and a lower-carbon future.

Environment

In 2024, we focused on strengthening our ability to measure, manage, and reduce our environmental impact across the entire product life cycle. We piloted life cycle management software to better evaluate the environmental footprint of select products from development through end of use. At the same time, we expanded circular economy efforts through our largest remanufacturing plant in Troy, Michigan, where we gave new life to previously used components — minimizing waste and reducing the demand for raw materials.

We also launched a global energy monitoring system, an internal analytics platform that provides real-time visibility into energy consumption, trend patterns, and opportunities for improvement. We believe this tool will drive greater energy efficiency and identify opportunities to reduce greenhouse gas (GHG) emissions and target use of renewable energy sources.

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Social

Our approach to sustainability begins with our people. In 2024, we expanded professional development opportunities across the organization, from hands-on technical training to a six-month international rotation program for rising talent. With access to more than 8,000 online learning modules, employees completed over 145,000 total training hours — a reflection of our team's commitment to continual learning, growth, and operational excellence.

We empower and support our employees through talent development programs, total rewards initiatives, and community engagement efforts. We listened through global focus groups that explored benefits, health, and wellness — gathering feedback that's shaping enhancements to the employee experience. During our second annual Global Safety Week, we emphasized a broader message: We want every employee to "Return Home Better, Safer, and Stronger."

Governance

In 2024, we updated several of our ethics and compliance policies, aligning expectations around respect and dignity, data privacy, anti-corruption, and zero tolerance for retaliation. These updates reinforce our shared values and commitment to conducting business ethically and with integrity.

We also assessed our direct material supply chain to identify risks and improve compliance. This work led to the launch of the PHINIA Partnership Program (3P), which recognizes best performing suppliers and deepens collaboration on shared sustainability goals.

Looking Ahead

As we look to the future, we remain focused on product innovation that reduces environmental impact. In 2024, over half of our research and development (R&D) investment went toward enhancing fuel efficiency. Almost an additional 30% supported lower-carbon and zero-carbon technologies such as ethanol, compressed natural gas, hydrogen, and ammonia. One highlight was the development of a hydrogen-powered prototype for high-performance motorsports — a powerful example of what's possible when innovation meets purpose.

With strong values and a passionate global team, we look forward to advancing sustainability at PHINIA and across our industry in the years to come.

Brady D. Ericson
President and Chief Executive Officer
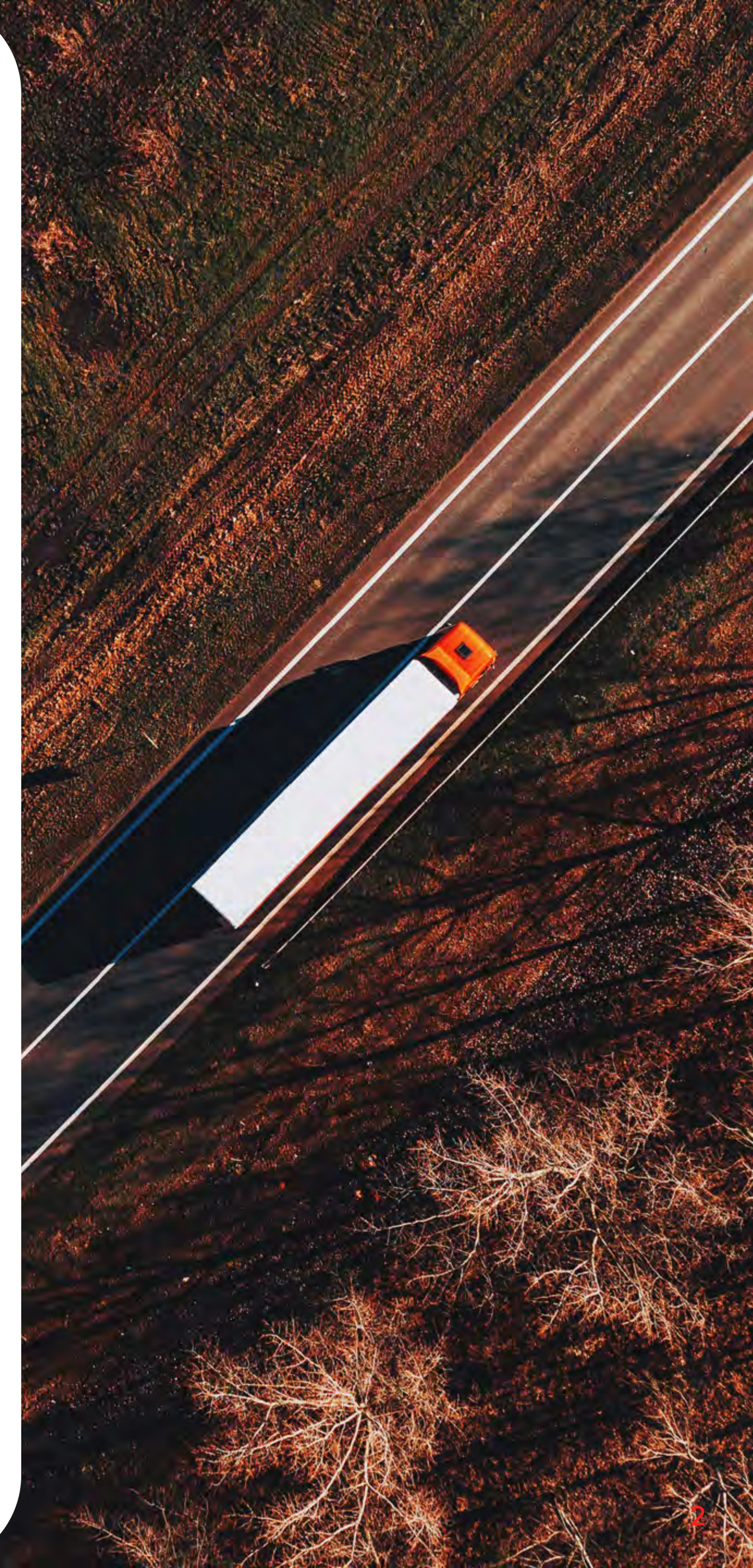
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WHO WE ARE

We know that the steps we take today impact the world we will experience tomorrow. That's why we're advancing our sustainability initiatives, improving resources, and investing in technologies intended to enhance fuel efficiency, reduce emissions, and help drive the transition to cleaner, lower-carbon fuels.

OUR VISION

ADVANCING SUSTAINABILITY TODAY, POWERING A CLEANER TOMORROW

OUR VALUES

Our values are our foundation and unite us toward our vision of powering our customers' transition to a cleaner, brighter tomorrow. Our values are rooted in every aspect of our business, guiding how we work with employees, customers, suppliers, communities, and other stakeholders.

Product Leadship

Innovation that brings value to our customers

Humility

Seeking out diverse perspectives and working collaboratively

Inclusivity

Recognizing our differences makes us stronger; we are bold and intentional

Net Zero

Committed to energy efficiency, waste reduction, and beneficial reuse

Integrity

Taking responsibility for our decisions and doing what is right

Accountability

Taking ownership of our actions and for driving results

OUR BUSINESS

Sustainability is core to our business and strategies, from developing innovative solutions and serving our customers to managing our operations and supporting our employees, communities, and other stakeholders.

PHINIA is a global leader in the development, design, and manufacture of integrated components and fuel systems that optimize performance, enhance efficiency, and reduce emissions of on- and off-road vehicles and machines.

Across commercial vehicles (medium-duty and heavy-duty trucks as well as buses) and industrial applications (off-highway construction, marine, agricultural, and aerospace and defense), light commercial vehicles (vans and trucks), and light passenger vehicles (passenger cars, minivans, crossovers, and sport-utility vehicles), we develop fuel systems, electrical systems, and aftermarket solutions designed to keep internal combustion engines (ICE) operating at peak performance. Efficient and durable performance keeps vehicles and industrial applications running for longer with lower emissions and delays the need for replacement parts. This approach, combined with our extensive Aftermarket portfolio and remanufacturing programs, supports our circular model of sustainable mobility.

Through our Aftermarket business, we provide fully tested, quality, original equipment (OE) replacement parts and certified remanufactured components designed to extend the vehicle life, improve fuel efficiency, and delay the carbon impact resulting from a full vehicle replacement.

Through our Fuel Systems business, we are investing in alternative fuel technologies that offer the potential for enhanced sustainability. Fuels like hydrogen, ethanol, and natural gas can dramatically reduce carbon emissions. We will continue to explore and serve as leaders in the pursuit of zero-carbon and lower-carbon technologies in the transportation and power-generation industries.

2024 Revenue

$3.4B
Across the Global Business

Globally Recognized Brands

Delphi®

Delco Remy®

hartridge™

DELCO REMY is a registered trademark of General Motors LLC, licensed to PHINIA Technologies Inc.

GLOBAL FOOTPRINT

We have a talented team of over **12,500** employees in **43** locations across **20** countries. These locations include our 23 principal manufacturing, application, and technical facilities worldwide, as well as our global headquarters in Auburn Hills, Michigan, USA.[1]

United Kindom
2 Manufacturing Facilities
1 Manufacturing Facility and Technical Center
1 Application Center

Poland
1 Manufacturing Facility
1 Technical Center

China
2 Manufacturing Facilities
1 Technical Center

United States
1 Global Headquarters
1 Manufacturing Facility

Romania
1 Manufacturing Facility

France
1 Manufacturing Facility and Technical Center

Turkey
1 Manufacturing Facility

Republic of Korea
1 Technical Center

Mexico
3 Manufacturing Facilities
1 Technical Center

India
1 Manufacturing Facility
1 Technical Center

Brazil
2 Manufacturing Facilities

● Manufacturing

● Technical and Application Centers

★ HQ

[1]We exited the Blonie, Poland manufacturing site at the end of 2024.

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PRODUCTS
AND SOLUTIONS

At PHINIA, we recognize one of the biggest impacts we can have in contributing to a cleaner tomorrow is through innovation in our product portfolio. With over 100 years of manufacturing expertise and industry relationships, PHINIA has built a strong brand portfolio that includes DELPHI®, DELCO REMY®, and HARTRIDGE™. We provide a full range of fuel systems and electrical systems for ICE, hybrid, and aftermarket solutions.

Delphi

Delco Remy

⚙ hartridge

LETTER FROM CEO

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OUR PRODUCTS

We expect reliance on gasoline- and diesel-fueled ICE systems to continue for light vehicles in the short and medium term. Commercial vehicles and other demanding segments will continue to depend on these technologies for the longer term. Our investments in alternative fuel technologies support the transition to lower-carbon and zero-carbon fuels.

Commercial Vehicles and Industrial Applications

- DIESEL FUEL RAILS
- DIESEL INJECTORS
- DIESEL FUEL PUMPS
- FDM & CANISTERS
- STARTERS & ALTERNATORS

Light Commercial Vehicles

- DIESEL FUEL RAILS
- DIESEL INJECTORS
- DIESEL PUMPS
- GASOLINE FUEL RAILS
- GASOLINE INJECTORS
- GASOLINE PUMPS
- PFI INJECTORS
- SCR DOSING UNITS
- FDM & CANISTERS
- STARTERS & ALTERNATORS

Light Passenger Vehicles

- DIESEL FUEL RAILS
- DIESEL INJECTORS
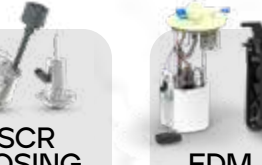- DIESEL PUMPS
- GASOLINE FUEL RAILS
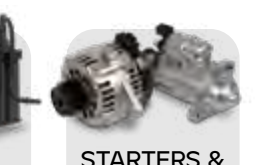- GASOLINE INJECTORS
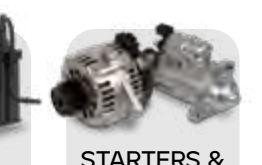- GASOLINE PUMPS
- PFI INJECTORS
- SCR DOSING UNITS
- FDM & CANISTERS
- STARTERS & ALTERNATORS

Alternative Fuels

- HEATED TIP PFI INJECTORS (E100/M100)
- DI INJECTORS (E100/M100)
- CV DI INJECTOR (HVO/FAME)
- LNG INJECTORS
- DI INJECTORS (HYDROGEN/CNG)
- PFI INJECTORS (HYDROGEN/CNG)

Existing injectors adapted for use with zero-carbon and lower-carbon fuels

Aftermarket

- FUEL SYSTEMS
- MAINTENANCE SOLUTIONS
- TEST & DIAGNOSTICS
- VEHICLE ELECTRONICS
- STARTERS & ALTERNATORS

Systems integration and calibration across product lines

- ENGINE CONTROL UNITS & COMPONENT EMBEDDED CONTROLLERS
- LEADING SOFTWARE DEVELOPMENT & FUEL AGNOSTIC APPLICATIONS
- CALIBRATION & TEST CAPABILITIES

CV = Commercial Vehicle
DI = Direction Injection
E100 = Ethanol
FAME = Fatty Acid Methyl Ester
FDM = Fuel Delivery Modules
HVO = Hydrotreated Vegetable Oil
LNG = Liquid Natural Gas
M100 = Methanol
PFI = Port Fuel Injection
SCR = Selective Catalyst Reduction

OUR APPROACH TO SUSTAINABILITY

Our commitment to sustainability and corporate responsibility is embedded in our values and how we do business.

PRIORITIES AND FRAMEWORK

In 2024, we advanced our sustainability priorities, framework, and contributions to industry-wide advocacy efforts. Sustainability objectives are integrated into our decision-making to deliver long-term value for our employees, customers, communities, shareholders, and other stakeholders.

PHINIA's sustainability priorities are guided by our values and stakeholder engagement, with a view toward new and anticipated regulatory reporting requirements. We also consider third-party standards and frameworks, including: the Sustainability Accounting Standards Board (SASB), which is now part of the IFRS Foundation's International Sustainability Standards Board (ISSB); Greenhouse Gas Protocol (GHG Protocol); Task Force on Climate-Related Disclosures (TCFD); and Global Reporting Initiative (GRI).

To advance our sustainability priorities and contribute to industry-wide dialogue, we also participate in sustainability initiatives and advocacy relevant to our business through various trade associations, including the Motor and Equipment Manufacturers Association (MEMA), Manufacturers of Emission Controls Association (MECA), Alliance for Vehicle Efficiency (AVE), European Association of Automotive Suppliers (CLEPA), and Hydrogen Europe. We participate in industry committees focused on topics that include vehicle greenhouse gas and pollutant emissions; social and environmental sustainability impact in global supply chains; use of sustainable materials; and other environmental, social, and governance topics, regulations, and reporting requirements relevant to PHINIA's global operations.

SUSTAINABILITY RATINGS

In 2024, we completed submissions to two sustainability ratings providers, CDP and EcoVadis, for the first time as a newly independent company. CDP, formerly the Carbon Disclosure Project, is an independent nonprofit organization that provides a global system for companies to measure and disclose environmental information. EcoVadis is one of the largest providers of business sustainability ratings, evaluating how well a company has integrated sustainability principles into its operations and across the supply chain. We will continue to engage with our customers and other stakeholders regarding our sustainability performance, including year-on-year progress.

Environment
• Product Engineering
• Facilities and Operations

Social
• Inclusion
• Total Rewards
• Culture and Engagement
• Learning and Development
• Health and Safety

Governance
• Ethics, Integrity, and Compliance
• Supply Chain Responsibility
• Product Quality and Safety
• Cybersecurity and Data Protection
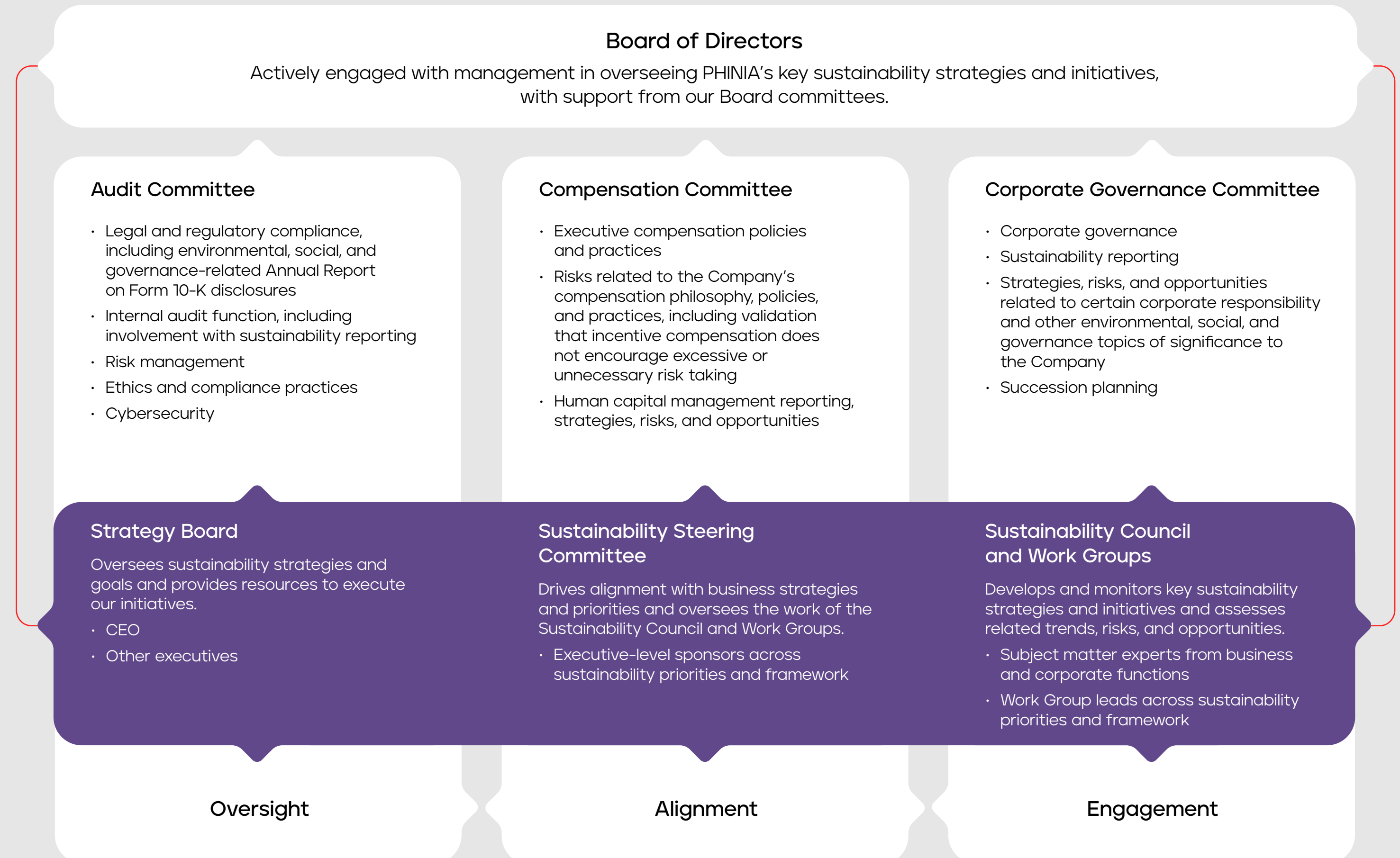
SUSTAINABILITY GOVERNANCE

PHINIA's sustainability governance structure is designed to enable appropriate oversight, strategic alignment, and broad engagement of our sustainability strategies, priorities, risks, and opportunities across the organization.

Managing sustainability strategies, risks, and opportunities is integral to how we do business and contributes to our aspirations to advance sustainability today, with the goal of powering a cleaner tomorrow.

Board of Directors

Actively engaged with management in overseeing PHINIA's key sustainability strategies and initiatives, with support from our Board committees.

