



SUSTAINABILITY REPORT 2021

PUBLISHED JUNE 2022

110 YEARS

ABOUT THIS REPORT

The Gates 2021 sustainability report highlights our sustainability efforts and associated economic, environmental and social impacts. It is the fourth sustainability report published by the company overall and was developed in accordance with the GRI Standards 2018 Core option. Our previous report was published in 2020, aligned with our annual reporting cycle.

The 2021 sustainability report summarizes sustainability activities and performance metrics for fiscal year 2021 (January 2, 2021 – January 1, 2022). All information has been presented at the global level unless otherwise noted. Information related to operational or organizational changes may be found in our **2021 Annual Report and 2021 Proxy Statement**. Any restatements of information from previous reporting periods are noted in the report or in the GRI content index.

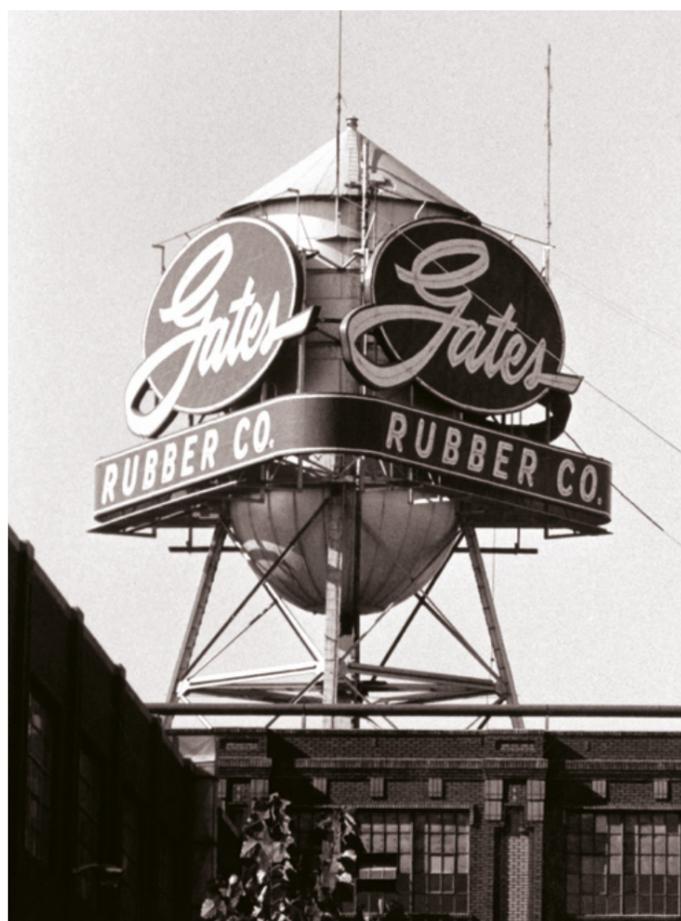
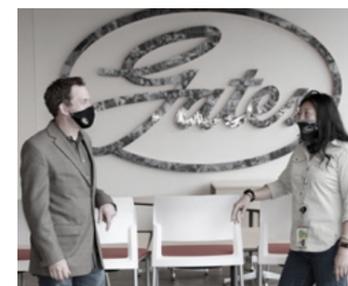


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GATES



LETTER FROM THE CEO

Over the past 110 years, Gates has been a pivotal player in providing power transmission, fluid power and fluid conveyance solutions to improve the reliability, safety and sustainability of industrial and transportation applications across a wide range of industries. In 2021, we made substantial progress on continuing this legacy in collaboration with each of our stakeholder groups: employees, communities, customers and shareholders.

Our employees continued to demonstrate our core values of Dedication, Tenacity, Accountability, Curiosity and Collaboration as we worked together to manage through another year full of challenges and new opportunities. We work hard each and every day to foster a culture where the safety of our employees is our top priority and where we welcome diversity of thought as a foundation for innovation. I am also very proud to see examples almost every day of how our employees personally engage and give back, whether it is

supporting Science, Technology, Engineering and Mathematics (STEM) education at a local school, helping clean up after a natural disaster or volunteering with charities in our communities.

We remain dedicated to delivering product solutions that are clean, quiet, safe, reliable and efficient in support of our customers' sustainability objectives. As we develop and launch new products such as our ThermalPro Electric Water Pump for electric vehicle thermal management or our next generation of clean, quiet and efficient synchronous belts that are enabling the electrification of micro-mobility, we do so with a clear focus on improving not only the sustainability of our products and operations but also those of our customers. Finally, for our shareholders, we recognize that the attractiveness of our business is based not only on our financial results but also on the progress we make on our sustainability efforts.

In 2020 we established our **GTES** framework to provide focus for these Sustainability efforts. It all starts with **Governance**. From our Board of Directors to the teams in each of our facilities, we hold each other accountable for delivering meaningful improvements across our sustainability metrics. **Technology** and innovation serve as the foundation for many of our environmental sustainability improvements. We coined the term Eco-Innovation to describe the approach we take when developing new products; we focus on using less material to achieve similar or better performance, seek to replace chemicals of concern with alternatives and source them from local suppliers to shorten supply chains and reduce the associated impact of moving materials and products around the world. In further support of our **Environmental** standards, we are continuously innovating our manufacturing processes to reduce scrap and waste, water and energy consumption and greenhouse gas generation, all while relentlessly ensuring that we keep our employees safe.