Audit Committee

- Legal and regulatory compliance, including environmental, social, and governance-related Annual Report on Form 10-K disclosures
- Internal audit function, including involvement with sustainability reporting
- Risk management
- Ethics and compliance practices
- Cybersecurity

Compensation Committee

- Executive compensation policies and practices
- Risks related to the Company's compensation philosophy, policies, and practices, including validation that incentive compensation does not encourage excessive or unnecessary risk taking
- Human capital management reporting, strategies, risks, and opportunities

Corporate Governance Committee

- Corporate governance
- Sustainability reporting
- Strategies, risks, and opportunities related to certain corporate responsibility and other environmental, social, and governance topics of significance to the Company
- Succession planning

Strategy Board

Oversees sustainability strategies and goals and provides resources to execute our initiatives.
- CEO
- Other executives

Sustainability Steering Committee

Drives alignment with business strategies and priorities and oversees the work of the Sustainability Council and Work Groups.
- Executive-level sponsors across sustainability priorities and framework

Sustainability Council and Work Groups

Develops and monitors key sustainability strategies and initiatives and assesses related trends, risks, and opportunities.
- Subject matter experts from business and corporate functions
- Work Group leads across sustainability priorities and framework

Oversight

Alignment

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ENVIRONMENT

We are committed to advancing sustainability through product engineering, innovation, and development, in addition to reducing the environmental footprint of our operations.

PRODUCT ENGINEERING

Central to our business and core values is creating a more sustainable future by designing and developing products that enable ICE systems to run at optimum efficiency and with lower carbon emissions.

2024 RESEARCH AND DEVELOPMENT HIGHLIGHTS

A key investment focus in 2024 centered on developing more efficient and robust fuel injection systems. We dedicated more than 60% of our R&D budget to enhancing fuel efficiency and nearly 30% to lower-carbon and zero-carbon fuel technologies development.

11%
Current Production Systems and Components

13%
Lower-Carbon Fuels

15%
Zero-Carbon Fuels

61%
Fuel Efficiency

2024

89%
of 2024 R&D investment dedicated to fuel efficiency and alternative fuel technologies

28%
of 2024 R&D invested in alternative fuel systems

RESEARCH AND DEVELOPMENT EXPERTISE

To support the needs of our customers and contribute to the ongoing global energy transition, PHINIA continues to invest in the development of robust fuel injection components and systems designed to meet customer efficiency goals, regional emissions compliance, and alternative fuel strategies. PHINIA's Vice President and Chief Technology Officer (CTO) manages these investments and the implementation of PHINIA's product design and development, product efficiency improvements, and technical roadmaps across our product portfolio.

We have a team of approximately 1,600 scientists, technicians, and engineers globally contributing to R&D. Our CTO provides the Strategy Board and our Board of Directors with biannual reports, as well as regular updates as needed, regarding the teams' progress and developments within our product portfolio.

Approximately

1,600

scientists, techicians, and engineers globally

EVOLVING REGULATIONS — EXPERTISE TO SUPPORT OUR CUSTOMERS

Global regulations specific to the transportation industry reflect a common trend: reduce emissions to lower the environmental impact of mobility. These reductions focus on carbon emissions of vehicles, including pollutants from the exhaust such as nitrogen oxides and particulates. Our Government Affairs team works closely with our product engineers, Sustainability Council members, and others across our operations to help our business anticipate and adapt to evolving global emissions regulations.

PHINIA has continued Delphi's long history of publishing annual emissions booklets to serve as a guide to light, heavy, and off-highway vehicle and machinery emissions standards around the world. They serve as accessible online and physical references for customers, policymakers, and other interested stakeholders. The booklets exemplify PHINIA's commitment to supporting customers in addressing the evolving vehicle emissions requirements and sharing knowledge within the automotive industry and policy communities. Based on decades of expertise and extensive product development, PHINIA is well-positioned to continue supporting original equipment manufacturers (OEMs) in meeting new and upcoming regulations.

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INNOVATION FOR FUEL EFFICIENCY AND ALTERNATIVE FUELS

We are focused on three key strategies to develop solutions for lower transportation emissions:

Continued enhancement and efficiency of traditional internal combustion systems

Development of alternative fuel systems for use with lower-carbon fuels

Development of alternative fuel systems for use with zero-carbon fuels, such as hydrogen and ammonia

INCREASING EFFICIENCY OF TRADITIONAL COMBUSTION SYSTEMS

To meet increasingly stringent regulatory requirements and customer expectations for cleaner vehicles, our engineers innovate to optimize fuel efficiency at a systems level, from hardware components to software design. PHINIA also offers components for aftertreatment technology, such as selective catalytic reduction and vapor capture technology with evaporative canisters, to complement fuel delivery improvements. In 2024, we focused on delivering full-system improvements, expanding beyond individual components, such as injectors or pumps, thus creating more value for our customers in their decarbonization journeys.

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LOWERING FUEL CONSUMPTION IN HYBRID VEHICLES WITH CHANGAN AUTOMOBILE

We designed a high-performance 500bar fuel system to significantly reduce exhaust particulate emissions and lower fuel consumption without requiring an expensive redesign of the engine. The first-of-its-kind system made its global debut as part of a hybrid vehicle launch in 2024 for CHANGAN Automobile, a top Chinese vehicle manufacturer.

READ MORE ▶

REDUCING EMISSIONS AND ENHANCING FUEL EFFICIENCY FOR SMALL OFF-HIGHWAY DIESEL ENGINES WITH REHLKO ENGINES

In 2024, PHINIA launched the first-to-market electronically controlled, low-pressure common rail injection system for compact diesel engines used in off-highway applications with Rehlko Engines. The cost-effective compact diesel injection system (CR350) and its integrated electronic control system were engineered to comply with emissions regulations, including EU Stage V, EPA Tier 4, and China Stage 4 legislation. By incorporating advanced electronic control unit mechanisms, the CR350 system optimizes fuel delivery, resulting in reduced emissions and improved fuel efficiency of up to 7%, based on Rehlko testing.

READ MORE ▶

[2]This calculation was performed by a Third Party
Kohler Energy Rebrands as Rehlko | Newsroom | Rehlko

LOWER-CARBON FUEL TECHNOLOGIES

PHINIA maintains a global strategy for developing lower-carbon fuel technologies while deploying a regional approach to account for different market conditions, physical climates, and overall use cases. Through our global portfolio of products and services, PHINIA develops systems to meet evolving regional requirements and support lower-carbon fuel types, including ethanol, compressed natural gas (CNG), and hydro-treated vegetable oil (HVO).


ETHANOL IN BRAZIL

Ethanol, a fuel or fuel additive, is primarily produced through the fermentation of sugars and starches found in crops like sugarcane. In Brazil, a country with a tropical climate well-suited for sugarcane production, PHINIA is working to support a 100% ethanol, or E100, strategy.
In support of that strategy, our local team leveraged their expertise in ethanol technology to develop a unique heated tip injector solution. The innovation addresses the challenges with cold starts of ethanol-based engines, and has now also been endorsed by the Indian government. Using our GOLD model, PHINIA'S team in India has also implemented the solution locally.

CNG IN INDIA

PHINIA's CNG solution in India reduces CO_2 emissions significantly compared to liquid fossil fuels. By adapting gasoline systems to perform gaseous injection, we deliver a regional strategy requiring minimal engine modifications and leveraging existing expertise for an efficient retrofit.
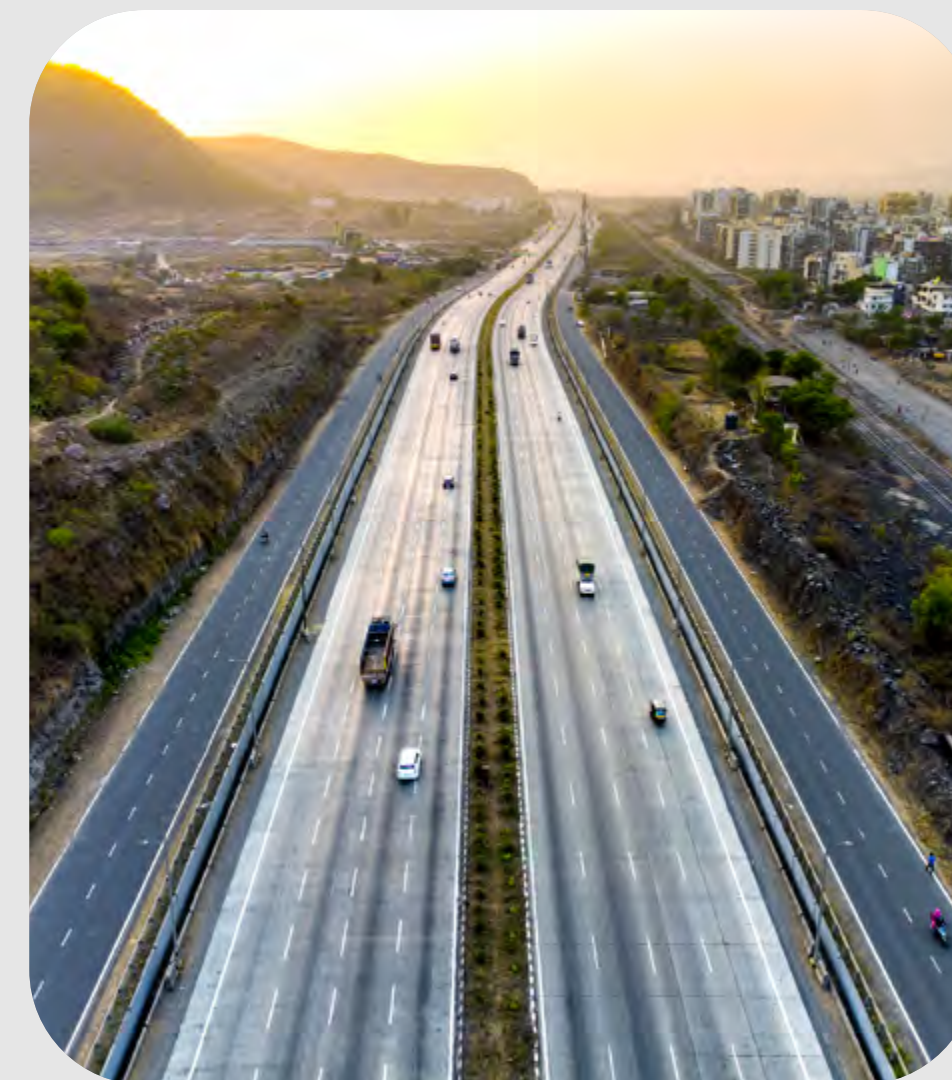
ALTERNATIVE FUEL SYSTEMS — HYDROGEN

PHINIA has adapted its core fuel injection and control technologies to utilize hydrogen fuel for both fuel cell and hydrogen internal combustion engine (H_2ICE) applications. We have successfully demonstrated an H_2ICE vehicle with performance similar to diesel, with pollutant output measured far below other combustion applications. We are partnering with customers and regulators to promote the performance and efficiency of H_2ICE vehicles.

PHINIA's light commercial vehicle (LCV) H_2ICE prototypes demonstrate the potential for near-zero tailpipe carbon emissions without compromising on performance or payload. Importantly, H_2ICE has the potential for significant reapplication of traditional combustion technology and hardware, in addition to serving as a lower-carbon alternative. PHINIA has successfully completed 24-hour road excursions under load with the H_2ICE LCV to highlight range, performance, and refuelling capabilities. In 2024, we received increased interest from customers and plan to launch a validation fleet in 2025.

CUSTOMER SUCCESS STORIES

Bringing Hydrogen Technology to Racing with Alpine

Together with Alpine Racing, we are developing H_2ICE racing technologies and applications, including their Alpenglow hydrogen-powered prototype. For this project, PHINIA supplied innovative hydrogen fuel injectors (DI-CHG), an essential part of Alpenglow's hydrogen combustion system, and associated driver technology, which will help power Alpine's vision for a zero-emission future. PHINIA's successful collaboration with Alpine delivered hydrogen engine power similar to that of a gasoline racing engine. The Alpenglow Hy4 collaboration vehicle was showcased at the inaugural public viewing and test run at the "Hydrogen Village" during the 24 Hours of Le Mans race, the automobile endurance race held at the Circuit de la Sarthe.

READ MORE ▶

V8 Hydrogen Injection Retrofit with GCK Group and Solution F

In April 2024, we successfully supported GCK Group and Solution F in a groundbreaking retrofit and H_2ICE conversion of a 1976 Jeep Cherokee, the first of its kind. PHINIA supported the project by providing hydrogen injection components critical for the retrofit. This iconic vehicle demonstrates the possibility of a high-powered V8 engine conversion for classic vehicles as well as wider practical applications, including commercial vehicles and motor sports.

READ MORE ▶

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INNOVATION FOR THE AFTERMARKET

PHINIA's aftermarket parts help existing vehicles maintain fuel and energy efficiency, meet the latest emissions standards, and extend their lifespan, including both ICE and electric vehicle (EV) systems. Maintaining the efficiency and extending the longevity of existing light-duty and commercial vehicles offers economic benefits, in addition to mitigating the carbon impact of manufacturing new vehicles.
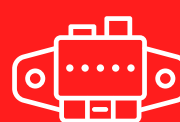
OUR AFTERMARKET PORTFOLIO INCLUDES:

FUEL SYSTEMS

MAINTENANCE SOLUTIONS

TEST & DIAGNOSTICS

VEHICLE ELECTRONICS

STARTERS & ALTERNATOR

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EMPOWERING TECHNICIANS

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Alongside PHINIA's high-quality products, we offer expert knowledge, training, and ongoing support to thousands of technicians, with a focus on extending vehicle life while maintaining quality, safety, and performance.

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EXPANDING AFTERMARKET TRAINING OPPORTUNITIES

PHINIA is dedicated to advancing technicians' skills through a combination of e-learning and hands-on training programs. In 2024, we trained more than 1,500 technicians, delivering over 20,000 hours of training across 10 European locations. Our training portfolio has grown to 300+ modules, with the latest covering hydrogen technology and EV servicing, ensuring technicians are prepared for emerging vehicle technologies.

Recognizing the diverse needs of the Aftermarket, our training spans both ICE and EV applications, with a strong focus on fuel-agnostic modules. These include critical systems like braking, diagnostics, and general vehicle servicing, equipping technicians with knowledge applicable across multiple powertrains.

With these programs, we strive to provide technicians with the support and resources to serve their business needs and confidently deliver for their customers.

Enhancing Technician Support Through Digital Innovation

Recognizing the critical role that education plays in the aftermarket, PHINIA significantly expanded its DELPHI Masters of Motion program in 2024. This program is tailored to empower technicians and repair center owners by providing key technical resources to enable their success. New instructional content was released weekly with the latest information to meet the needs of their businesses. The program published 60 instructional videos throughout the year, collectively amassing more than 4.8 million views.

To further enhance accessibility and relevance, PHINIA has integrated AI-powered tools into its content development strategy. These technologies are used not only to translate, but to adapt educational materials, preserving the nuance, tone, and intent of each message while ensuring cultural and linguistic appropriateness. Our Masters of Motion video series exemplifies this approach, featuring AI-generated voiceovers in English, French, Spanish, Italian, Polish, Turkish, and German, delivering content that is both technically accurate and culturally resonant.

THESE RESOURCES ARE DESIGNED TO DELIVER HIGH-QUALITY, PRACTICAL GUIDANCE TO TECHNICIANS, ENABLING THEM TO NAVIGATE COMPLEX DIAGNOSTICS AND REPAIR PROCEDURES WITH GREATER ACCURACY AND ASSURANCE.

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INNOVATION FOR A
CIRCULAR ECONOMY

Design for Environment

From the very beginning of product development, our Design for Environment process seeks to quantify and reduce the life cycle emissions of new products across raw material sourcing, production, distribution, use and operation, and disposal or remanufacturing. This approach will reduce carbon, water, and resource consumption originating from the design phase of the program.

In 2024, we piloted life cycle management software to evaluate the environmental impact of select products throughout their life cycles. Through this software, we provide customers with an estimation of a product's carbon footprint. As an example, we deployed the software to analyze the environmental impact of hydrogen injection component design at the development stage with collaborative input from the PHINIA Purchasing, Manufacturing Engineering, and Product Engineering teams.

Life cycle management training efforts will continue through 2025, with a focus on the Product Engineering team. This training will extend to management, directors, regional and site-specific subject matter experts, and engineers from various product lines. The goal is to integrate life cycle planning considerations into the early stages of the design process to determine whether a part can be reused, remanufactured, or repurposed at the end of its life while supporting PHINIA customers' Scope 3 initiatives.

WITH THIS APPROACH, PHINIA SEEKS TO REDUCE CARBON EMISSIONS EARLY IN THE PRODUCT DEVELOPMENT PROCESS.

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## Environmental Compliance

We maintain full compliance with applicable regulations related to the chemicals that are present in our products, particularly the REACH Regulation and End-of-Life Vehicles Directive in the EU and the Toxic Substances Control Act (TSCA) in the U.S. An internal committee at PHINIA leads monthly reviews on materials regulations, tracking any changes across regions and product lines.

Focal areas of this internal committee include preparations for anticipated regulatory changes on per- and polyfluoroalkyl substances (PFAS) along with restrictions and bans. In partnership with the PHINIA Supply Chain team, thorough reviews are conducted by region and by country, and a gap assessment program has been launched to review our legacy parts and adopt any necessary changes.
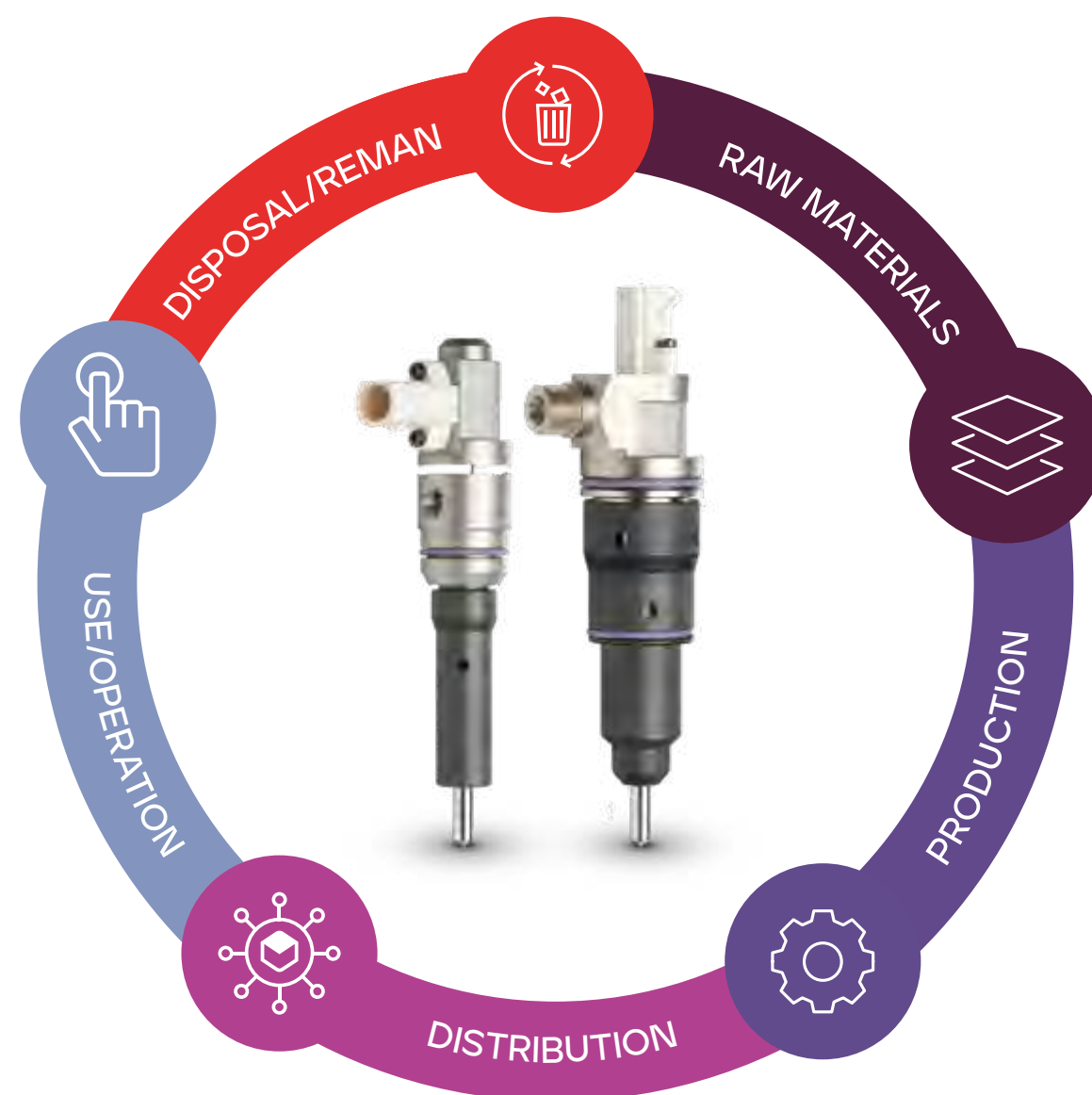
Remanufacturing

PHINIA is a leader in remanufacturing vehicle parts, with six remanufacturing facilities located in Gillingham, U.K.; Blois, France; Troy, U.S.; Wrocław, Poland; Brusque, Brazil; and Piracicaba, Brazil. Compared to new replacement products, remanufactured original equipment (OE) parts are a more environmentally friendly and cost-effective solution for maintaining vehicle performance. Remanufacturing supports a circular economy by keeping old parts out of landfills and providing them with new life. We see opportunity to expand the remanufacture of PHINIA OE products as well as components and products from other Tier 1 suppliers.
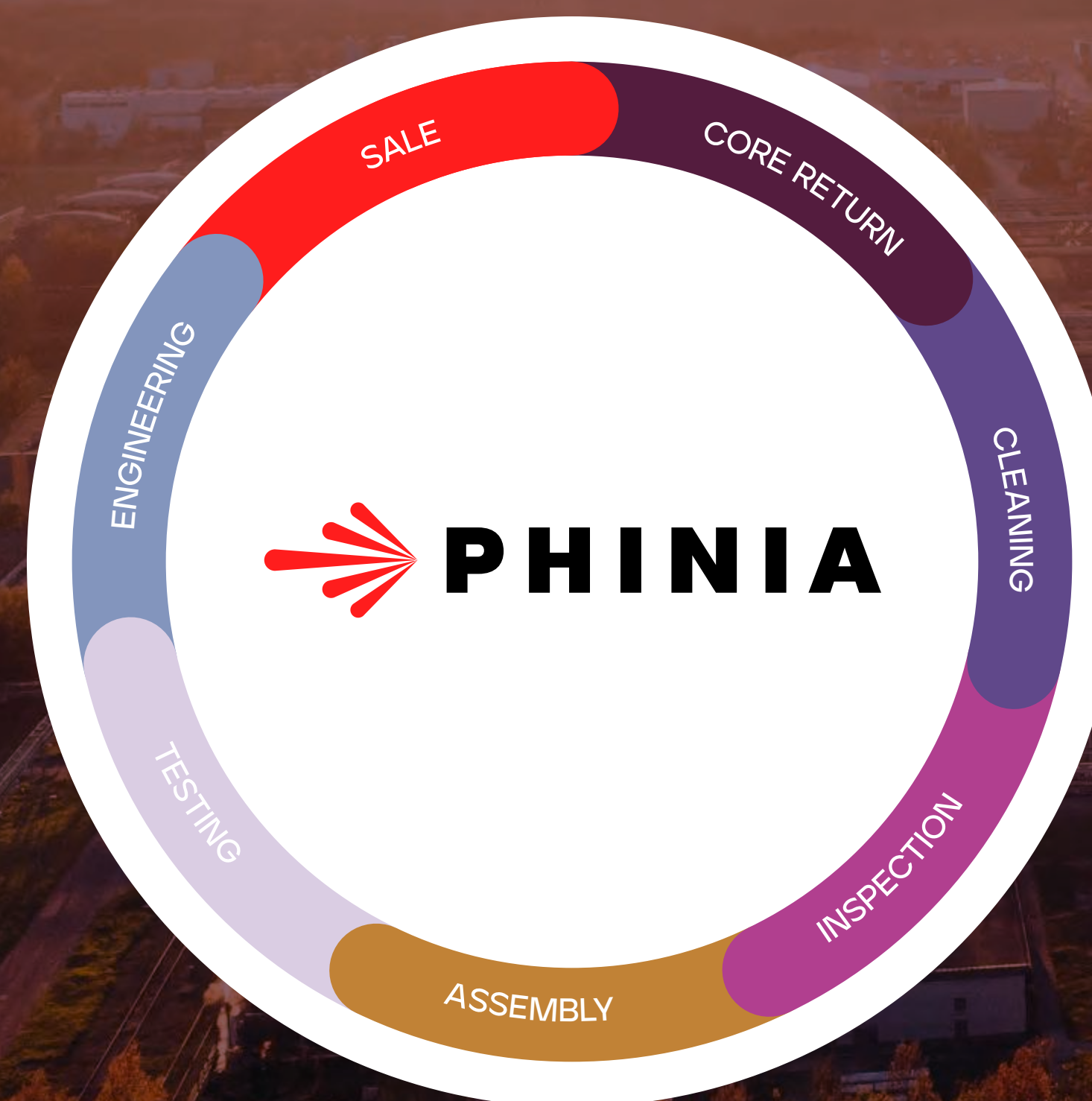
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Remanufacturing in Blois, France

In 2024, Blois was challenged to utilize its existing high-volume assembly and test equipment to remanufacture injectors from end customer applications. Processing remanufacturing on OE production equipment offers the advantage of OE production capability. However, the challenge is to manage deconstruction and small batch builds. The team in Blois was able to adapt its process to offer remanufactured assemblies back to the end customer while limiting component replacement and making reuse of the existing production equipment. This project successfully launched three injector references in 2024, with a plan to expand to further part numbers, showcasing the facility's ability to adapt and reduce waste using existing production equipment.
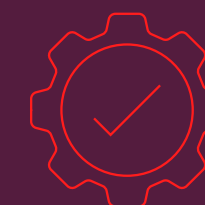
REMANUFACTURING METRICS

Approximately

12.3
million pounds

of material was processed for remanufacturing from 2011 to 2024 at our largest remanufacturing facility in Troy, Michigan, which included teardown and disassembly from third-party providers.

In 2024, the Troy facility successfully reused

52%

of the core mass of remanufactured material to return functional products back into service.

FACILITIES AND OPERATIONS

PHINIA REMAINS DEDICATED TO SUSTAINABILITY AND OPERATIONAL EXCELLENCE TO HELP SHAPE A FUTURE THAT IS ENERGY EFFICIENT AND ENVIRONMENTALLY RESPONSIBLE.

In 2024, we reinforced our commitment by investing in a robust energy monitoring infrastructure, implementing a global energy analytics dashboard, and strengthening site-level accountability. These initiatives have established a solid foundation for ongoing advancements in our sustainability performance and continued improvement.

ENVIRONMENTAL MANAGEMENT

Guided by our Environmental Policy, the Director of Global Facilities, Real Estate, and Environment leads our environmental programs with oversight from our Strategy Board. At each manufacturing site, dedicated Environmental Managers champion sustainability by advancing impactful initiatives, fostering innovative solutions, and collaborating closely with local teams to maintain environmental compliance.

We adopt a proactive approach, rigorously evaluating operational practices and identifying opportunities to reduce or eliminate potential environmental impacts. While preventive measures are in place, if environmental incidents occur, we leverage structured corrective action procedures to mitigate the effects of the incident and turn insights gained from the experience into sustainable improvements to reinforce our dedication to environmental excellence.

Environmental Audits and Compliance

In 2024, we reaffirmed our commitment to environmental responsibility, sustainability, and environmental management by maintaining certification of ISO 14001 environmental management systems at all PHINIA manufacturing plants that supply to an OEM. Our manufacturing facilities continue to implement ISO 50001 energy management systems certifications as we strive to improve our energy efficiency and reduce our carbon footprint.

PHINIA conducts third-party environmental, health and safety regulatory compliance audits across our global operations. In 2024, we completed audits at seven locations.

ENERGY MANAGEMENT

In 2024, our environmental management evolved through enhancing energy measurement tools and fostering collaboration with our global sites. We leverage advanced data analytics to identify and communicate best practices across our operations, accelerating efforts to boost energy efficiency, lower GHG emissions, and expand our use of renewable energy sources.

Energy Monitoring and Measurement

PHINIA leveraged real-time energy monitoring and swift decision-making to advance our energy reduction initiatives. Recognizing the limitations of third-party solutions, we developed the global energy monitoring system, an advanced internal software platform delivering real-time energy consumption insights, robust trend analysis, and relevant data. This achievement represents a significant milestone in our drive toward energy efficiency and reduced carbon emissions.

By implementing the energy monitoring system across priority manufacturing sites, which represent approximately 85% of our total energy consumption, we can now swiftly identify and achieve energy efficiencies. For example, we are better able to identify and replace energy-intensive devices, allowing for prompt corrective actions and significant energy savings.

Additional highlights include:

01 **Enhanced Site Collaboration and Data Stewardship:** Each manufacturing facility has a dedicated data steward responsible for real-time energy data validation and analysis, ensuring accuracy, timely anomaly detection, and rapid resolution of data-related issues.

02 **Expanded Resource Monitoring:** Beyond electricity, we actively expanded our monitoring scope by installing smart meters for natural gas, compressed air, water, nitrogen, and other industrial gases.

03 **Foundation for AI-Driven Efficiency:** The deployment of our monitoring system lays the groundwork for integrating advanced AI-driven analytics, empowering us to identify further efficiency opportunities and continually improve our energy performance.

PHINIA Global Energy Monitoring System

Developed in 2024, the PHINIA global
energy monitoring system allows for:

01

**Real-time energy
consumption monitoring**
Hourly, daily, weekly, and cumulative
data for each site and PHINIA globally

02

**Enhanced data
analysis and
visualization**
Easy detection of abnormal
consumption patterns

03

**Industrial gases
consumption monitoring**
Natural gas, compressed air, water,
nitrogen, and other technical gases

04

Advanced diagnostics
Ability to detect data
streaming quality issues,
enabling fast reaction

05

AI deployment
Built-in functionality to deploy
advanced AI tools to monitor
energy patterns and reduce
consumption

06

**A cloud-based
software platform**
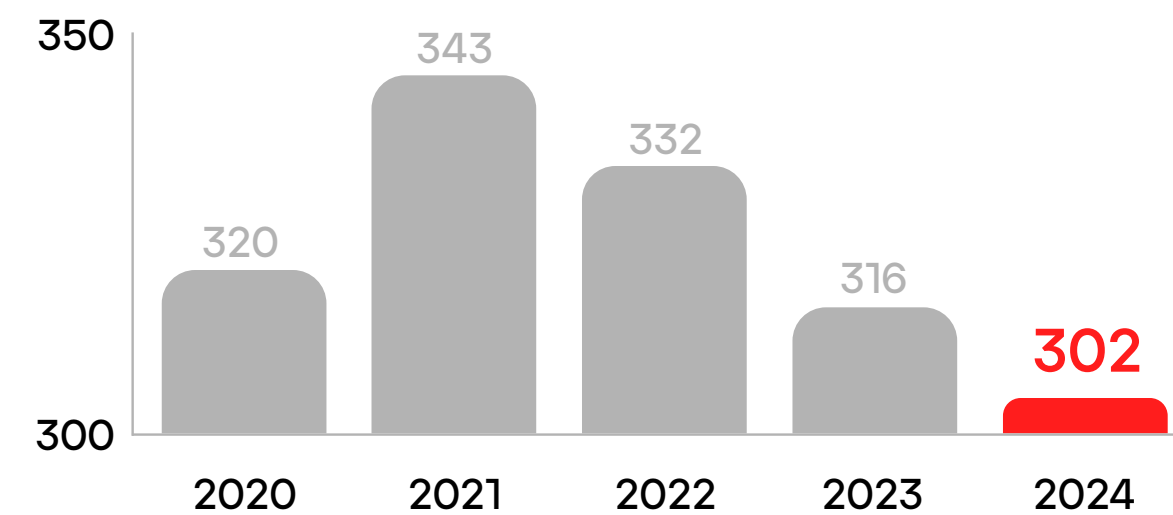Strong plant-to-plant
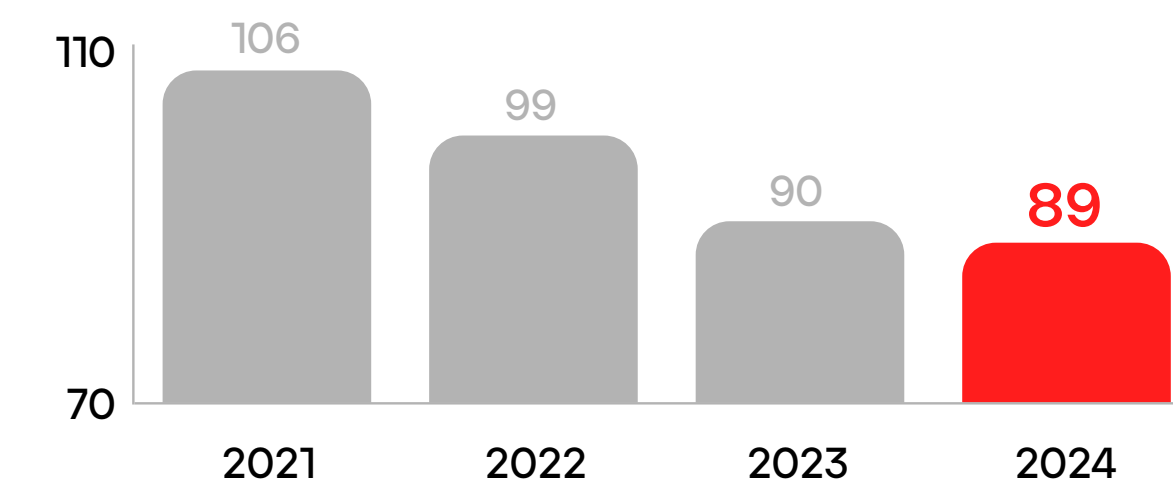collaboration and enhanced
data protection

Energy Reduction

As part of our energy reduction strategy, annual energy consumption decreased by 4.5% in 2024 compared to 2023. Our energy intensity improved by 1.8% in 2024 compared to 2023.

⚡ Total Energy Use (GWh)

2020	2021	2022	2023	2024
320	343	332	316	302

⚡ Energy Intensity (MWh/$M)

2021	2022	2023	2024
106	99	90	89

Upgraded Cooling Systems — Blois, France

The facility upgraded its cooling systems with energy-efficient chillers. The new units have variable capacity with a supervisory system to reduce power consumption in low-load conditions. This strategic investment is projected to deliver environmental and economic benefits, including annual energy savings of approximately 300 MWh, equivalent to a reduction of 20 tons of CO_2 emissions per year.

Reducing Natural Gas Consumption — Izmir, Turkey

The facility transitioned from traditional start/stop burners to high-efficiency gas burners. This project was completed in 2024 and is projected to optimize fuel use, resulting in a reduction of natural gas consumption and an annual energy savings of approximately 150 MWh, equivalent to a reduction of 29 tons of CO_2 emissions per year.

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GHG EMISSIONS

PHINIA measures GHG emissions annually and provides regular updates to the Strategy Board and Sustainability Council. Our goal is to drive projects that not only reduce energy consumption, but also catalyze a net reduction of GHG emissions across our facilities.

Scope 1 and 2 Emissions

Scope 1 direct GHG emissions arise from sources owned or controlled by PHINIA.

Scope 2 indirect GHG emissions come from purchased electricity, along with district-chilled water and steam used at our offices and manufacturing centers. These inventory boundaries are guided by the GHG Protocol standards, ensuring our emissions accounting and reporting remain consistent, transparent, and aligned with internationally recognized best practices.

Scope 1 and 2 emissions decreased by 11.7% from 2023 and by 36% from 2020. As a result, our GHG intensity has improved by 9.2% in 2024 compared to 2023. See the Performance Data Tables section for more information on our GHG emissions.
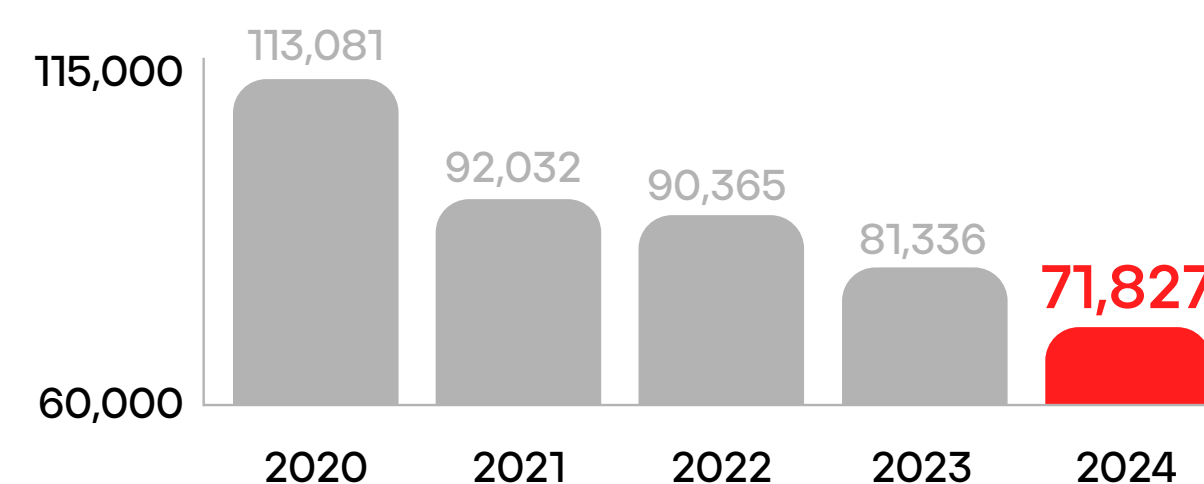
These achievements are a direct result of ongoing energy reduction initiatives, in addition to an increase in renewable energy utilization at various facilities.
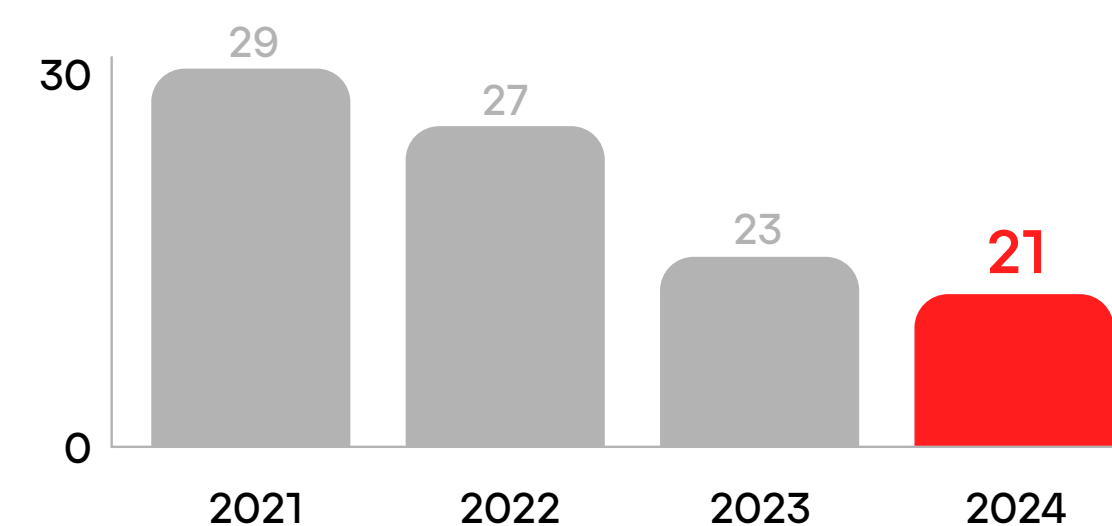
Scope 3 Emissions

In 2025, PHINIA is partnering with external consultants to calculate our Scope 3 emissions, which encompass the broader value chain beyond our direct operations, representing an important next step of our strategy.

GHG Emissions from Energy Use (mt CO_2e)

Year	Value
2020	113,081
2021	92,032
2022	90,365
2023	81,336
2024	**71,827**

(Scale: 60,000 – 115,000)

CO_2 Intensity (tons/$M)

Year	Value
2021	29
2022	27
2023	23
2024	**21**

(Scale: 0 – 30)

PHINIA STRIVES TO CONSTANTLY IMPROVE THE EFFICIENCY OF OUR PRODUCTS FOR OUR CUSTOMERS. AT THE SAME TIME, WE RECOGNIZE THE BENEFIT OF REDUCING GHG EMISSIONS LINKED TO OUR OPERATIONS. PHINIA HAS ESTABLISHED A NEAR-TERM EMISSIONS REDUCTION GOAL OF 50% BY 2030 FROM A 2020 BASE YEAR FOR ABSOLUTE SCOPE 1 AND SCOPE 2 GHG EMISSIONS.