Finally, we are active **Stewards** for our employees as they develop their careers and for the communities in which we operate and live.

By continuing to demonstrate integrity in all that we do, we honor our history and confidently move forward on our journey of increasing sustainability and the related benefits for our employees, communities, customers and shareholders. In the following pages, we discuss the strides Gates has made thus far and the ambitious plans we have for 2022 and beyond.

Sincerely,

Ivo Jurek
CEO
Gates

“We remain dedicated to delivering product solutions that are clean, quiet, safe, reliable and efficient in support of our customers' sustainability objectives.”

Ivo Jurek
CEO
Gates



LETTER FROM OUR EXECUTIVE SUSTAINABILITY SPONSOR

I am both humbled and honored to serve as Gates Executive Sponsor for Sustainability, a role for which I have a great deal of passion and where I believe I can have a meaningful impact for each of the stakeholder groups Ivo described in his letter.

I am a strong believer in the ability for technology and innovation to help us deliver on our objectives. Eco-Innovation is not just a marketing term, it serves as a guiding light for our commercial, product, technical, operations and sourcing teams as we think about where we can have the biggest impact for our company and for our customers. We look closely at our customers' application requirements, advanced materials, product design and process engineering to ensure we deliver industry leading product performance with reduced environmental impact. Since 2016 we have delivered over 30 new product platforms based on these principals.

Rochester Hills, MI

But the Innovation that is core to the DNA of Gates goes beyond the products and services we deliver to our customers. We are also innovating for our employees with a holistic benefits and wellness program we call Gates GoodLife as well as our contemporary eExplore Leadership Training series that brings the latest business insights and direct experience of our leadership teams to our front line employees. For our investors, we host investor days with product showcases to give these key stakeholders an opportunity to experience first-hand our innovations ranging from the latest fluid power products to our thermal management solutions for vehicles as well as our mobility drivetrain solutions. These are just a few of the examples of where we are having an impact by doing things differently, by leveraging the entrepreneurial spirit that has built Gates to what it is today, and which will power Gates forward for many years to come.

Sincerely,

Tom Pitstick
CMO and Senior VP
of Strategic Planning

WE ARE GATES

In 2021, Gates celebrated 110 years of operation. Our history began in 1911 when Charles C. Gates purchased the Colorado Tire and Leather Company located in Denver, Colorado. A few years later, Gates invented the V-belt, which revolutionized power transmission. This marked the beginning of countless innovations in Power Transmission and Fluid Power that have impacted virtually every industry. A lot has changed over the last century, but one thing hasn't: we remain dedicated to moving the world forward.

Today, Gates Corporation is a leading designer, manufacturer and marketer of highly engineered, mission-critical products across two primary segments: Power Transmission and Fluid Power. Our business is **Driven by Possibility™** and our continuous investment in innovation has enabled us to become an industry leader. All of our products are proudly sold under the widely recognized Gates brand in all the geographies and end markets we serve.



OUR MISSION

Gates strives to be the best fluid power and power transmission company in the world, providing products, services and solutions that drive endless possibilities for our customers.

OUR VISION

Continually push the boundaries of materials science to advance the way the world moves.

CORE VALUES



ACCOUNTABILITY

Reputations aren't made overnight. Over the last 110 years, we've built ours with integrity, a strong sense of personal responsibility and dedication to working safely.



COLLABORATION

Partnership with our customers, suppliers, distributors and fellow employees is key to our success. We embrace inclusion and the diversity of our people while working to ensure that every voice within the organization is heard.



CURIOSITY

We are continually observing the world and asking, "What's next?" We pursue the answers that improve our world.



DEDICATION

Every product and decision we make reflects our unwavering commitment to safety, environmental sustainability and quality.



TENACITY

Excellent performance requires optimism, focus and the determination to follow through.