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Green Factories in China

PHINIA manufacturing plants in both Shanghai and Yantai were officially recognized as leaders in green manufacturing in China at a provincial level. Both plants received the respected "Green Factory" certifications in August 2024, which required evaluations by independent organizations and adherence to China's environmental standards set by the Ministry of Industry and Information Technology. Both teams launched extensive projects focused on recycling waste, reducing wastewater, and saving energy.

BOTH CHINA MANUFACTURING SITES ARE NOW WORKING TO ACHIEVE GREEN FACTORY CERTIFICATION AT A NATIONAL LEVEL.

Shanghai

Shanghai reduced energy usage by approximately 1,200 MWh and reduced carbon emissions by at least 5,300 tons compared to 2023. The installation of a 140 kW solar array generated 134 MWh of clean energy in 2024. In addition, there was an increase of 40% renewable energy purchased through the grid. Other initiatives included smart air compressor systems with improved pipelines and heat and cold recovery systems.

Reduced 2024 energy usage by approximately

1,200MWh

compared to 2023

Yantai

Yantai achieved sustainability improvements by reducing carbon emissions by approximately 1,800 tons and achieving a 2,130 MWh reduction, along with decreasing wastewater by roughly 90% compared to 2023. These results were primarily driven by converting waste into energy, optimizing wastewater recycling and treatment processes, and enhancing overall energy efficiency.

Key energy initiatives included:

Chiller replacements, enabling heat recovery, and contributing approximately 1,100 MWh in energy savings.

Improvements to compressed air systems, resulting in about 600 MWh of energy savings.

WATER MANAGEMENT

We measure our water use to identify opportunities for improvement across our facilities. In 2024, PHINIA had a total water usage of 525,869 m³ (138,920 kgal). We are taking steps to integrate water reduction measures into our broader sustainability strategy. As with energy, each facility will undergo an assessment process in 2025 to identify opportunities for conservation, recycling, and potential technology upgrades.

Water Conservation — Piracicaba, Brazil

Our Piracicaba, Brazil site made significant advancements in water conservation through the use of its reverse osmosis (RO) system. The plant uses its RO unit to generate purified water for essential processes. By capturing and repurposing approximately 48,000 liters of high-salinity reject water in 2024, PHINIA reduced water waste and consumption, resulting in increased water resource efficiency.

2024 water usage:

525,869 m³ (138,920 kgal)

Wastewater Treatment — San Luis Potosí, Mexico

In 2024, we completed a sanitary wastewater treatment system leveraging the use of a naturalized area of 200 m^2 at our site in San Luis Potosí, Mexico. The sanitary wastewater is directed through a constructed wetland filled with specially selected, strategically planted vegetation, including papyrus trees. Bacteria colonizing the roots of these plants naturally degrade organic contaminants, purifying the water to a quality suitable for reuse in irrigation or sanitary flushing applications. This process minimizes reliance on heavy infrastructure and chemical additives while processing 30 m^3 of water a day.

Key Benefits:

- **Low Operational Footprint:** Compared to traditional activated sludge treatment methods, the wetland significantly reduces energy, chemical usage, maintenance requirements, and overall environmental impact.

- **Nature-Based Purification:** Utilizing nature's innate filtration capabilities, this approach minimizes reliance on heavy infrastructure and chemical additives.

- **Reduced Carbon Emissions:** The wetland plants capture carbon dioxide, contributing positively to our broader climate action goals.

- **Water Reuse:** Treated water is safely reused for irrigation and sanitary purposes, significantly reducing overall freshwater consumption.

- **Low Visual Impact:** Designed to aesthetically blend into the environment, the wetland also serves as an attractive green space, promoting recreation and employee well-being.
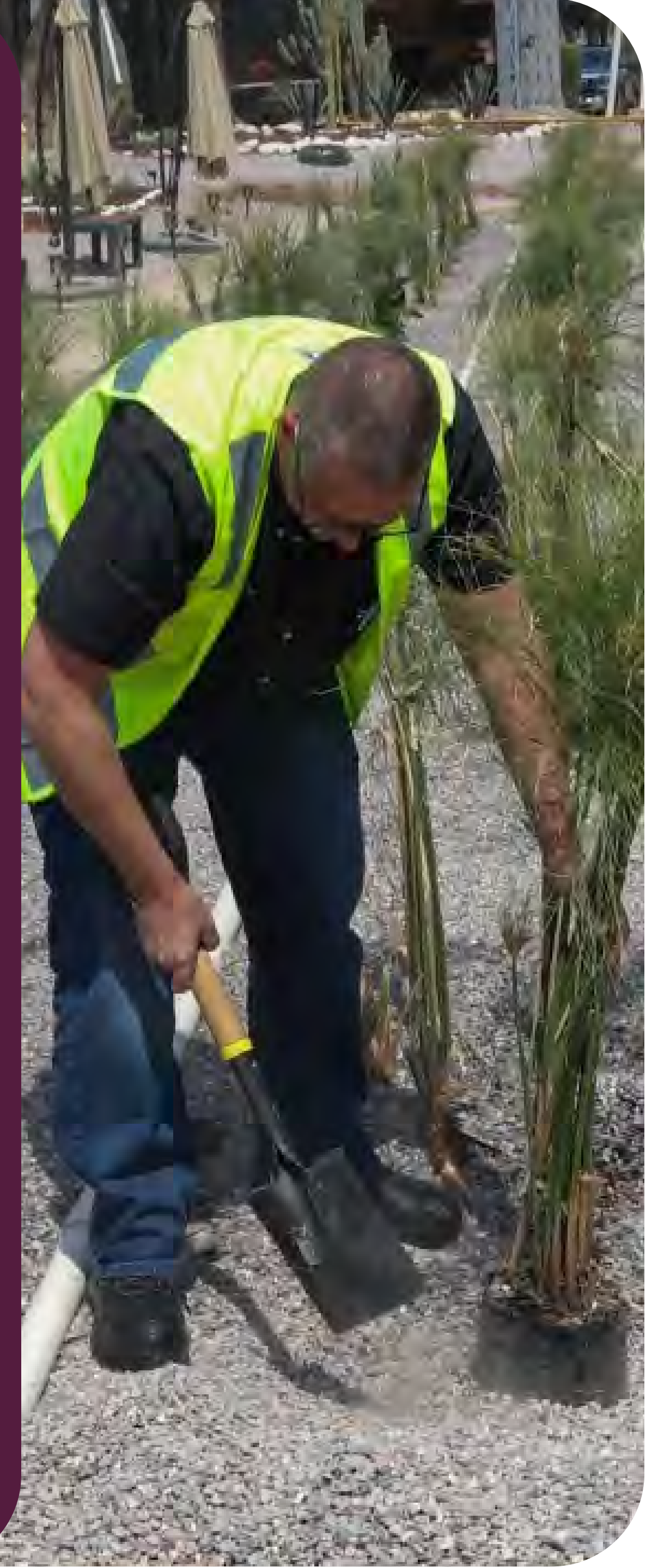
SOCIAL

We empower and support our employees through our talent and development programs, health and safety, total rewards, and community engagement efforts.

OUR EMPLOYEES

At PHINIA, we develop and empower our people to reach their full potential and deliver business results while embracing our shared values. We believe the skills, experiences, and industry knowledge of our employees are critical to our success and advance our efforts in cultivating an inclusive culture, driving operational excellence, and providing innovative products and solutions that solve our customers' biggest challenges.

"EMPOWERMENT IS NOT JUST ABOUT GIVING OUR PEOPLE A VOICE, IT'S ABOUT FOSTERING AN ENVIRONMENT WHERE THEY CAN THRIVE."

Alisa Di Beasi
VP and Chief Human Resource Officer

BY THE NUMBERS[3]

Total Global Employees

12,700[4]

Asia Pacific
1,600

EMEA
5,500

Americas
5,600

Unionized Employees
~22% of global workforce[5]

[3] Data as of December 31, 2024
[4] Data does not include contract workers
[5] PHINIA employees are not required to disclose union affiliations

2024 Awards and Recognition

Great Place To Work Certificada Jun/2024 - Jun/2025 BRASIL — 2024 Great Place to Work Brusque, Brazil

Great Place To Work Certificada DEZ 2024-DEZ 2025 Brasil — 2024 Great Place to Work Piracicaba, Brazil

Great Place To Work Certificada JUN 2024-JUN 2025 México — 2024 Great Place to Work San Luis Potosí, Mexico

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TALENT ATTRACTION AND RETENTION

At PHINIA, we are building a workforce that lives up to our values and operates with an inclusive mindset. Our ability to attract, retain, and develop a highly skilled workforce globally is critical to the sustained growth and success of our business.

RECRUITMENT

As a global company with a range of staffing needs, most recruitment occurs at the local level to align with facility-specific requirements and the local market. Our recruitment efforts align with our goal of building a leadership pipeline consisting of talented employees with a broad range of skills, backgrounds, and experiences. Our recruiters develop candidate pools that reflect our inclusive culture.

Early-Career Programs

We invest in our future by establishing an early-career talent pipeline through various methods:

- On-site apprentice programs, such as the Dual School Program at our Iasi, Romania facility, which allows high school students to train as electrical and mechanical technicians, as well as a technical mastership apprentice program in Izmir, Turkey

- Co-op opportunities, such as partnering with Kettering University in the U.S. to rotate co-op students through various functions

- Intern programs through recruitment from local colleges and universities, which strengthen our connection with local communities

These early-career programs build a talent pipeline that is both cross-regional and cross-functional. The program aligns with our Product Leadership value and commitment to develop innovative solutions for our customers.

Participated in
45+
external recruitment events

Hosted
385
participants in our intern, on-site apprentice, and co-op programs

Hired
2,472
hourly employees

Hired
470
salaried employees

TOTAL REWARDS

Attracting and retaining highly skilled candidates and employees is critical to PHINIA's success. Through our "YOU Matter" total rewards program, we provide benefit programs and resources that support the physical, mental, and financial well-being of our employees. Programs are benchmarked according to best practices, collectively bargained arrangements, and national statutory plans. We also tailor our global programs to geography and locally identified employee and business needs.
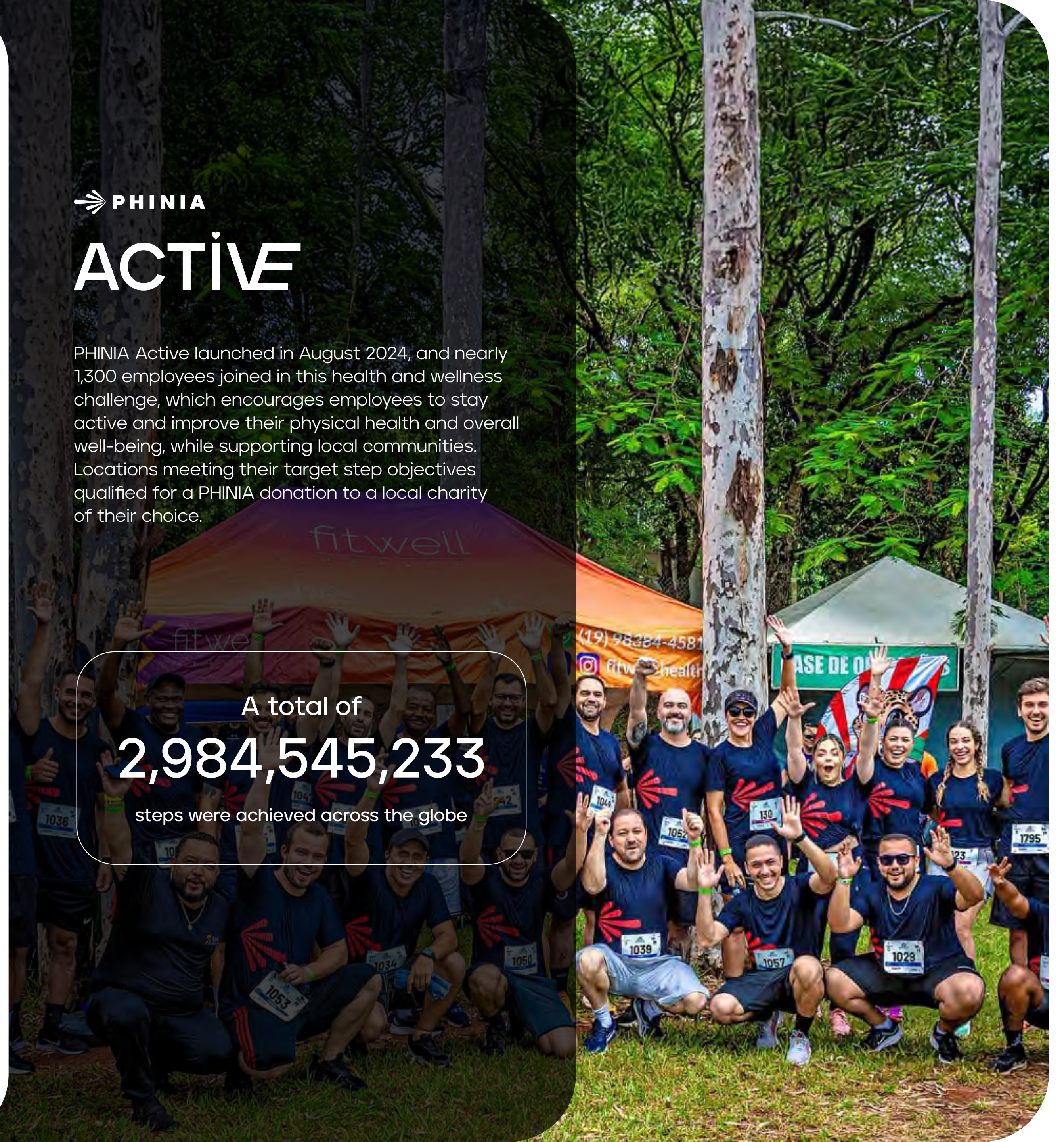
PHYSICAL HEALTH & WELL-BEING

- Comprehensive medical, dental, and vision insurance
- Fully covered preventive care
- Programs addressing management of chronic conditions
- Physical activity incentives, such as gym memberships, fitness challenges, and lifestyle spending accounts

≫ PHINIA

ACTIVE

PHINIA Active launched in August 2024, and nearly 1,300 employees joined in this health and wellness challenge, which encourages employees to stay active and improve their physical health and overall well-being, while supporting local communities. Locations meeting their target step objectives qualified for a PHINIA donation to a local charity of their choice.

A total of

2,984,545,233

steps were achieved across the globe

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MENTAL HEALTH & WELL-BEING

- **Employee Assistance Programs**
- **Mental health resources, including mental health counseling and substance abuse treatment resources**
- **Monthly well-being resources shared to our employee communications platform, CONNECT**

MENTAL HEALTH FIRST AID TRAINING AND CERTIFICATION

In 2024, PHINIA offered mental health first aid training opportunities, with employees trained across eight sites globally. The program is designed to offer accessible and immediate support and to connect employees with professional services as needed.

FINANCIAL WELL-BEING

- Market-competitive compensation consistent with employee positions, skill levels, experience, knowledge, and geographic location
- Income continuation during disability
- Death benefits
- Business travel insurance
- Retirement programs, such as pension and defined contributions plans, with employer matching and/or other contributions
- Other financial well-being resources

COMPENSATION APPROACH

Our compensation infrastructure for salaried employees provides a globally consistent framework, with country-specific market data informing pay decisions and supporting our ability to provide market-competitive compensation. This enables PHINIA to attract and retain highly qualified talent.

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OTHER SUPPORT PROGRAMS

- Tuition reimbursement
- Paid time off
- Family-friendly benefits
- Agile work policies
- Tax-efficient rewards
- Discount programs

PHINIA recognizes the balance of family life and work by offering comprehensive vacation and paid time off programs. Hybrid and remote work opportunities are also available based upon the role and location.

We share our total rewards program information with eligible employees across global locations via our employee communications platform, CONNECT, to promote education and foster employee engagement in the programs we offer. In 2024, we continued to prioritize the optimization of total rewards programs to support the various needs of our employees. Our people drive our business, and our holistic total rewards drive performance and innovation.

FOCUS GROUP FEEDBACK

In 2024, we conducted global focus groups to foster employee feedback and engagement on benefits, health, and welfare. These targeted sessions revealed an opportunity to provide a wider selection of benefits. As a result, we will introduce a lifestyle spending account pilot program for all U.S. employees in January 2025, with the potential for expanding to other regions in the coming years. Lifestyle spending accounts give PHINIA funds for reimbursement of out-of-pocket purchases associated with physical, financial, and emotional well-being. Spending may be applied to gym equipment, student loans, counseling, and more.

EMPLOYEE RECOGNITION

We proudly recognize the great work of our employees and their contributions to our business. We have several recognition and reward programs for employees, including those specific to our many inventors, such as an Intellectual Property Monetary Award program and Innovation Hall of Fame recognition. We hold annual "PHINIA Excellence Awards", which recognize outstanding individuals and teams for their innovative and impactful contributions. Team members are nominated in five categories: Product Innovation Excellence, Operational Excellence, Customer Excellence, GOLD Excellence, and ESG Excellence.

HUMAN RIGHTS AND LABOR RELATIONS

Respect, Dignity, and Human Rights

As outlined in our Respect and Dignity Policy, we treat our employees, customers, suppliers, shareholders, and the communities in which we operate with dignity and respect. We work together to help foster human rights and a culture in which every person thrives. We provide safe and fair working conditions, practice mutually respectful behavior, and prohibit harassment and discrimination. Employees are encouraged to report violations of this policy through the PHINIA Compliance Hotline.

Labor Relations

We recognize that, in many of the locations where we operate, employees have freedom of association rights with third-party organizations, such as labor unions. Employees at some of our non-U.S. facilities are unionized. We respect and support those rights, including the right to collective bargaining, in accordance with local laws.

LEARNING, DEVELOPMENT, AND ENGAGEMENT

PHINIA employees are our greatest asset. We provide formal learning and development opportunities to all employees to enable our team to build the skills needed to reach their short- and long-term career goals. This is supported by the creation of individual development plans to help identify gaps and track development. Our learning and development solutions begin at onboarding and are delivered in a variety of formats, both online and in-person, making them accessible, scalable, and translatable to meet the needs of our global workforce.

SKILL-BUILDING OPPORTUNITIES

In 2024, we increased the breadth of development opportunities offered, several of which are included below:

- **Learning Platforms:** We provided salaried employees with access to learning platforms, with a library of over 8,000 courses. Through PHINIA University, our internal learning platform, we offer more than 50 online and in-person technical and soft skill courses, open for all employees.

- **Certifications:** Role-based and location-level training is offered to fulfill certification requirements. As an example, compliance with Control of Substances Hazardous to Health (COSHH) Regulations.

- **Technical Training:** Training through PHINIA's Delphi Academy is available to employees and customers, with a focus on technical topics like vehicle electrical systems, braking, steering and suspension, fuel systems, and electric vehicles. This includes 30 in-person and over 300 e-learning modules.

- **Career Path Initiatives:** Our international development program is a six-month rotation across different sites that enables employees to experience different roles and enhance their technical, leadership, and other skills. Our Global Engineering team also offers a short-term talent exchange program designed to strengthen capabilities and perspectives.

Because we recognize that individuals learn differently, we promote a 70/20/10 learning development model focused on structured training, experiential learning, and collaboration, delivered to suit many different learning styles and needs:

- **70%** of learning is from hands-on experience, such as working on new tasks, solving real-world problems, and developing job-related skills.

- **20%** is from developing relations, such as soliciting feedback, receiving mentorship, and learning from others.

- **10%** is from traditional instruction, such as formal education, courses, and reading material.

~11,770
in-person training sessions around the globe

~145,000
total hours of training completed by all PHINIA employees

172
new leader integration sessions

DEVELOPING LEADERS

Leadership development was another focus area in 2024. We piloted an executive coaching program with 16 participants to equip our leaders with more tools and support to guide the business. We rolled out the *7 Habits of Highly Effective People®* training to over 500 employees in leadership and first-line positions. As part of this program, employees were invited to a 360-degree feedback appraisal, where the participants, managers, peers, and direct reports evaluate their skills. This 360-degree feedback identifies areas for improvement and training. Another such training, provided across the globe, is the "Driving Financial Effectiveness" program, which informs and enhances employee understanding of their impact and value on the business and operations.