GATES IS THERE

AT PLAY

-  Bicycle
-  Power Sports
-  Gaming
-  Recreation

IN MOTION

-  Automobile
-  Rail
-  Trucking
-  eBike
-  Motorcycle

AT HOME

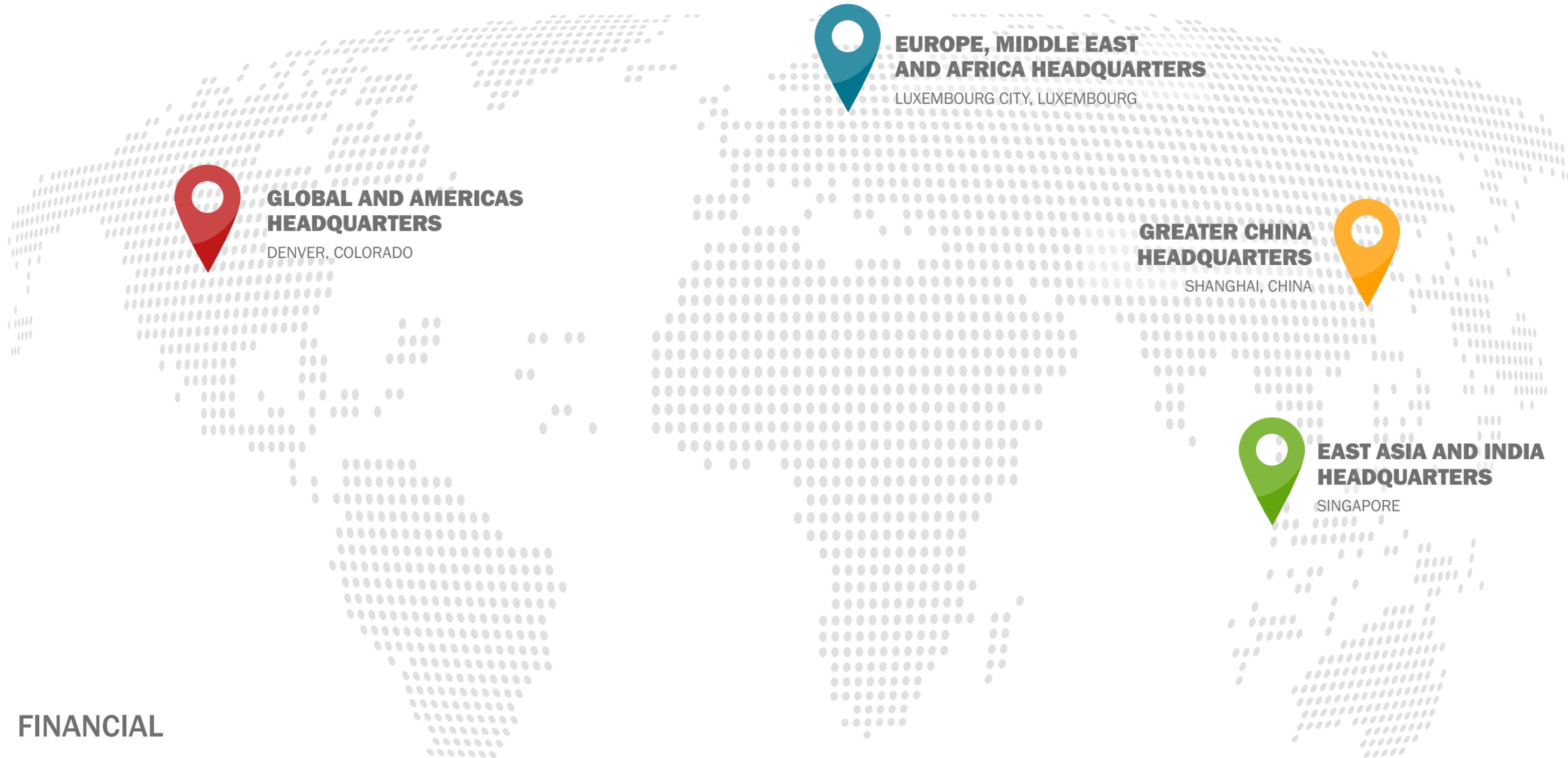
-  Large Appliance
-  Printer
-  Door Automation
-  Vacuum
-  Power Tool
-  Lawn and garden
-  Camera
-  Small Appliance

IN THE FACTORY

-  Robotics
-  Elevator
-  Vending
-  Lift
-  Fan/Blower
-  Forklift
-  Conveyance

IN THE FIELD

-  Wind Turbine
-  Mining
-  Infrastructure
-  Harvester
-  Refinery
-  Bulldozer
-  Bucket Loader
-  Silo
-  Drilling
-  Excavator
-  Tractor



GLOBAL AND AMERICAS HEADQUARTERS

DENVER, COLORADO



EUROPE, MIDDLE EAST AND AFRICA HEADQUARTERS

LUXEMBOURG CITY, LUXEMBOURG



GREATER CHINA HEADQUARTERS

SHANGHAI, CHINA



EAST ASIA AND INDIA HEADQUARTERS

SINGAPORE

FINANCIAL

Ticker Symbol

GATES

New York Stock Exchanges (NYSE)

\$3.5B
2021 SALES

15,000+
EMPLOYEES

30
COUNTRIES

120+
LOCATIONS

ENGAGING WITH STAKEHOLDERS

At Gates, we serve a diverse community of stakeholders across the globe. Through direct interaction with them, we garner insights into their unique perspectives. These stakeholder engagements help us better understand the positive benefits that result from our sustainability investments, while also demonstrating potential ESG opportunities. These efforts also highlight issues that might pose risks that result in negative financial or ESG impacts.

STAKEHOLDER ENGAGEMENT APPROACH

Beginning in 2021, Gates embarked on a materiality assessment involving an independent third-party consulting firm. The methodology included identifying topics of priority for Gates, benchmarking stakeholder needs and ranking issues by short-and long-term strategic importance to the company. Additionally, the internal sustainability team collaborated with business leaders to create a dedicated steering committee that engaged different organizational departments to provide a holistic perspective around the selected categories.

The identified sustainability priorities will dictate the frequency by which stakeholders will be engaged, noting that regular communication enhances awareness of issues of concern for stakeholders and impacts the business within an increasingly dynamic landscape.