Through a regular cadence of talent reviews, we maintain a robust succession planning process. PHINIA leaders are accountable for growing and developing our future leaders and, ultimately, their own successors. We promote cross-functional and cross-regional movement of talent with the goal of developing and growing leaders with a broad, diverse, and inclusive mindset.

MOMENTUM 2024

In 2024, we hosted two Momentum Leadership events for PHINIA leaders. The virtual sessions fostered collaboration on key transportation industry topics and alignment on the company vision.

MOMENTUM24

REVERSE MENTORSHIP PROGRAM

Open to all, the PHINIA reverse mentoring program paired junior and senior employees for a long-term, relationship-driven experience. The program is designed to promote collaboration, foster dialogue, and raise awareness and understanding of different perspectives across generations to deliver on our collective goals. **In 2024, 144 employees and 72 reverse mentoring pairs participated in the program.**

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CULTURE AND ENGAGEMENT

Fostering strong engagement with our employees is a top priority at PHINIA. We promote an open feedback culture and have a variety of programs to encourage employees to share their thoughts, concerns, and experiences. We believe engaging with employees and helping them feel connected to each other and our culture enables them to thrive and make a positive impact.

At PHINIA, we encourage frequent and open conversation between leaders and employees, such as through "fireside chats" across our global footprint. We have an open-door policy with all executives and the Global Human Resources team. Employees are encouraged to ask questions and engage in-person, as well as through our employee communications platform, CONNECT. We also share podcast episodes hosted by management and employees on various topics to provide the latest PHINIA news and initiatives.

EMPLOYEE ENGAGEMENT SURVEY

We frequently utilize targeted pulse surveys and comprehensive employee engagement surveys to gain valuable insights into employee sentiment about the company, their teams, and their work. These surveys aim to gather feedback and build on capabilities and processes to address areas of improvement. The 2024 Engagement Survey had a response rate of 84% and demonstrated that employees across the board support PHINIA's culture and trust our leaders. The survey helped us identify several opportunities to enhance the employee experience. Follow-up focus groups discussed the survey results and identified several opportunities including the need for further support on giving and receiving feedback.

Fostering Communication and Engagement in 2024
Engagement Survey Results

84%
overall participation

73%
engagement

250+
fireside chats where leaders heard directly from our teams, reaching over 400 employees

440+
engagement events, such as Family Day, to foster dialogue and camaraderie

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ENABLING PERFORMANCE

PHINIA's "Always On" approach to performance and development is anchored by our core values and encourages a continual cycle of giving and receiving feedback. Our robust process of setting individual performance and development goals annually with regular reviews throughout the year provides everyone with a clear roadmap to deliver results. All employees who partake in the performance review process are measured on "what" is achieved as well as "how" it is achieved, using our values to ultimately ensure collective success. In 2024, 100% of eligible employees completed a performance and development review.

BRINGING OUR VALUES TO LIFE

We have embedded our values into our company culture so that we can truly live up to them. We use them as part of our recruitment process and as a guide to help develop our employees.

We have created learning pathways in our online learning platform to help employees develop the right skills aligned with our values, and we give feedback on performance relative to our values as part of the review process. Every employee in our organization is accountable for ensuring we live up to our values and, in particular, that we remain an inclusive workplace.

Top Languages Spoken at PHINIA

- English
- Spanish
- French
- Chinese
- Romanian
- Polish
- Turkish
- Portuguese
- German
- Hindi

INCLUSION

We believe that recognizing our differences as strengths enables PHINIA to foster inclusivity, which drives innovation, enhances employee engagement, and improves customer connection — ultimately leading to greater business success. In line with our core value of Inclusivity, our dedication to promoting a culture of inclusion and acceptance starts at the top and extends throughout our organization. We welcome all team members to contribute to making this company stronger by sharing their unique experiences.

PHINIA drives the development and implementation of inclusion programs and initiatives, both globally and locally, with the support of our Strategy Board. Our Global Inclusion Council, which is made up of senior leaders and other employees across our global footprint, meets quarterly to refine our strategic approach, drive progress on our initiatives, and proactively foster our inclusive workplace culture for all employees. As an example, we have various sites that maintain lactation rooms, unisex restrooms, and prayer rooms for our employees. In addition, we have one site with an on-premises daycare facility.

In 2024, we took steps to formalize our inclusion strategy and charter, which included assigning Executive Champions, who are all Strategy Board members, to support the four pillars of Inclusion — Sex and Gender, Race, Differing Abilities, and Beliefs.

Through our Inclusion strategy, we aim to increase our focus on:

- Attracting, retaining, and mobilizing the very best talent

- Promoting effective collaboration across our global workforce to deliver on our collective goals by leveraging our abundant cultural diversity in an environment free of all discrimination and biases

- Forming teams with a range of perspectives, skills, and backgrounds to drive greater idea development, innovation, and execution

During 2024, we introduced a framework to facilitate the creation of Employee Belonging Groups (EBGs). EBGs are voluntary, employee-led teams that foster an inclusive workplace aligned with our core values, beliefs, and strategies and are open to all employees. These groups include employees who share a common background or purpose, as well as allies and other employees who support the common background or purpose. The first formal EBG, PHINIA PRIDE, will be rolled out in early 2025.

WOMEN IN SCIENCE AND ENGINEERING (WISE+)

WISE+ is a voluntary, employee-led group whose mission is to support the personal and professional growth of women employees in STEM fields at PHINIA through social events, community outreach, and career development opportunities. Everyone is invited to become a part of WISE+ regardless of function. In 2024, the program had over 200 participants, with 24 WISE+ chapters across all PHINIA locations, organizing 147 events.

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EQUAL PAY FOR EQUAL WORK

At PHINIA, we support the principle of equal pay for equal work. In 2024, we engaged external counsel and experts to assess and advise on our pay practices across our organization, taking appropriate action informed by these processes. We anticipate conducting similar biennial engagements to assess and support pay parity through our global compensation infrastructure and annual compensation planning processes.

CELEBRATING OUR PEOPLE

As part of PHINIA's ongoing commitment to fostering inclusion and honoring the diverse backgrounds and achievements of our employees, we regularly share educational content with employees to raise awareness of cultural events and celebrations. As a multinational organization, we believe recognition of and appreciation for cultural differences is an important part of creating a greater understanding of each other.

Pink October - Gillingham, UK

Blue November - Shanghai, China

Holi Celebration - Gurgoan, India

Blue November - Brusque, Brazil

International Women's Day - Juarez, Mexico

COMMUNITY ENGAGEMENT

At PHINIA, we believe in supporting the communities in which we live and work, and encourage employee involvement in local activities and charities. In 2024, we launched the PHINIA Philanthropic Committee to focus on our three core pillars of community engagement — Education, Clean World, and Community Service — in alignment with our core values of Accountability, Net Zero, and Humility.

Through our 2024 community engagement, PHINIA supported a variety of initiatives, including investments in education that we believe assist in building a strong workforce for the future. We also rolled out a charitable donation matching platform in the U.S. to amplify the impact of employees' charitable contributions.

2024 Community Engagement Metrics

485

initiatives, which included 472 employees donating blood

~$2 MILLION IN DONATIONS

~169,700 TOTAL VOLUNTEER HOURS

POSITIVELY IMPACTING OUR COMMUNITIES

EMPOWERMENT SCHOLARSHIP PROGRAM

The Empowerment Scholarship Program is offered to children of PHINIA employees in high school, college, or apprenticeship. In 2024, 47 essays were submitted for the scholarship, with seven winners announced from various countries, including Poland, India, U.S., Mexico, China, and Romania. The Empowerment Scholarship aims to acknowledge and support exceptional students who are advancing their education and striving to make a significant impact within their communities. We view supporting the children of the PHINIA family as not only a matter of equality but also a vital stepping stone toward positive change and progress. The scholarship is offered to currently enrolled students who exhibit academic distinction, leadership capabilities, and a dedication to fostering a more inclusive and equitable society.
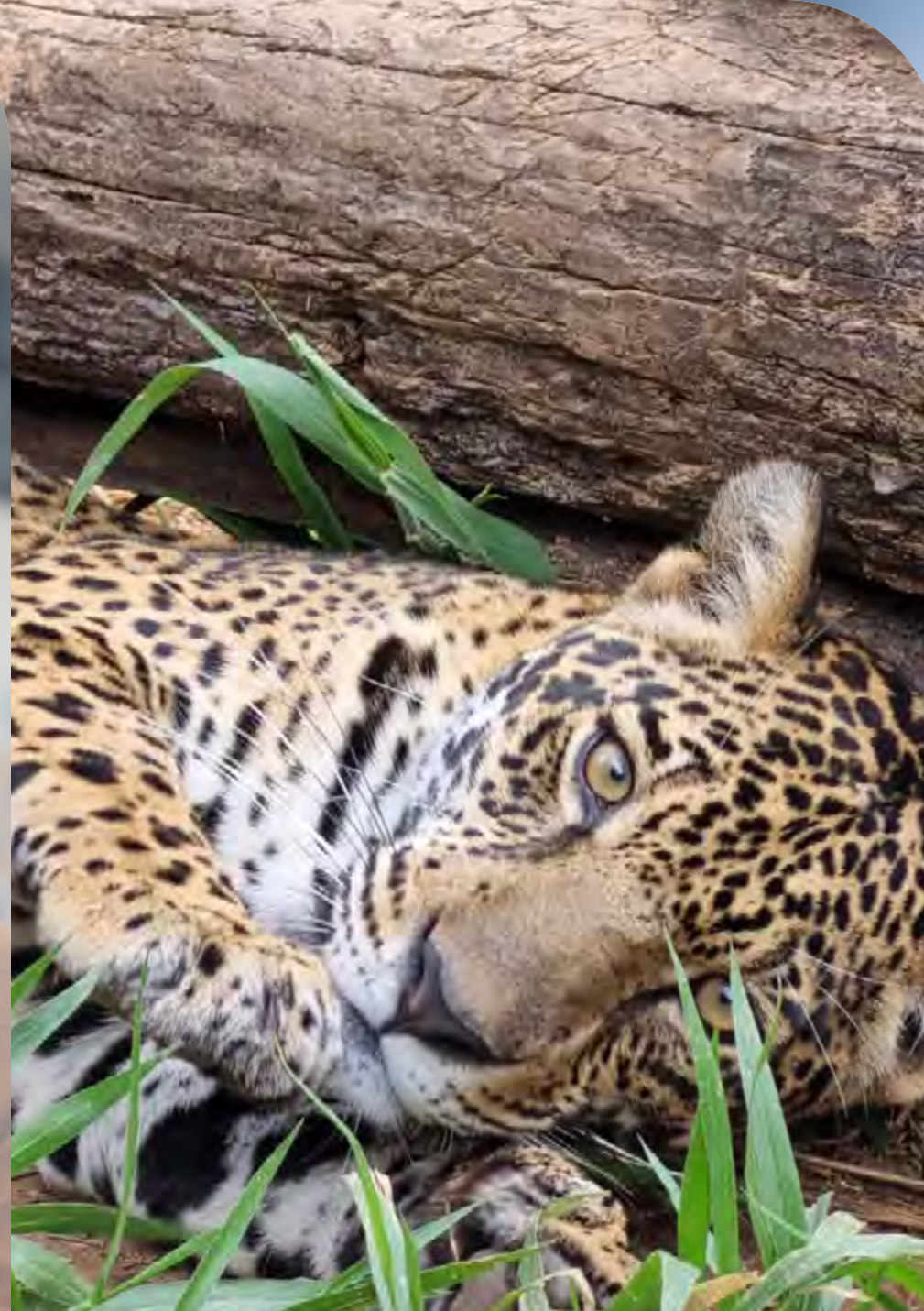
EDUCATION

HIGH SCHOOL RENOVATION

The renovation of Mithat Pasa Technical High School was completed by the Izmir, Turkey and regional leadership teams. The personal computer lab was refreshed, various pieces of equipment were donated, and damaged walls were fixed and painted to allow for a better learning environment.

CLEAN WORLD

JAGUAR RESCUE

Kyra, an orphaned jaguar cub, was rescued by IBAMA (Brazilian Institute of the Environment and Renewable Natural Resources) after her mother was killed by hunters in the Amazon rainforest. In August 2024, PHINIA's Piracicaba, Brazil team adopted Kyra to ensure her safe and long-term survival, becoming the site's official mascot!

CLEAN WORLD

TREE PLANTING

In Shanghai, China a team of over 20 employees organized tree planting in the Alashan Desert. In total, 20,000 saplings were planted for desert greening.

COMMUNITY SERVICE

COLORFUL SOCKS RUN

The PHINIA Rzeszow, Poland team had PHINIA children participate in the Colorful Socks Run, an event organized for World Down Syndrome Day to raise awareness and promote acceptance of people with Down Syndrome.

HEALTH AND SAFETY

Our commitment to employee health and safety is embedded in PHINIA's core values of Integrity and Accountability.

Our dedication to promoting safety as a top priority is continually reinforced by our CEO and Strategy Board. PHINIA's Global Safety Policy sets our expectations and applies to PHINIA's worldwide operations, employees, contractors, and visitors. The Global Safety Leadership team, consisting of executives, health and safety leaders, and plant managers from all regions, establishes our strategic direction for health and safety and oversees our worker safety policies and programs. Site-based Health and Safety Managers are responsible for monitoring the day-to-day management of our health and safety programs.

PHINIA CEO SAFETY AWARDS

The PHINIA CEO Safety Awards recognize our facilities that achieve key safety milestones, including 1,000,000 hours worked and at least 12 consecutive months without a recordable incident. Ten PHINIA sites received this recognition in 2024:

1. **Brusque, Brazil - Manufacturing**
2. **Shanghai, China - Manufacturing**
3. **Kraków, Poland - Technical Center**
4. **Shanghai, China - Technical Center**
5. **Gillingham, United Kingdon - Manufacturing**
6. **San Luis Potosí, Mexico - Manufacturing**
7. **Juárez, Mexico - Manufacturing**
8. **Stonehouse, United Kingdom - Manufacturing**
9. **Rzeszów, Poland - Manufacturing**
10. **Gurgaon, India - Manufacturing**

HEALTH AND SAFETY MANAGEMENT

PHINIA's occupational health and safety management systems serve a critical role in driving accountability for our safety performance and continually improving our safety culture. All PHINIA manufacturing plants that supply to an OEM are certified to ISO 45001. As part of our safety management systems, we conduct third-party environmental, health, and safety regulatory compliance audits of our facilities as described in the Environmental Management section.

All facilities report injuries and illnesses according to U.S. Occupational Safety and Health Administration recordkeeping standards, as well as other applicable reporting requirements. We maintain balanced scorecards with both leading and lagging safety indicators. Each site is required to provide ongoing training and prevention initiatives, perform risk assessments and inspections, share best practices, and sponsor recognition programs.

Safety Training

All PHINIA sites conduct comprehensive ongoing safety training, which includes regulatory compliance topics, risk assessment and controls, emergency preparedness, and employee health and wellness. We also host quarterly "Ergonomic Hour" events to build competency and optimize efficiency, safety, and comfort throughout our operations. We track training hours on a site-by-site basis and are currently working to standardize this process across our global operations. We also encourage our teams to share safety successes, best practices, and lessons learned between sites through safety "look across" communications. These activities encourage safety learning and drive continual improvement across the organization.

2024 Safety Performance

In 2024, the Total Recordable Incident Rate (TRIR)[6] of our global workforce was 0.18, which is within the highest-performing quartile of TRIRs for our manufacturing sector, according to the U.S. Bureau of Labor Statistics (BLS) data for motor vehicle parts manufacturing companies with 1,000+ employees (top quartile is lower than or equal to 1.4).

The Lost Time Incident Rate (LTIR)[7] of our global workforce was 0.08, which is within the highest-performing quartile of LTIRs for our manufacturing sector, according to BLS data (top quartile is lower than or equal to 0.2).

[6] TRIR is measured as the number of recordable incidents per 100 employees, per 200,000 hours worked.
[7] LTIR is measured as the number of incidents with at least one day of work missed per 100 employees, per 200,000 hours worked.

Total Recordable Incident Rate:

0.18

Lost Time Incident Rate:

0.08
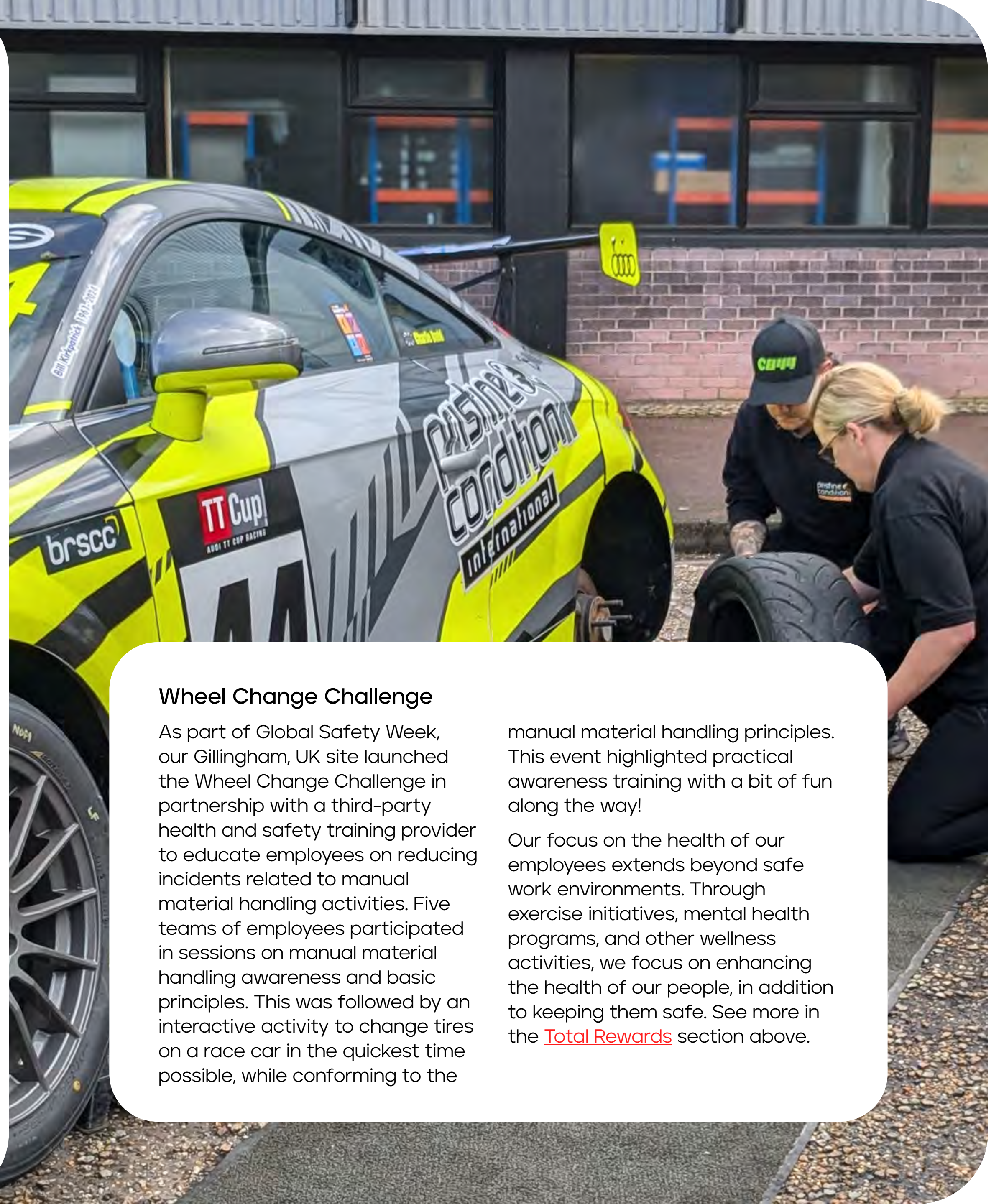
GLOBAL SAFETY WEEK

The health and safety of our employees is a top priority at PHINIA. In 2024, we held our second annual Global Safety Week with a focus on the theme "Safety FIRST: Elevate your day, every day." Sites reinforced PHINIA's commitment to safety through emergency preparedness, shared best practices, and safety and wellness training opportunities. The key focus of this week and all of our health and safety efforts is not just about returning our employees home safely but about "Returning Home Better, Safer, and Stronger."