The materiality assessment was conducted primarily to inform strategic corporate and sustainability priorities. Our leadership is in the process of evaluating the results identified by the findings. We foresee decisions arising from this assessment playing an important role in future sustainability reports and the overall strategic path forward at Gates.

STAKEHOLDER ENGAGEMENT METHODS INCLUDE:

- Leadership interviews
- Internal employee surveys
- External sustainability surveys from ratings agencies

IMPORTANT ISSUES

Through the process of creating this report, Gates identified key areas of importance. We are conducting further benchmarking, monitoring and evaluations informing our approach to addressing these topics.



ENERGY



WATER



AIR



WASTE



RISK MITIGATION & COMPLIANCE



INNOVATION



HEALTH & SAFETY



DIVERSITY, EQUITY & INCLUSION



ECONOMIC PERFORMANCE



GOVERNANCE AND STRUCTURE

ADVANCING UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The 2021 Gates Sustainability Report dives deeper into the connections between our work and the **United Nations Sustainable Development Goals** (UN SDGs). Great efforts were made to align applicable Sustainable Development Goals to our GATES sustainability framework. For target level alignment, please refer to the UN SDG index found in the annex section of the report. As we continue on our sustainability path, additional avenues for further commitment will be explored.



GOVERNANCE

Integrity is at the core of our work, which supports and guides our policies while providing transparency, oversight, and assurance of an ethical approach in line with global standards.

- Corporate Governance
- Compliance Commitment
- Compliance Awareness Program
- Ethical Sourcing



Peace, Justice and Strong Institutions

We are committed to doing business responsibly and transparently through established policies and communicating our progress through sustainability reporting.

TECHNOLOGY

We are pushing the boundaries of material science to make products more sustainable, less resource intensive, and more durable. It remains an integral factor in our continued success. Advancing our technology is done in the areas of:

- Gates Eco-Innovation System
- Life-cycle Management
- Digital Transformation



Industry, Innovation and Infrastructure

We are leading market advancements with lighter-weight, flexible, efficient, less resource intensive solutions.



Responsible Consumption and Production

We are focused on minimizing our ecological footprint by manufacturing more eco-innovative products.

ENVIRONMENT

Keeping the environment clean, healthy and thriving for future generations is important to us.

- Greenhouse Gas (GHG) Emissions
- Energy Conservation and Consumption
- Water Conservation and Consumption
- Waste Minimization and Recycling



Clean Water and Sanitation

We engineer processes that are water efficient, enabling us to decrease water consumption.



Affordable and Clean Energy

We contribute to the creation of energy efficient and clean solutions that minimize Greenhouse Gas emissions.



Climate Action

We continuously improve the energy efficiency of our global operations in an effort to combat climate change risks and its impacts.



Life Below Water

We are advancing the research and development of solutions that utilize materials which promote the preservation of marine life.



Life on Land

We support projects and activities that protect our ecosystems and promote biodiversity.

STEWARDSHIP

The health, safety, and wellbeing of our employees is paramount to our success and embodied in all aspects of the business. We are not just an employer across the global communities in which we operate; we live in these communities and believe it is our responsibility to give back. Our stewardship priorities include:

- Health and Safety
- Labor Relations
- Employee Training
- Employee Wellbeing
- Diversity, Equity and Inclusion
- Community Engagement



Good Health and Well-Being

We protect the health and safety of our employees through health coverage, promotion of holistic wellbeing and safe work procedures.



Gender Equality

We champion women by ensuring female representation in leadership roles as well as through mentoring and coaching programs that aid the career advancement of our female employees.



Reduced Inequalities

We amplify the voices of underrepresented groups to help promote their inclusion in decision making.



Sustainable Communities

As a global business, we recognize the importance of helping to build, serve, empower and improve the communities in which we do business and seek ways to have an impact outside of our four walls.

ADVANCING ESG INITIATIVES

SUSTAINABLY ADVANCING THE WAY THE WORLD MOVES

**GLOBALLY FOCUSED,
LOCALLY IMPLEMENTED.**

We believe in **doing business the right way.** Our sustainability efforts are rooted in our ongoing **commitment** to our stakeholders and the environments in which we work and live.



GOVERNANCE

Conduct business with integrity and maintain ethical and comprehensive corporate oversight

TECHNOLOGY

Engineer products and processes that push the boundaries of innovation

ENVIRONMENT

Continuously improve the environmental sustainability of our products and operations

STEWARDSHIP

Empower and enhance the experience of our employees and communities

2021 AT A GLANCE

SUSTAINABILITY HIGHLIGHTS

GOVERNANCE

44% WOMEN DIRECTORS 

8 OUT OF 9 INDEPENDENT DIRECTORS

>75% OF TOTAL SPEND SOURCED IN-REGION/
FOR-REGION



SUPPLY CHAIN TRANSPARENCY
(NEW POLICY FOR 2021)

TECHNOLOGY

30+ PRODUCT PLATFORMS LAUNCHED SINCE 2016

2500+ PATENTS**

3200+ TRADEMARKS** 

ENVIRONMENT*

-9% ENERGY REDUCTION 

-17% GHG EMISSIONS REDUCTION
(SCOPE 1 AND 2)

-11% TOTAL WASTE REDUCTION 

-17% WATER CONSUMPTION 

+37% WASTE DIVERTED FROM LANDFILL

STEWARDSHIP

CHARITABLE CONTRIBUTIONS TO 160+ ORGANIZATIONS
IN THE UNITED STATES 

16 SITES WITH OVER 2M HOURS WORKED WITHOUT LOST TIME

4000+ PROFESSIONALS SPANNING 21 COUNTRIES AND **71 GATES LOCATIONS** HAVE PARTICIPATED IN GLOBAL MENTORING SINCE 2016

* Metrics reported relative to 2019 and Indexed to sales

** Patents and trademarks as of January 2022

GOVERNANCE



CORPORATE GOVERNANCE

An integrity-first approach guides every level of decision-making at Gates. This is particularly important given the ongoing COVID-19 pandemic, which has had far-reaching global economic and societal implications. Leadership at the highest level has worked tirelessly to manage dynamic social, environmental, economic and geopolitical factors that may impact the long-term interests of our employees, customers, communities and shareholders. Throughout the pandemic, Directors have received routine briefings and had ongoing discussions with management related to the company's COVID-19 response.

Our Board of Directors contributes to aligning the sustainability work at Gates with company values. They uphold our commitment to ethics and mitigating risk exposure so we can emerge stronger and hardened by challenges faced in difficult times. They help to ensure that our well-tested business model, built around critically important products, can continue to drive success well into the future.

44%
WOMEN
Directors

56
AVERAGE
Director Age

15
COMMITTEE
Meetings

6
BOARD
Meetings

8 OUT OF 9
INDEPENDENT
Directors

100%
MEETING
Attendance

STRENGTH IN GOVERNANCE

The majority of voting power of our ordinary shares is held by The Blackstone Group. As a result, Gates is considered a 'controlled company' under the New York Stock Exchange (NYSE) corporate governance standards.

As a 'controlled company,' Gates is exempt from certain independence requirements, such as having a majority of independent directors. However, the Board believes that independent leadership is important.

Since 2020, the majority of our Board of Directors has consisted of independent directors under the NYSE listing standards. The lone exception is Mr. Ivo Jurek, who is the Chief Executive Officer at Gates.

Beginning in 2021, the entire Compensation Committee and Nominating and Governance Committee has consisted entirely of independent directors.

Our Board is made up of nine members, four of whom are women. The average tenure on the board is three years. Since the initial public offering in 2018, five new members have been added.

Gates operations span a diversity of geographies and cultures. Global knowledge and experience is extremely important to us. Our Directors have lived all over the world, including Asia, Africa, North America and Europe, and bring their unique views.

CURRENT BOARD OF DIRECTORS



NEIL P. SIMPKINS
Chairman of the Board
Executive Advisor to
Blackstone



IVO JUREK
Chief Executive Officer
Gates Industrial Corporation plc



JAMES IRELAND III
Retired President &
Chief Executive Officer
General Electric Africa



JULIA C. KAHR
Partner,
Head of North America
Cinven



TERRY KLEBE
Retired Senior Vice President
& Chief Financial Officer
Cooper Industries plc



STEPHANIE MAINS
Chief Executive Officer
LSC Communications-MCL



WILSON NEELY
Retired Partner
Simpson Thacher & Bartlett LLP



ALICIA TILLMAN
Global Chief
Marketing Officer
Capitolis



MOLLY P. ZHANG
Retired Vice President
Asset Management
Orica Ltd.