Wheel Change Challenge

As part of Global Safety Week, our Gillingham, UK site launched the Wheel Change Challenge in partnership with a third-party health and safety training provider to educate employees on reducing incidents related to manual material handling activities. Five teams of employees participated in sessions on manual material handling awareness and basic principles. This was followed by an interactive activity to change tires on a race car in the quickest time possible, while conforming to the manual material handling principles. This event highlighted practical awareness training with a bit of fun along the way!

Our focus on the health of our employees extends beyond safe work environments. Through exercise initiatives, mental health programs, and other wellness activities, we focus on enhancing the health of our people, in addition to keeping them safe. See more in the Total Rewards section above.

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GOVERNANCE

At PHINIA, we have a fundamental commitment to conducting business ethically and honestly. We hold ourselves accountable to high standards in our interactions with each other, our customers, regulators, and the communities we serve.

ETHICS, INTEGRITY, AND COMPLIANCE

Integrity is one of PHINIA's core values, and everyone at PHINIA shares the responsibility to act ethically and in compliance with our policies and the law. Equally important to the success of our business is how we treat each other and how we live the PHINIA values.

2024 HIGHLIGHTS

Publication of nine new or updated ethics and compliance (E&C) policies, including policies on treating others with respect and dignity, speaking up about compliance concerns, preventing corruption, protecting personal information, and having zero tolerance for retaliation

Migration to a new E&C training platform with an extensive library of on-demand courses

Development of a Compliance Roadmap to guide enhancements to our E&C program, including compliance assessments to be conducted in 2025

Launch of a refresher training course on the Code of Ethical Conduct (Code)

READ MORE ▶

Establishment of a communications cadence regarding E&C topics, including all-employee emails about our policies, available E&C resources, and channels for seeking guidance and reporting concerns

OUR GUIDING PRINCIPLES

PHINIA's Code defines our principles, expectations, and guidelines for appropriate business behavior. It addresses key compliance topics, including anti-corruption, conflicts of interest, and workplace behavior, as well as a prohibition on retaliation.

The Code and related policies are reviewed on an annual or biennial cadence to ensure they address current and emerging compliance trends. We introduce PHINIA's Code to new employees and provide annual refresher training on E&C topics.

COMPLIANCE GOVERNANCE

PHINIA's Chief Compliance Officer reports to our Vice President, General Counsel and Secretary and oversees our E&C program. We also look to our E&C Committee, composed of senior leaders who meet on at least a quarterly basis, for input and insight to integrate our E&C program into the business. We have designated Local Compliance Coordinators and Privacy Delegates who are able to act as a conduit between the Compliance Office and PHINIA locations around the world to provide guidance on lessons learned, emerging trends, and ideas for further E&C engagement, detection, harm mitigation, and prevention. Regular updates are provided to the Strategy Board and the Audit Committee, which oversees the E&C program at the Board level.

We perform risk-based sanctions screening of third parties and conduct additional due diligence reviews, taking into account the geography, type, and industry of our business partners. PHINIA's E&C program also includes monitoring and auditing through questionnaires, internal evaluations, and third-party assessments based on role, risk, and spend.

Risk Assessment & Mitigation

Policies, Procedures & Controls

Training & Awareness

Helpline & Investigations

Third-Party Risk & Due Dilligence

Auditing & Monitoring

Governance, Resources & Improvement
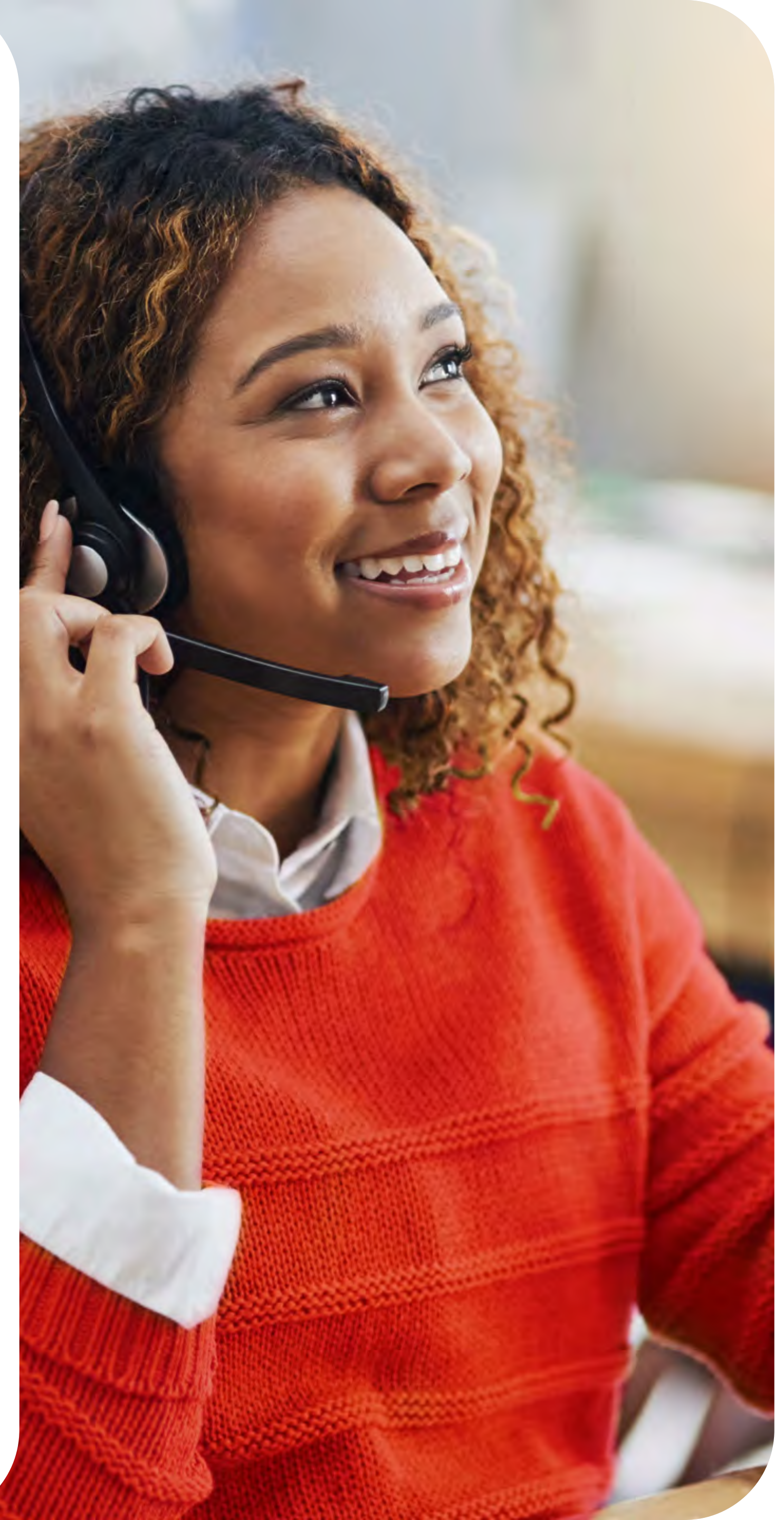
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COMPLIANCE HOTLINE AND PROCEDURES

We encourage anyone who has a concern to talk to their manager, the Human Resources Department, the Compliance Office, the Legal Department, or any other appropriate personnel, including our executives and the Audit Committee of the Board. PHINIA has a compliance hotline hosted by a third party that is available 24/7 by phone or on the web, through which employees and external parties can confidentially (and anonymously, if preferred and permitted by local law) raise questions and concerns. The hotline is available in the local language of all areas in which we operate. The ability to share concerns with local, regional, and global personnel or through the hotline is communicated to all employees upon hiring and is described in our Code. We also have awareness posters displayed prominently in our facilities and frequently remind employees about the existence of the hotline and the importance of speaking up through various communications channels.

When a concern is reported, notice of the report is sent to the Compliance Office and other designated individuals pursuant to established distribution protocols. The Compliance Office determines the appropriate person or team to investigate the report. Regardless of the intake method,

concerns reported to the hotline are investigated and tracked in the system. If a reported concern is substantiated, we appropriately address the concern with any necessary discipline, remediation, training, or other measures. We also undertake an analysis of the root cause and implement necessary program improvements. Retaliation is not tolerated and is cause on its own for disciplinary action, up to and including termination. Updates provided to the Audit Committee include information regarding reports received, investigated, and closed.
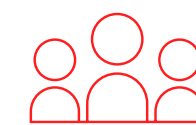
AVAILABLE 24/7 BY PHONE OR WEB

GOVERNMENT AFFAIRS AND PUBLIC POLICY

Government Affairs is conducted through a dedicated department within PHINIA and by executives and employees in our global locations. PHINIA engages in public policy advocacy through our own activities and through our membership in national and international trade associations. In those associations, we share knowledge and best practices, leveraging our common voice. We maintain relationships with government officials to inform them about our technology and our economic and social contributions and advocate for sustainable regulations and legislation that will benefit our employees, the environment, and our business goals.

We do not maintain a political action committee and did not make any contributions to political parties or candidates in 2024. We do not reimburse, compensate, or otherwise incentivize employees for making political contributions. We engage with policymakers in an ethical and responsible manner to promote a sustainable business environment. That approach to engagement is embodied in our Government Affairs Guidelines, which provide an outline of how our Government Affairs team operates within PHINIA and how our management and employees can and should interact with government officials when they can make a valuable contribution.

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SUPPLY CHAIN RESPONSIBILITY

PHINIA strives to ensure that all aspects of our supply chain reflect our core belief that business can and should contribute to a sustainable future. Operating across multiple regions, our supply chain touches communities worldwide.

Responsible supply chain management at PHINIA goes beyond environmental considerations and focuses on the long-term well-being of workers, the protection of human rights, the ethical sourcing of materials, and the building of a transparent, trustworthy network. Our goal is a future in which our products not only reflect quality and innovation, but also embody sustainable practices in every facet of production.
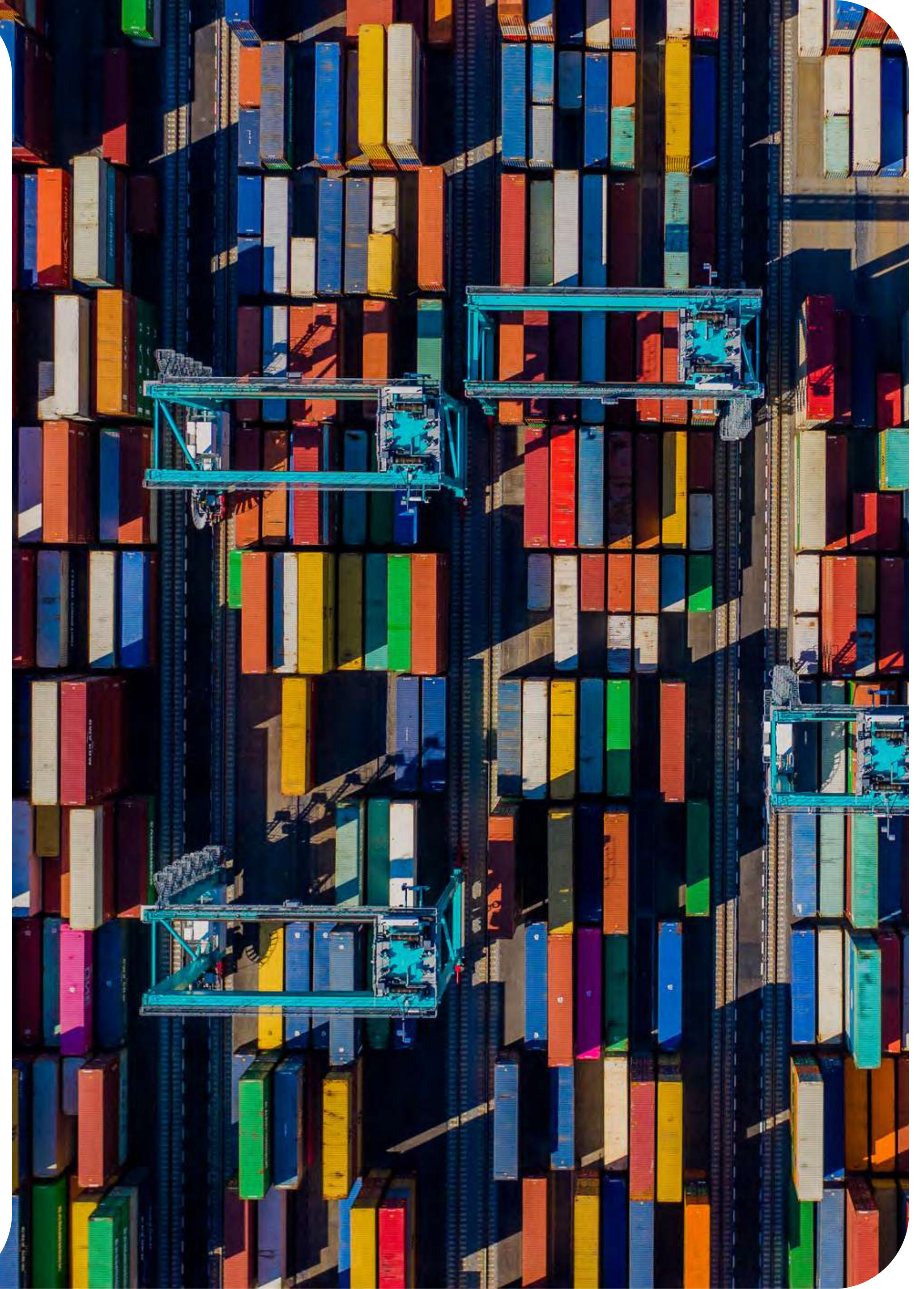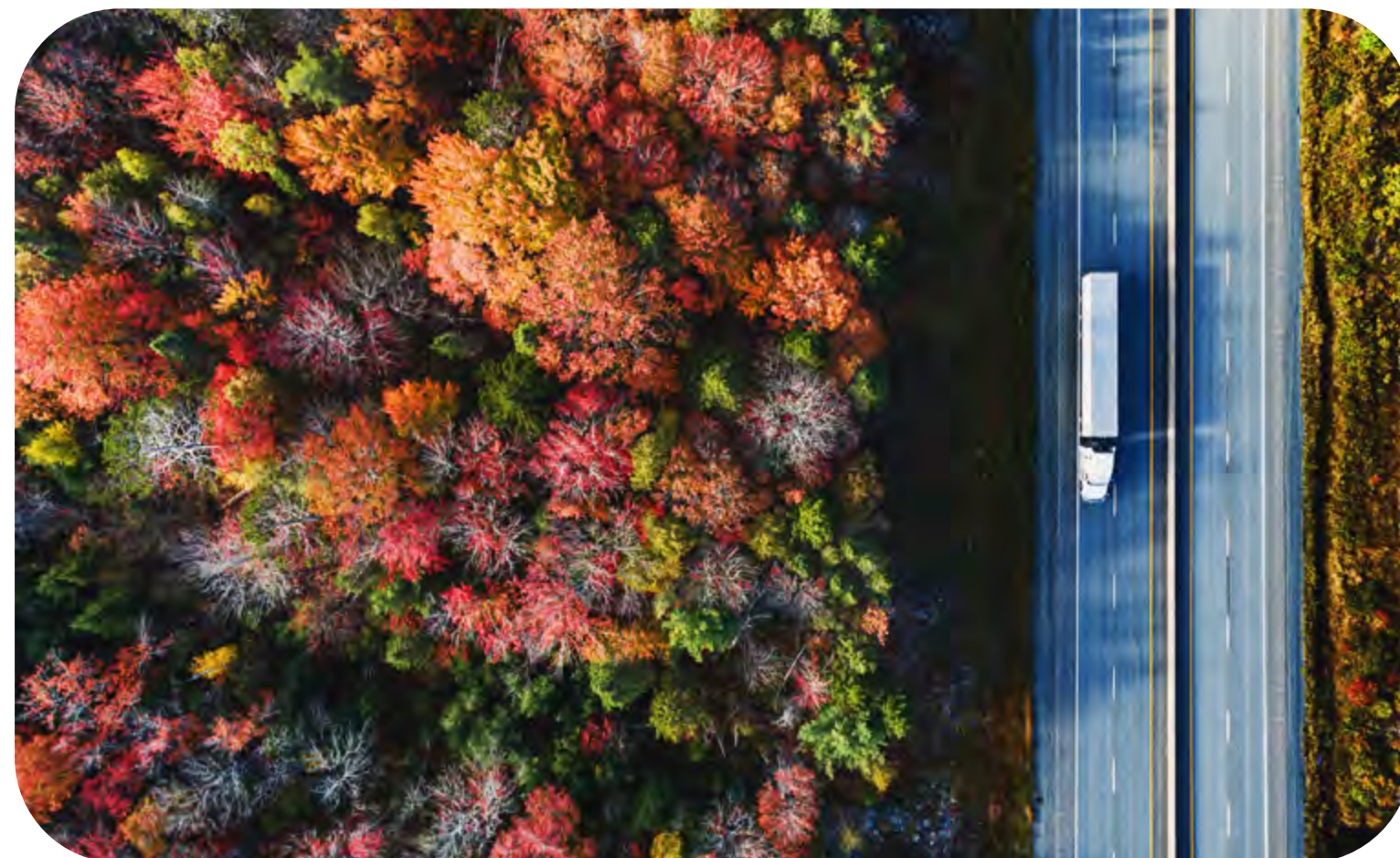
ENSURING A RESPONSIBLE AND TRANSPARENT SUPPLY CHAIN

We view our supply chain as a network of valuable partnerships that are fundamental to our business. It spans global Tier 1 suppliers and plays a crucial role in the development and delivery of our products. We build strong, long-term relationships with our supply base, which rely on the shared values of sustainability, ethical practices, and respect for human rights. One example of this is the PHINIA Partnership Program (3P), which not only strengthens our supply chain resilience but also helps to ensure transparency.
Read more about 3P

Sustainability is vital not only for the success of PHINIA but for the broader global community. We seek to ensure that sustainability within our supply chain is not just about meeting basic regulations. It is about actively contributing to the well-being of workers, communities, and the environment. We achieve this through responsible sourcing, fair labor standards, and transparent operations at every level.

A COMMITMENT TO HUMAN RIGHTS AND ETHICAL BUSINESS PRACTICES

Sustainability begins with a robust commitment to human rights. PHINIA strives to proactively manage human rights risks within our supply chain. We understand that our global operations must account for diverse regional challenges, but we remain determined to ensure that all individuals within our supply chain are treated with dignity and respect.

We set clear expectations for our Tier 1 suppliers and promote improvements in human rights, the environment, and responsible sourcing. We align our practices with internationally recognized standards, such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. By incorporating these standards into our

sourcing decisions, we aim to ensure that our sourcing practices are both responsible and sustainable.

In addition to working with our Tier 1 suppliers, we took a significant new step in 2024 to enhance transparency across our entire supply chain, including sub-tier levels. In 2024, we actively mapped and monitored beyond our Tier 1 suppliers to gain deeper insights into potential risks throughout the supply network. If any human rights violations are detected, we work closely with our suppliers to implement corrective actions and provide the training and resources needed to drive long-term sustainable change.

RESPONSIBLE SOURCING AND CONFLICT-FREE MATERIALS

Responsible sourcing is at the core of our sustainability mission. We focus on ensuring that the materials used in our products are ethically sourced and free from conflict-related risks. In 2024, over 90% of our in-scope suppliers completed the Conflict Minerals Reporting Template (CMRT), an assessment developed by the Responsible Minerals Initiative that supports transparency and due diligence in our supply chain.

We work directly with suppliers to address potential opportunities for improvement. Through collaboration with our Tier 1 partners, we aim to eliminate unethical practices and promote ethical sourcing as an industry standard.

96%
of our in-scope supplier spend completed the Conflict Minerals Reporting Template

SUPPLIER ENGAGEMENT AND ONGOING IMPROVEMENT

At PHINIA, we believe that sustainability is a shared responsibility, and we work closely with our suppliers to help them meet our expectations. We recognize that achieving sustainability goals requires collaboration, support, and ongoing improvement. Therefore, we provide suppliers with the tools, resources, and training they need to improve their sustainability practices.