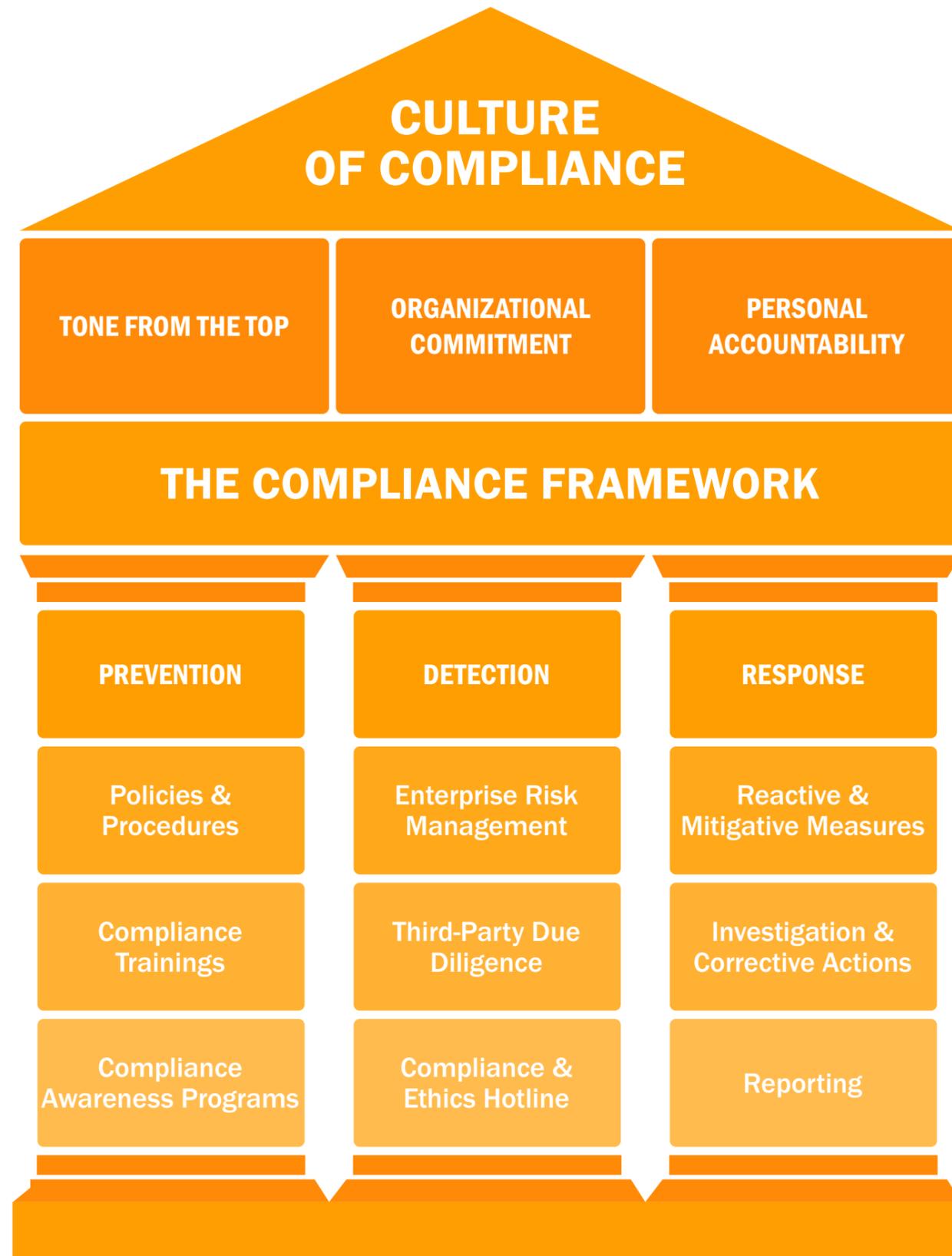
COMPLIANCE COMMITMENT

Creating a high-integrity culture requires a consistent approach that establishes compliance as a minimum condition for business success. To support our compliance commitment, our Legal Compliance Team drafts and maintains corporate policies, oversees internal investigations, trains on compliance matters and conducts third-party due diligence. The Legal Compliance Team interfaces with our Senior Executive Team to drive compliance from the top down, while also ensuring that employees understand their roles from the bottom up. Gates continuously monitors compliance regulations and compliance enforcement trends in order to build upon our existing program.

Gates employees and certain third-parties receive training in the following areas:

		
Corporate Governance Guidelines	Code of Business Conduct and Ethics	Human Rights Policy
		
Whistleblower Policy	Modern Slavery Act Statement	Anti-Corruption Policy
		
Health, Safety and the Environment (HSE) Policy	Anti-Harassment and Discrimination Policy	Conflict of Interest Policy

All our policies are available at: [Gates.com](https://www.gates.com)





COMPLIANCE AWARENESS PROGRAM

During our employees' daily business activities, it is vital for work to be conducted in alignment with our core values and with consideration for compliance risk management. To aid this process, we launched the "Code On The Go" (COTG) page in our iPower Community platform. The COTG program was piloted in East Asia and India, with plans to roll it out to the global community in 2022.

THE CODE ON THE GO PAGE

Searching policy content can be time consuming if you don't know where to look. COTG helped solve this issue by making important policy content such as our Code of Business Conduct and Ethics more accessible through a mobile-friendly web page. With COTG, employees have access to all global policies, FAQs and case studies.



We empower employees to share real-life business compliance scenarios they encounter without any risk or consequences. The Ethics and Compliance Hotline provides an added safe space in which to report activities that are not in alignment with our core values, policies and regulations. All incidents are taken seriously, robustly investigated and remediated according to our standard protocols.

Gates Legal Compliance team in Denver

ETHICAL SOURCING

A commitment to doing business with integrity extends to the way Gates sources raw materials. We also encourage our suppliers and contractors to share in this commitment. By providing tools and resources to decision makers we help them make choices in compliance with responsible sourcing processes, especially in conflict-affected and high-risk areas. It also assists in the way we approach the Conflict Minerals disclosure through the Conflict Minerals Reporting Template (CMRT), as well as the reasonable country of origin inquiry and due diligence process.

In addition, our Supplier Code of Conduct, Human Rights Policy and Modern Slavery Act Statement provide another layer of assurance that co-manufacturers and independent suppliers are committed to ethical business practices that meet our expectations. All standard purchasing agreements require suppliers to comply with applicable laws and the Supplier Code of Conduct.

The UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights and the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work shape the way we practice sourcing. Gates does not purchase goods or services from any supplier found to engage in human rights violations, including trafficking or the use of slave labor.

More details about our supplier requirements and anti-corruption approaches can be found in the [Supplier Section](#) of our website.



SUPPLY CHAIN HIGHLIGHTS AT GATES

Our supply chain plays an integral role in advancing our mission and our ability to deliver products that are safe, innovative and meet the requirements of our customers around the world.