We communicate our expectations to suppliers through documents such as our standard contracts, Supplier Code of Conduct, and Supplier Manual, which serve as a comprehensive reference aligning suppliers with our operational standards, business values, and sustainability commitments. In addition to these documents, our Global Supply Management Supplier site provides guidelines and tools for our supply base. Every other year, we also host an in-person Supplier Day with an option to attend virtually. These Supplier Days foster direct engagement and education with our suppliers help to ensure they are aligned with our sustainability goals, the latest corporate-wide initiatives, and PHINIA expectations.

To further motivate improvement, we incorporate the results of the Sustainability Self-Assessment Questionnaire (SAQ) into our supplier scorecard, which helps drive ongoing engagement and rewards suppliers for their sustainability achievements.

SUPPLIER SCORECARD AND SUSTAINABILITY SELF-ASSESSMENT QUESTIONNAIRE

We use a structured supplier scorecard to evaluate performance across several dimensions, including quality, delivery, cost management, launch execution, and sustainability. This scorecard is a critical input into our sourcing decisions and is updated monthly to reflect real-time performance trends.

As part of our commitment to sustainability, we ask that higher-spend direct suppliers complete the SAQ, an industry-standard tool designed specifically for the automotive sector that assesses sustainability performance. In 2024, we saw notable progress in participation in the SAQ, with 63% of our higher-spend direct and Aftermarket suppliers completing the questionnaire.

To encourage progress, we recognize high SAQ performance as part of the overall supplier scorecard. Suppliers are also awarded additional points for establishing their own targets for their upstream suppliers. Those with higher sustainability points increase their chances of winning new business with PHINIA.

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For suppliers who need targeted support, we offer one-on-one reviews, personalized training sessions, and improvement plans tailored to specific gaps. When we identify noncompliance or risks, we work directly with the supplier to develop a corrective action plan with clear timelines and follow-up assessments to track progress. Through a targeted selection process, we identified 123 suppliers for improvement in the human rights section of the SAQ. With personalized guidance, these suppliers achieved an overall improvement of nearly 30% in their scores. This collaborative approach not only helps suppliers strengthen their practices but also reinforces our shared commitment to continual improvement and responsible sourcing.
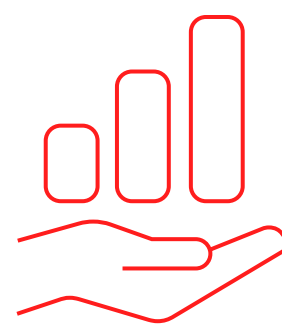
COLLABORATION WITH OUR STRATEGIC SUPPLY BASE LEADS TO LONG-TERM IMPROVEMENTS IN SUSTAINABILITY

SUPPLIER PERFORMANCE METRICS

63%
of in-scope suppliers (by quantity) completed the SAQ[8]

81%
of in-scope suppliers (by spend) completed the SAQ

[8]In-scope suppliers refer to direct suppliers with >$25k in spend

PHINIA PARTNERSHIP PROGRAM

In 2024, we launched our world-class recognition initiative, the PHINIA Partnership Program (3P), for our OE direct material supply base. This program is designed to further strengthen our supplier relationships by recognizing excellence in performance; collaboration; and environmental, social, and governance alignment. Out of more than 900 participating direct material suppliers, 10 were awarded the Stainless Steel level. Inspired by this success, we plan to expand 3P to include our Aftermarket direct material suppliers in 2025.

Read about our 3P evaluation criteria and ratings

READ MORE ▶

WHAT IS 3P?

- Supplier performance is assessed according to tangible criteria:

  1) the Supplier Balanced Scorecard

  2) relationship with PHINIA production sites

  3) strategic fit with our company

- Improves our collaboration, transparency, and trust

- Two-way partnership between our suppliers and PHINIA

- Includes specific advantages and commitments from PHINIA based on supplier performance and collaboration

- The best-performing suppliers are eligible for increased benefits

- Program began in April 2024

SUPPLY CHAIN RISK MANAGEMENT AND TECHNOLOGY

To help ensure that our supply chain continues to meet high ethical and sustainability standards, the Supply Chain team built a robust risk management system focused on early identification and mitigation of potential issues. We regularly monitor supplier performance through surveys, third-party assessments, and data collection aligned with key environmental, social, and governance metrics.

In 2024, we conducted a comprehensive mapping of our direct material supply chain. This analysis evaluated critical risk factors such as forced labor, sanctions exposure, and geographic risks. In addition to this broad mapping, we conducted a deeper dive into our key Tier 1 direct and Aftermarket suppliers to evaluate spend levels, regional factors, and industry-specific risks.

Risks were categorized into four areas:

01 Human rights
(e.g., forced or child labor)

02 Environmental
(e.g., emissions reduction targets)

03 Legal compliance
(e.g., anti-corruption, trade sanctions)

04 Health and safety
(e.g., unsafe working conditions)

Each supplier was rated based on its exposure across these categories as high, medium, or low risk. Our evaluation of the top 171 suppliers, which represent 73% of our enterprise direct material spend, indicated that they carry a medium-risk to low-risk rating. This reflects the strong practices already in place and the proactive steps taken in partnership with our suppliers.

We leverage advanced sourcing and analytics technologies to significantly improve visibility across our supply base and decrease risk. This technology enables us to pinpoint specific Tier 1 partners when issues arise and address them efficiently, thereby avoiding unnecessary delays and ensuring timely action.

Third-party audits and assessments are also a core part of our risk management and due diligence program. These audits help verify compliance with ISO and International Automotive Task Force (IATF) standards. We perform background checks to review financial health, regulatory risk, and any past incidents reported in public media. This layered approach helps ensure we are working with suppliers who share our commitment to ethical business conduct and ongoing improvement.

At PHINIA, we believe that a sustainable supply chain is one built on collaboration, transparency, and shared responsibility. We are committed to fostering strong, ethical relationships with our suppliers to create lasting and positive changes.

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PRODUCT QUALITY AND SAFETY

At PHINIA, we seek to consistently provide products and services that meet or exceed customer expectations and applicable customer requirements in both quality and safety performance.

ROLES AND RESPONSIBILITIES

PHINIA leaders take an active role in promoting a quality culture through metric monitoring and analysis, customer and supplier quality reviews, program reviews, internal audits, and other communication tools. Our Vice President of Operational Excellence oversees our quality programs, with support from the PHINIA Quality Board. The Quality Board is composed of leaders across the organization and guides our long-term quality strategies and initiatives. The Quality Board also supports the execution of policies, procedures, and requirements within the business, conducts monthly quality reviews, and works with executives to advance our quality programs.

QUALITY MANAGEMENT

All PHINIA manufacturing facilities that supply OEMs and related technical centers are certified to the IATF 16949 or to the ISO 9001 quality management standards. PHINIA requires that our suppliers maintain, at minimum, IATF 16949 or ISO 9001 certification to meet customer requirements. In those cases, the supplier is expected to cascade the requirements, as part of PHINIA's terms and conditions.

In 2024, we reduced the number of customer quality cases, particularly zero-kilometer cases that were identified and rectified before the part left our production facilities. We also saw improvement in our parts per million metrics, a key performance indicator used to measure the quality of products delivered to customers. We closed 2024 with zero formal customer escalations.

To support knowledge sharing across each PHINIA site and to help make sure that lessons are learned for new projects, PHINIA developed a Knowledge Library accessible to all employees. This initiative of documenting and sharing insights is led by management and is growing throughout the organization.
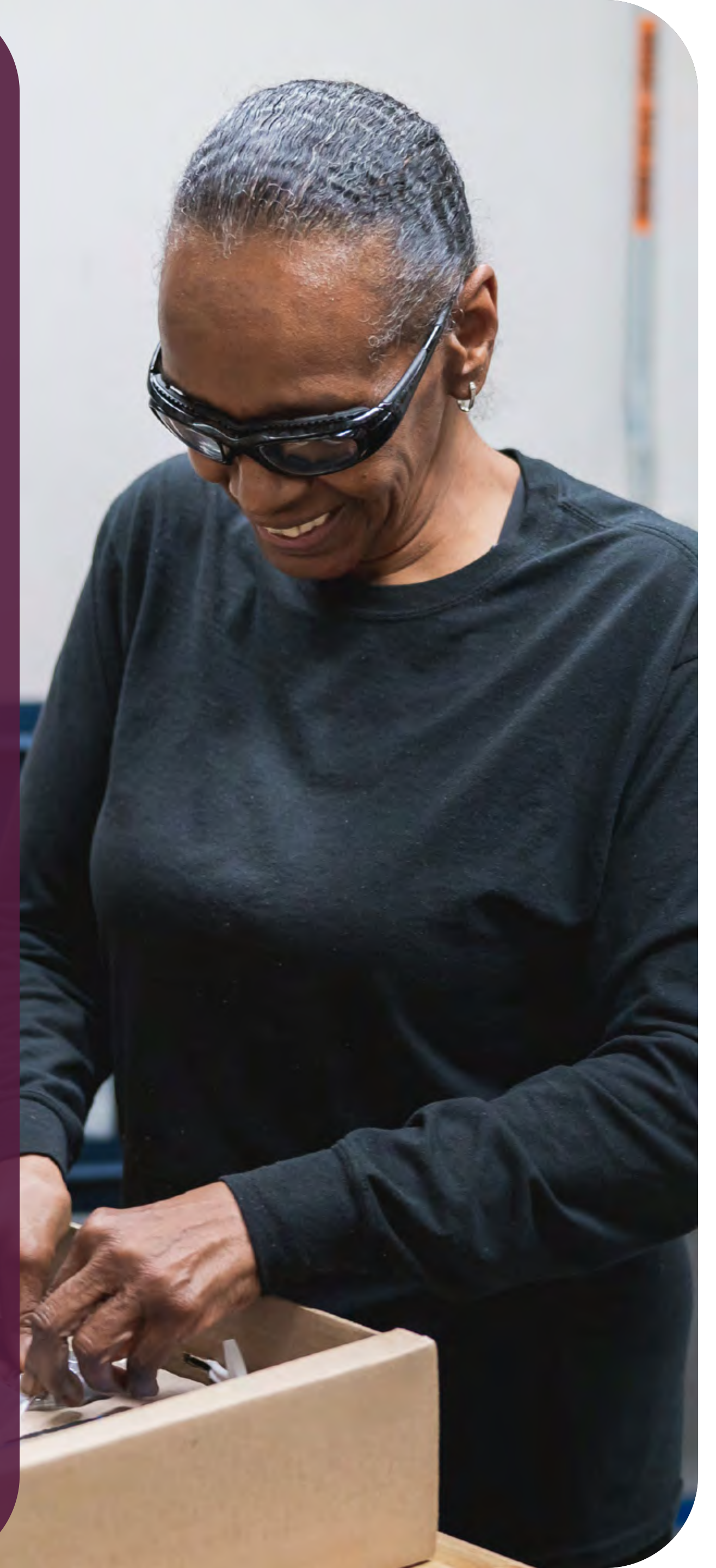
2024 QUALITY AWARDS

To demonstrate our focus on quality and to recognize our facilities that embody our commitment, the PHINIA Quality Award recognizes facilities that achieve a successful new product launch with excellent warranty performance and customer satisfaction. Our Blois, France manufacturing facility and technical center received our second annual PHINIA Quality Award with no zero-kilometer quality issues throughout 2024.

2024 CUSTOMER AWARDS AND CERTIFICATIONS

REGION	SITE	AWARDS 2024
AMERICAS	San Luis Potosí	Caterpillar Supplier Excellence Certification
		2024 GM Supplier Quality Excellence Award
		2024 Cummins Supplier Quality Improvement Award
	Brusque	Zero defect supplier for Hyundai
	Piracicaba	Customer Cummins as 'Zero Defect Supplier' in 2024
		Ford Q1
	Aftermarket	FleetPride (Delco Remy Customer) recognized PHINIA as Supplier Partner of the Year 2024
		Catalog and Data Award from the Parts Authority
ASIA / PACIFIC	Shanghai	2024 SAIC-GM Collaborative Win-win Award
		2024 JAC Quality Leadership Award
		2024 SAIC-GM Excellent Supplier Award
	Chennai (D-TVS)	2024 Overall Quality Award VECV
	Yantai	2024 DFAC Special Award of General Manager
		2024 Zhengzhou Nissan Win-win Cooperation Award
	Aftermarket	2024 Supplier of the Year from Bapcor (AFM Oceania)
EMEA	Izmir	2024 GM Supplier Quality Excellence Award
	Blonie (All PHINIA)	2023 HMC Supplier Quality Award
	Aftermarket	Parts Supplier of the Year from GSF (UK)
		Diagnostics Manufacturer of the Year from the Irish Auto Trade Awards
		NI Nexus as HD Remanufactured Parts Supplier
		Temot: Preferred Supplier

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QUALITY POLICY AND MANAGEMENT SYSTEM

PHINIA's Quality Policy includes our Key Quality Principles and assists us in achieving and maintaining a reputation of excellence. The Quality Policy is documented in our Quality Manual, which defines the scope and objectives of the Quality Management System (QMS). Our QMS documents the processes and procedures for achieving customer and regulatory requirements and helps to improve PHINIA's effectiveness and efficiency on a continual basis.

We maintain a stable and rigorous QMS that includes regular employee training on product quality standards, product reliability and performance monitoring, quality testing and incident investigation, and the associated corrective actions process. New third-party tools are currently being implemented to help ensure we continue to respond quickly to changes in customer requirements in a dynamic environment.

All sites are subjected to an internal and external audit program for adherence to product quality, processes, and safety standards as part of our QMS certification. PHINIA maintains quality targets for our production facilities and suppliers in order to track and drive the highest level of performance.

TRAINING

We are dedicated to ensuring high quality standards as a core aspect of our work, with training provided to the Quality, Product Engineering, Supply Chain, and Manufacturing teams on a regular basis.

In 2024, we trained and externally certified employees as Product Safety and Conformity Representatives (PSCRs). As a result, over 40 product engineering and quality leads across plants and technical centers have been certified as PSCRs.

We advanced training in problem-solving methodologies. Our efforts were primarily directed toward developing competencies in Shainin Red X, followed by specialized training in Lean Six Sigma. Both approaches were applied selectively, depending on business requirements.

Technical Problem-Solving and Improvement

Beginning in 2022, we accelerated improvement efforts across the company by partnering with Shainin, a globally recognized quality and process problem-solving firm. We utilize the Shainin Rolling Top 5 (RT5) method for building a healthy problem-solving culture and maintain a training and certification process as part of the Red X program, an advanced methodology for solving technical problems that is widely used by leading automotive manufacturers and their suppliers.

In 2024, we continued the implementation of Red X training across the company, facilitating seven training sessions for both Apprentice (basic) and Journeyman (advanced) levels. Approximately 125 employees were trained in the Shainin Red X method for solving complex problems and attained over 80 Shainin certifications. Our commitment to ongoing improvement was recognized by Shainin LLC with the 2024 Dorian Award for Bottom Line Improvement.

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CORRECTIVE ACTIONS

As part of our corrective actions process, if we are informed of a quality or safety issue, we have procedures to investigate and work to resolve it.

Our Warranty Council reviews our performance and actions on a monthly basis. Any identified risks are escalated and mitigated in line with industry guidelines, such as the IATF and the German Association of the Automotive Industry product integrity standard, and customer-specific requirements. For new products, we conduct risk assessments following the failure mode and effects analysis process. The assessments include confirming product safety and regulatory compliance and are conducted in coordination with our Product Development and Quality teams to confirm adherence to best practices.

KEY QUALITY PRINCIPLES

Customer Focus

· Our goal is to consistently provide products and services which meet or exceed customer expectations and applicable customer requirements.

· We strive to satisfy customer requirements throughout the product life cycle.

· Our employees are committed to the Company's Key Quality Principles.

Quality Products
Commitment by Everyone

· All employees are responsible for the quality of their work.

· Our leaders take an active role in promoting the importance of quality.

· Suppliers are valuable sources of design, cost reduction, and quality improvement ideas. We treat them as partners - with respect and integrity.

Continual Improvement

· We believe continual improvement is core to achieving success.

· When mistakes occur, we will act urgently and with integrity to identify, correct, and prevent reoccurrence of the problem.

· We strive to improve our business continually in quality, cost, and reliability.

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CUSTOMER SATISFACTION

We foster strong partnerships with a diverse range of global customers, collaborating to drive innovation in mobility. PHINIA's dedication to performance and quality standards while reliably meeting capacity and delivery commitments underpins our success.

Engaging with our customers includes daily reviews of customer portals, monthly quality reviews conducted at every facility, ad hoc management meetings with key accounts, and technical shows with new and existing customers. We monitor performance during both the product quality planning and production phases to ensure customer expectations are met or exceeded. Notices of violations and customer complaints are tracked, and PHINIA sites work directly with local customers, following customer-specific requirements to implement corrective actions. Every six months, we also conduct "Voice of the Customer" reviews to assess customer performance and gather direct feedback through surveys.

CYBERSECURITY AND DATA PROTECTION

PHINIA's cybersecurity and data protection policies, processes, and strategies are informed by regulatory and business requirements, prior experiences, and industry practices. We periodically adjust these based on the results of assessments conducted through our enterprise risk management (ERM) practices, third-party audits, independent reviews, and other processes. More information on our policies can be found on our Data Protection & Compliance website.

READ MORE ▶

Our General Counsel and Chief Compliance Officer oversee our data protection policies, while the Chief Information Officer (CIO) and Chief Information Security Officer (CISO) oversee cyber and data security. Quarterly updates are provided to the Audit Committee regarding data protection and cybersecurity risks, including with respect to the assessment and management of such risks and recent developments, trends, and the general threat environment.

DATA PROTECTION

PHINIA is committed to implementing robust data privacy standards and processes that protect individuals and their personal data. We are also committed to collecting and processing personal data only to the extent necessary and with explicit consent when required. Third-party contractors with whom we share personal data must adhere to and comply with all relevant data protection and security laws and regulations, as well as our data privacy, retention, and protection policies.

Additionally, given the increasing prevalence of the use of generative artificial intelligence (GenAI) tools in business, PHINIA has published a GenAI policy designed to provide clear guidance to employees about acceptable and unacceptable uses of GenAI tools in PHINIA's business. In particular, this policy highlights the potential risks of entering personal, confidential, and proprietary data into GenAI tools and the importance of using GenAI in compliance with PHINIA policies and applicable laws, including data protection laws.

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CYBERSECURITY

We generally approach cybersecurity threats through a cross-functional, multilayered process, with the following goals:

- Identifying, preventing, and mitigating cybersecurity threats to PHINIA

- Preserving the confidentiality, security, and availability of the information we collect and store for use in operating our business

- Protecting PHINIA's intellectual property

- Maintaining the confidence of our customers, suppliers, other business partners, and employees

- Providing appropriate disclosure of cybersecurity risks and incidents when required

The Cybersecurity team, in coordination with other Incident Response team members, works collaboratively across PHINIA to implement a program designed to protect PHINIA's information systems from cybersecurity threats and to promptly respond to any cybersecurity incident. The Incident Response team is composed of our CISO and other senior leaders from PHINIA's Cybersecurity, Compliance, Legal, and Financial Reporting teams as well as other key business and corporate functions. The Board, in coordination with the Audit Committee, oversees the company's assessment and management of cybersecurity risks.

Consistent with PHINIA's emergency response management practices, our cybersecurity program focuses on the following areas:

- 24/7 cybersecurity threat surveillance, monitoring, and monthly external vulnerability assessments and annual penetration testing

- System safeguards designed to protect PHINIA information systems from cybersecurity threats

- Collaboration mechanisms established with public and private entities, including intelligence and enforcement agencies, industry groups, and third-party service providers

- Processes for identifying and overseeing cybersecurity risks presented by third-party users and systems

- Required training on cybersecurity threats, incident reporting procedures, and acceptable use of our information systems for new and existing personnel

- Incident response planning that outlines an organized and timely approach for responding to and handling security incidents affecting PHINIA systems or data

Our strategy for managing risks from cybersecurity threats includes ongoing assessment and testing of cybersecurity policies and processes through audits, assessments, tabletop exercises, threat modeling, vulnerability testing, and other exercises focused on evaluating the effectiveness of our cybersecurity controls and oversight. Third-party audits and independent reviews of our cybersecurity measures, information security control environment, and operating effectiveness are conducted on at least an annual basis to assist us with enhancing, implementing, and monitoring our cybersecurity risk management programs.