>75% TOTAL SPEND
SOURCED IN-REGION/FOR-REGION



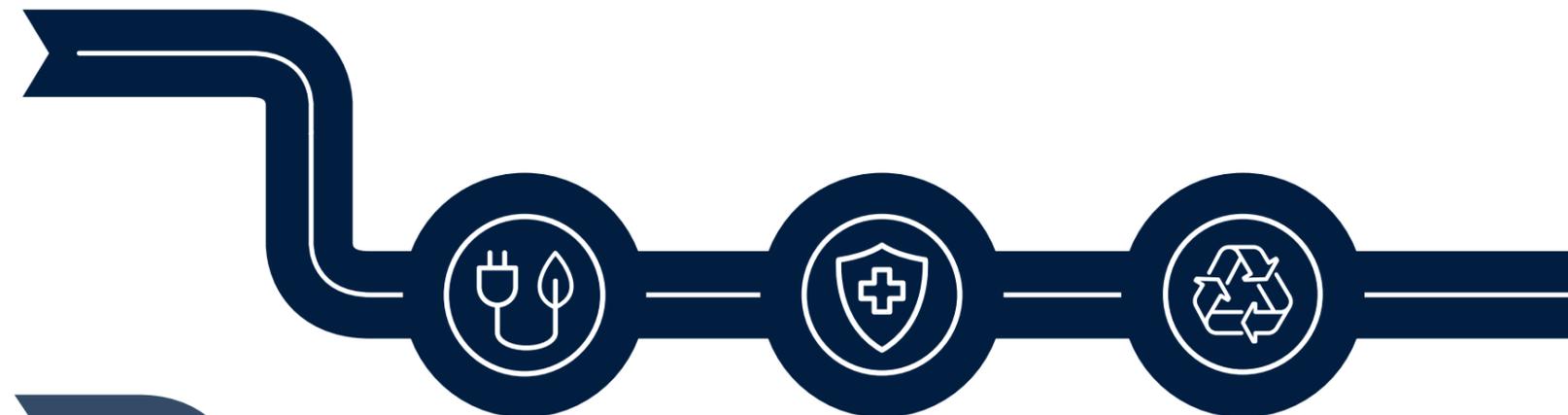
TECHNOLOGY



GATES ECO-INNOVATION SYSTEM

Gates is constantly pushing the boundaries of product advancement. We innovate across three primary areas: materials science, process engineering and product engineering. Together, these three areas are truly more than the sum of their parts. This innovation process delivers high quality products that meet the stringent needs of mission-critical applications. Furthermore, our new products are more durable and environmentally conscious than legacy products. Through innovation, we seek to substitute chemicals of concern and develop ways of using less material while minimizing the ecological footprint throughout the product life cycle.