APPENDIX

ABOUT
THIS REPORT

This 2024 Sustainability Report highlights PHINIA's commitment to sustainability and provides information regarding our key strategies, programs, policies, oversight, governance, and performance across the sustainability topics we believe to be most important to PHINIA and our stakeholders. Unless otherwise specifically stated, this report covers PHINIA's performance and disclosures specific to the fiscal year ended December 31, 2024. We have prepared this report with reference to the SASB standards, now part of the International Sustainability Standards Board (ISSB); TCFD recommendations; and GRI standards.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS AND OTHER DISCLAIMERS

This 2024 Sustainability Report contains forward-looking statements within the meaning of the U.S. federal securities laws. Forward-looking statements are statements other than historical facts that provide current expectations or forecasts of future events based on certain assumptions and are not guarantees of future performance. Forward-looking statements use words such as "anticipate," "believe," "continue," "could," "designed," "effect," "estimate," "evaluate," "expect," "forecast," "goal," "initiative," "intend," "likely," "may," "outlook," "plan," "potential," "predict," "project," "pursue," "seek," "should," "target," "when," "will," "would," and other words of similar meaning.

Forward-looking statements are subject to risks, uncertainties, and factors relating to our business and operations, all of which are difficult to predict and which could cause our actual results to differ materially from the expectations expressed in or implied by such forward-looking statements. Risks, uncertainties, and factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to, adverse changes in general business and economic conditions, including recessions,

adverse market conditions, or downturns impacting the vehicle and industrial equipment industries; our ability to deliver new products, services, and technologies in response to changing consumer preferences, increased regulation of greenhouse gas emissions, and acceleration of the market for electric vehicles; competitive industry conditions; failure to identify, consummate, effectively integrate, or realize the expected benefits from acquisitions or partnerships; pricing pressures from original equipment manufacturers (OEMs); inflation rates and volatility in the costs of commodities used in the production of our products; changes in U.S. and foreign administrative policy, including tariffs, changes to existing trade agreements and import or export licensing requirements, and any resulting changes in international trade relations; our ability to protect our intellectual property; failure of or disruption in our information technology infrastructure, including a disruption related to cybersecurity; our ability to identify, attract, retain, and develop a qualified global workforce; difficulties launching new vehicle programs; failure to achieve the anticipated savings and benefits from restructuring and product portfolio optimization actions; extraordinary events, including natural

disasters or extreme weather events, fires or similar catastrophic events, political disruptions, terrorist attacks, pandemics or other public health crises, and acts of war; risks related to our international operations; the impact of economic, political, social, and market conditions on our business in China; our reliance on a limited number of OEM customers; supply chain disruptions, including due to U.S. and foreign government action, work stoppages, production shutdowns, and similar events or conditions; governmental investigations and related proceedings regarding vehicle emissions standards, including the ongoing investigation into diesel defeat devices; current and future environmental and health and safety laws and regulations; the impact of climate change and regulations related to climate change; liabilities related to product warranties, litigation, and other claims; compliance with legislation, regulations, policies, investigations, and legal proceedings and new interpretations of existing rules and regulations; and other risks and uncertainties described in our reports filed from time to time with the Securities and Exchange Commission (SEC).

We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

This report and related information made available on or through our website does not cover all information about our business. The inclusion of information or references in this report should not be construed as a characterization regarding the materiality of such information to our business or financial results or that such information is necessarily material to investors or other stakeholders for purposes of federal, state, and local securities and other laws, regulations, and requirements.

Any goals, targets, and commitments presented or described in this report or made available on or through our website are aspirational and not guarantees or promises that such goals, targets, or commitments will be achieved. In addition, historical, current, and forward-looking information

included in this report may be based on standards, methodologies, and practices for measuring progress that are still being developed, internal controls and processes that continue to evolve, and assumptions that are subject to change. Accordingly, such historical, current, and forward-looking information, including goals, targets, and commitments and underlying assumptions and data, may be subject to modifications in future reports due to developing standards, methodologies, practices, laws and regulations, unknown events and circumstances, and changes to controls and processes.

Neither future distribution nor the continued availability of this report in archive form or otherwise on our website should be deemed to constitute an update or reaffirmation of this data as of any future date. Any future update will be provided only through a public disclosure indicating that fact.

Any reference to PHINIA's support of or its work, collaboration, or engagement with a third-party organization within this report does not constitute or imply an endorsement by PHINIA of any or all of the positions or activities of such organization.

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PERFORMANCE DATA TABLES

Environmental Metrics	2020	2021	2022	2023	2024
Total Greenhouse gas (GHG) emissions (mtCO_2e)	113,081	92,032	90,365	81,336	71,827
GHG Scope 1 emissions (metric ton CO_2e)	7,270	7,264	9,343	8,536	7,368
GHG Scope 2 emissions, market-based (mtCO_2e)	105,812	84,769	81,022	72,800	64,459
GHG Scope 2 emissions, location-based (mtCO_2e)	105,576	110,587	101,874	99,838	91,841
GHG intensity (metric tonsCO_2e/$M sales)		29	27	23	21
Total energy consumption (GWh)	320	343	332	316	302
Of which, grid electricity (GWh)	283	208	189	164	153
Of which, renewable energy (GWh)		96	105	117	118
Energy intensity (MWh/$M sales)		106	99	90	89
Total water use (kgal)					138,920

Health and Safety and ISO Certifications	2023	2024
Total Recordable Incident Rate (per 200,000 hours worked)	0.19	0.18
Lost Time Incident Rate (per 200,000 hours worked)	0.12	0.08
ISO 14001 environmental management-certified facilities (%)	100% of PHINIA manufacturing facilities that supply to an OEM are ISO 14001 certified	
ISO 45001 health and safety management-certified facilities (%)	100% of all PHINIA manufacturing facilities that supply to an OEM are certified to ISO 45001:2018	
Fatalities	0	0
IATF 16949/ISO 9001 quality management-certified facilities or in process of being certified	100% of PHINIA manufacturing facilities that supply to an OEM are IATF 16949/ISO 9001 certified.	

WORKFORCE DEMOGRAPHICS

Employees	2023	2024
Percentage of Women in Workforce (Global)		
Total workforce	35.3%	35.7%
Leadership[9]	17.2%	14.88%
Engineering	13.5%	12.9%
Salaried employees	25.2%	25.69%
Hourly employees	40.7%	41.71%
New hires	47.1%	48%
Percentage of Men in Workforce (Global)		
Total workforce	64.7%	64.30%
Leadership	82.8%	85.12%
Engineering	87.5%	87.1%
Salaried employees	74.8%	74.3%
Hourly employees	59.3%	58.3%
New hires	52.9%	52.0%
Employee Turnover		12.8%

[9] For purposes of this Appendix, "Leadership" includes employees serving in roles that are Director level and above.

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WORKFORCE DEMOGRAPHICS

Racial/Ethnic Diversity (U.S.)	2023	2024
Percentage of Workforce		
Asian (Not Hispanic or Latino)	8.80%	9.13%
Black or African American (Not Hispanic or Latino)	9.95%	9.57%
Hispanic or Latino	15.97%	17.83%
Two or More Races	1.16%	1.52%
White (Not Hispanic or Latino)	63.66%	61.96%
Other/not self-reported	0.46%	0%
Percentage by Employee Type		
Total workforce	32.50%	34.60%
Leadership	13.70%	18.00%
Engineering	39.70%	43.00%
Salaried employees	24.80%	27.90%
Hourly employees	56.90%	56.50%
New hires	21.70%	30.10%

WORKFORCE DEMOGRAPHICS

Employees by Age Group (Global)	2023	2024
19 and under	1.3%	0.9%
20-29	21.2%	19.8%
30-39	29.9%	29.4%
40-49	24.9%	25.8%
50-59	19.5%	20.6%
60 and over	3.1%	3.5%

Board of Directors	2023	2024
Board Diversity		
Percentage of Board members who are women and/or represent racial/ethnic diversity	42.8%	50%
Percentage of male Board members	71.4%	62.5%
Percentage of female Board members	28.6%	37.5%
Percentage of Board members who represent racial/ethnic diversity	28.6%	25%

SASB INDEX

Transportation Sector Auto Parts Industry Standard

Accounting Metric		Code	2024 Disclosure
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TR-AP-130a.1	(1) 302 GWh (2) 51% grid electricity (excluding renewable), (3) 39% renewable. For additional details regarding energy consumption and related information, see Facilities and Operations.
Waste Management	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	TR-AP-150a.1	Data generation is in process. For details regarding environmental-related strategies and initiatives specific to our facilities and operations, see Facilities and Operations.
Product Safety	Number of recalls issued; total units recalled	TR-AP-250a.1	Zero recalls issued of products from end users. For details regarding the policies and practices specific to the quality and safety of our products, see Product Quality and Safety.
Design for Fuel Efficiency	Revenue from products designed to increase fuel efficiency and/or reduce emissions	TR-AP-410a.1	Not reported. For details regarding our strategies and investments in fuel efficiency, see Product Engineering.
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TR-AP-440a.1	We describe the key risks and uncertainties affecting our business, including those relating to our supply chain and applicable raw materials, in the "Risk Factors" section of PHINIA's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (2024 Annual Report on Form 10-K), and other reports filed from time to time with the SEC. For details regarding our policies, processes, and expectations for our suppliers, see Supply Chain Responsibility.
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TR-1P-520a.1	None. Any material monetary losses resulting from legal proceedings would be reported in PHINIA's reports filed from time to time with the SEC.
Activity Metrics	Number of parts produced	TR-AP-000.A	PHINIA Fuel Systems OE sales included 52.2 million units, kits, and assemblies. PHINIA Aftermarket sales included 39.9 million units, kits, and assemblies.
	Weight of parts produced	TR-AP-000.B	Not reported.
	Area of manufacturing plants	TR-AP-000.C	237,908 m^2 of manufacturing and internal warehouse

TCFD INDEX

The below summary provides climate-related governance, strategy, risk management, and performance information aligned with the TCFD framework. For additional information regarding climate-related and other key risks and uncertainties affecting our business, see Item 1A, "Risk Factors" in our 2024 Annual Report on Form 10-K and other reports filed from time to time with the SEC.

We submitted our inaugural response to the annual CDP climate change questionnaire in September 2024, which provides further information on our climate-related governance, strategies, risk management, and performance.

TCFD INDEX

Governance	
Board Oversight	Our Board of Directors, through its Corporate Governance Committee, oversees our sustainability reporting and strategies and assessment of sustainability-related risks and opportunities, including those related to the impacts of climate change, evolving climate-related regulations and their mitigation, and other topics of significance to the Company, through periodic updates from members of the executive-level Sustainability Steering Committee and other senior leaders and stakeholders.
Management Oversight	Our Sustainability Steering Committee consists of senior executives responsible for overseeing strategies across key sustainability topics within our framework, including our Vice President of Operational Excellence, who oversees climate-related initiatives. The Sustainability Steering Committee provides periodic updates to the Strategy Board, consisting of our CEO and other executive leaders, on the work of the Sustainability Council, and its subject matter experts lead work groups focused on topics across our sustainability framework. The Strategy Board oversees our overall sustainability strategies and goals and provides resources to execute our initiatives.

Strategy	
Climate-Related Risks and Opportunities	We have identified the following climate-related risks and opportunities that may impact us over the short, medium, and long term.
	Industry risks: The global vehicle industry has been, and is largely expected to continue to be, focused on increased fuel efficiency and reduced emissions, including the development of hybrid and electric vehicles, primarily as a result of changing consumer preferences and increasingly stringent global regulatory requirements related to the impacts of climate change. In past years, electric vehicle use has increased, with some cities limiting access to, and a number of countries and jurisdictions implementing regulations that require a reduction or phase-out of sales of certain commercial and light combustion-powered vehicles, accelerating toward 2030 and beyond. While rates of growth of electric vehicle adoption and production have slowed in recent years compared to earlier expectations due to several factors, in particular lower than anticipated consumer acceptance, the regulatory landscape remains challenging. In the event that reductions or phase outs are ultimately required that would have an impact on production at OEMs and, in turn, sales of our products. We will continue to consider these trends and related shifts in the industry, including in the context of our product line, growth and innovation and development strategies.
	Physical risks: Extraordinary events, including natural disasters or extreme weather events (including those that may result from the impacts of climate change), fires or similar catastrophic events, political disruptions, terrorist attacks, pandemics or other public health crises, such as the COVID-19 pandemic, and acts of war have in the past and may in the future disrupt our business or operations, impact our supply chain and access to necessary raw materials, or adversely affect the global economy generally, resulting in a loss of sales and customers and an increase in costs. Any of these disruptions or other extraordinary events outside of our control that impact our operations or the operations of our suppliers or customers could have a future adverse effect on our business, financial condition and results of operations. In addition, these types of events could negatively impact consumer spending or result in changes in the demand for certain products and solutions in the impacted regions or globally, which could have an adverse effect on our business, financial condition and results of operations.
	Regulatory risks: The impacts of climate change continue to raise significant concern and attention worldwide, which has led to swift and stringent legislative and regulatory efforts to limit greenhouse gas emissions in certain jurisdictions in which we operate. Our manufacturing plants use energy, including electricity and natural gas, and certain of our plants that emit greenhouse gas may in the future be affected by these legislative and regulatory efforts. Greenhouse gas emissions regulations could increase the price of the electricity we purchase, increase costs for use of natural gas, potentially restrict access to or the use of natural gas, require us to purchase allowances to offset our own emissions or result in an overall increase in costs of raw materials, any one of which could increase our costs, reduce competitiveness in a global economy, impact our reputation, or otherwise negatively affect our business, financial condition and results of operations. Many of our customers and suppliers face similar risks. Supply disruptions relating to such regulations could result in increased costs, jeopardize the continuity of production, and have an adverse effect on our business, financial condition and results of operations. The physical and transitional impacts of climate change could also disrupt our operations, including by impacting the availability and cost of materials within our supply chain, and could also increase insurance and other operating costs. These factors may also impact our decisions to construct new facilities in certain geographic locations.

TCFD INDEX

Strategy

Impact on Strategy	PHINIA is committed to considering the potential risks and opportunities climate change may pose to our business. From time to time, we establish new strategies and set new expectations related to the impacts of climate change and other environmental matters, including evaluating ways to reduce the resource needs of our operations and the direct and indirect environmental impact of the supply, manufacturing, use, and disposal of our products. Our ability to achieve any such strategies or expectations is subject to numerous factors and conditions, many of which are outside of our control. Examples of such factors include, but are not limited to, evolving legal, regulatory, and other standards, processes, and assumptions; the pace of scientific and technological developments; increased costs; the availability of requisite financing; the availability of renewable energy sources; changes in carbon markets, government incentives and tax credits; and changes in general economic, financial and industry conditions. Failures or delays (whether actual or perceived) in achieving our strategies or expectations related to climate change and other environmental matters could adversely affect our business, financial condition, results of operations, and reputation and could increase the risk of litigation. Likewise, a failure to comply with any current or future climate, environmental and related reporting requirements, including those established by regulators in the U.S. and Europe, may result in loss of business, regulatory penalties, increased litigation risk and reputational damage.
Climate Resilience	Executive members of our Strategy Board and Sustainability Steering Committee and senior leaders within our Sustainability Council monitor changing regulatory requirements and other impacts to our business relating to climate change. We seek to balance operational efficiency with resilience through a diversified manufacturing and supplier base while meeting the needs of our customers.

Risk Management

	Our CEO, other executive leaders, and our Board of Directors are intent on managing and mitigating various risks to our business and financial performance, including relating to the impacts of climate change and other environmental risks. Such risk management topics are reviewed and discussed on a periodic basis with members of our Board of Directors, among our executive leaders, and across the entire organization through our sustainability governance structure. Consideration of such risks influences our business strategies, including in operating and investment decisions across our global footprint.

Metrics

Metrics	We track our Scope 1 and Scope 2 GHG emissions, energy use, and our relative efficiency performance.
Scope 1 and Scope 2 GHG emissions (2024)	Scope 1: 7,368 $mtCO_2e$ Scope 2: Location-based: 91,841 $mtCO_2e$ Market-based: 64,459 $mtCO_2e$

GRI INDEX

Global Reporting Initiative Standards

Statement of Use	PHINIA has reported the information cited in this GRI Index for the period January 1, 2024, to December 31, 2024, in reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Title	Disclosure Title	Location or Response
The Organization and Its Reporting Practices			
2-1	General Disclosures	Organizational details	PHINIA Inc. Auburn Hills, Michigan
2-2	General Disclosures	Entities included in the organization's sustainability reporting	Our Approach to Sustainability (page 10)
2-3	General Disclosures	Reporting period, frequency, and contact point	January 1, 2024, to December 31, 2024, Annual sustainability@phinia.com
2-4	General Disclosures	Restatements of information	Not Applicable
2-5	General Disclosures	External assurance	Not Applicable
Activities and Workers			
2-6	General Disclosures	Activities, value chain, and other business relationships	Who We are (page 3) Supply Chain Responsibility (page 62)
2-7	General Disclosures	Employees	Who We Are (page 3) 2024 Annual Report on Form 10-K
2-8	General Disclosures	Workers who are not employees	2024 Annual Report on Form 10-K
2-9	General Disclosures	Governance structure and composition	Sustainability Governance (page 56) 2025 Proxy Statement Corporate Governance Board Directors

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2-10	General Disclosures	Nomination and selection of the highest governance body	2025 Proxy Statement Corporate Governance Guidelines Corporate Governance Committee Charter
2-11	General Disclosures	Chair of the highest governance body	2025 Proxy Statement Board of Directors
2-12	General Disclosures	Role of the highest governance body in overseeing the management of impacts	Our Approach to Sustainability (page 10) 2025 Proxy Statement Corporate Governance Guidelines and Committee Charters
2-13	General Disclosures	Delegation of responsibility for managing impacts	Our Approach to Sustainability (page 10) 2025 Proxy Statement Corporate Governance
2-14	General Disclosures	Role of the highest governance body in sustainability reporting	Our Approach to Sustainability (page 10) 2025 Proxy Statement
2-15	General Disclosures	Conflicts of interest	Code of Ethical Conduct 2025 Proxy Statement
2-16	General Disclosures	Communication of critical concerns	Ethics, Integrity, and Compliance (page 57) Compliance Hotline and Procedures (page 60) Code of Ethical Conduct 2025 Proxy Statement
2-17	General Disclosures	Collective knowledge of the highest governance body	2025 Proxy Statement
2-18	General Disclosures	Evaluation of the performance of the highest governance body	2025 Proxy Statement
2-19	General Disclosures	Remuneration policies	2025 Proxy Statement
2-20	General Disclosures	Process to determine remuneration	2025 Proxy Statement
2-21	General Disclosures	Annual total compensation ratio	2025 Proxy Statement

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Strategy, Policies, and Practices

2-22	General Disclosures	Statement on sustainable development strategy	Product Engineering (page 14)
2-23	General Disclosures	Policy commitments	Ethics, Integrity, and Compliance (page 57) Code of Ethical Conduct Supply Chain Responsibility Supply Chain Due Diligence Statement Respect and Dignity
2-24	General Disclosures	Embedding policy commitments	Ethics, Integrity, and Compliance (page 57)
2-25	General Disclosures	Process to remediate negative impacts	Ethics, Integrity, and Compliance (page 57) Code of Ethical Conduct
2-26	General Disclosures	Mechanisms for seeking advice and raising concerns	Ethics, Integrity, and Compliance (page 57) Compliance Hotline and Procedures (page 60) Code of Ethical Conduct 2025 Proxy Statement
2-27	General Disclosures	Compliance with laws and regulations	2024 Annual Report on Form 10-K
2-28	General Disclosures	Membership of associations	Our Approach to Sustainability

Stakeholder Engagement

2-29	General Disclosures	Approach to stakeholder engagement	Our Approach to Sustainability (page 10) 2025 Proxy Statement
2-30	General Disclosures	Collective bargaining agreements	Our Employees (page 38)

PHINIA

2024 Sustainability Report

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If you have any questions regarding
the Sustainability Report, please
contact the Sustainability Team
at sustainability@phinia.com.