PROCESS ENGINEERING



EFFICIENT

SAFE

REDUCED WASTE

PRODUCT ENGINEERING

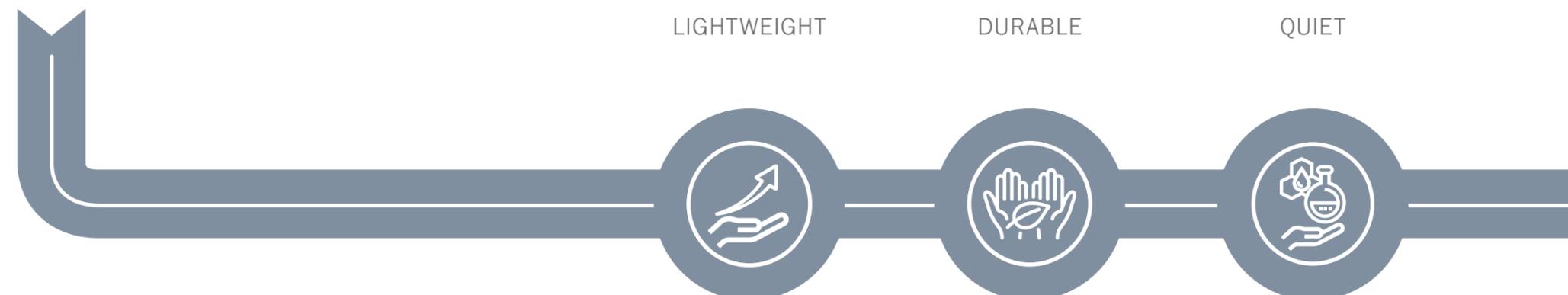


LIGHTWEIGHT

DURABLE

QUIET

MATERIALS SCIENCE

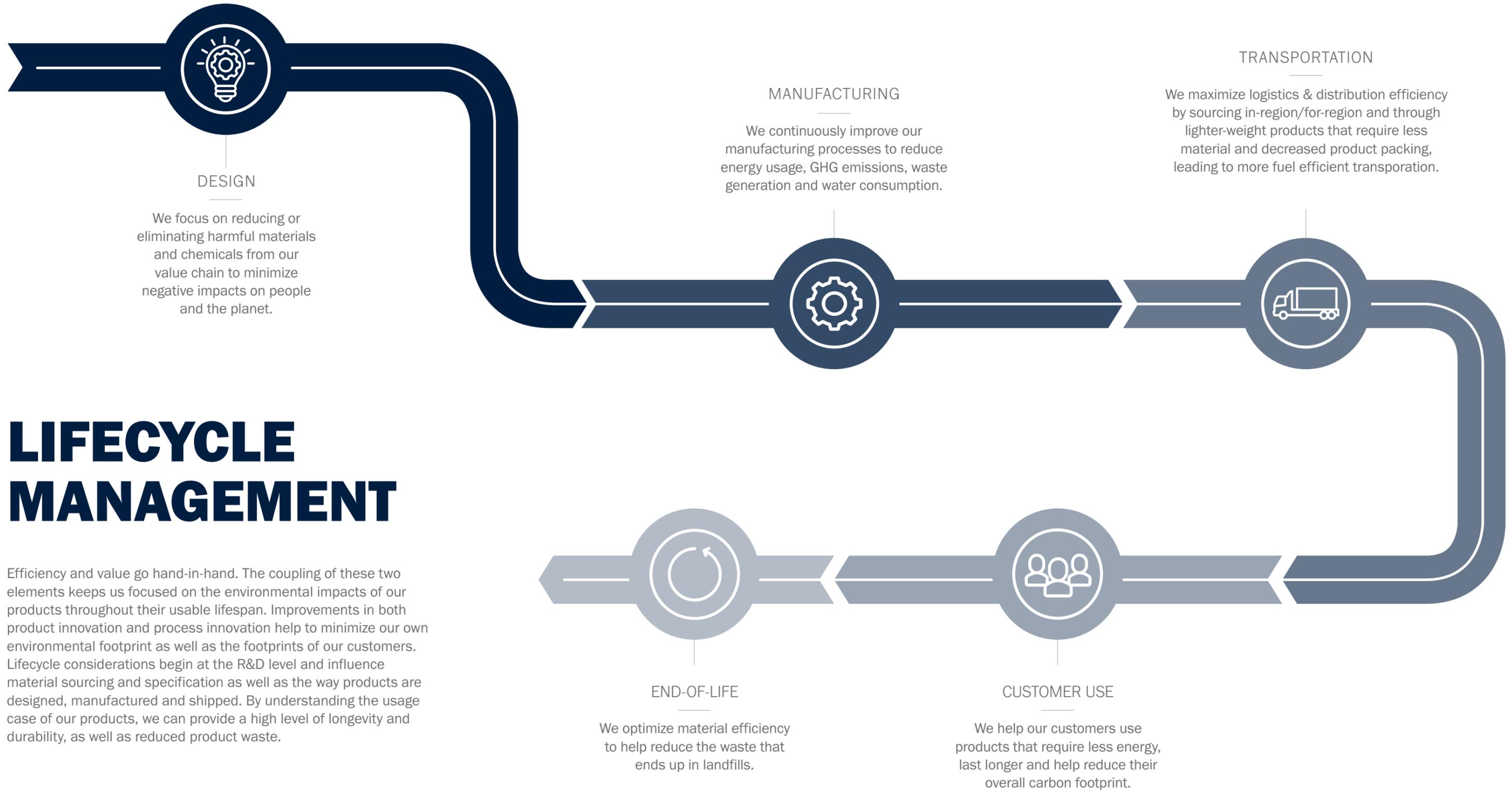


HIGH-PERFORMANCE

ECO-CONSCIOUS

INNOVATIVE

“**GATES PRODUCTS**
use less material while
achieving higher
performance.”



LIFECYCLE MANAGEMENT

Efficiency and value go hand-in-hand. The coupling of these two elements keeps us focused on the environmental impacts of our products throughout their usable lifespan. Improvements in both product innovation and process innovation help to minimize our own environmental footprint as well as the footprints of our customers. Lifecycle considerations begin at the R&D level and influence material sourcing and specification as well as the way products are designed, manufactured and shipped. By understanding the usage case of our products, we can provide a high level of longevity and durability, as well as reduced product waste.

INTELLECTUAL PROPERTY

In 2021, **GATES** was granted

218 new patents

worldwide, while filing

172 patent applications.

New patents by geography

- | | | |
|--------------------------------|-------------------|----------------------|
| 7 Australia | 18 France | 13 Korea |
| 20 Brazil | 22 Germany | 1 Malaysia |
| 14 Canada | 16 India | 1 Mexico |
| 11 China | 1 Italy | 2 Netherlands |
| 22 EP (European Patent) | 15 Japan | 2 Portugal |



Wall of Innovation
Customer Solutions Center

2500+
PATENTS*

3200+
TRADEMARKS*

30+ product
platforms
LAUNCHED SINCE 2016

New patent applications by geography

- 3** Russia
- 1** Switzerland
- 1** Taiwan
- 7** Thailand
- 19** UK
- 22** USA

- | | | |
|---------------------|------------------|--------------------|
| 10 Australia | 19 Europe | 10 Mexico |
| 16 Brazil | 19 India | 7 PCT |
| 12 Canada | 13 Japan | 3 Taiwan |
| 17 China | 11 Korea | 16 Thailand |
| | | 19 US |

* As of January 2022

ECO- INNOVATION IN ACTION

PARTNERSHIPS IN MOBILITY

Commitment to our customers and partners is a top priority at Gates. We value and appreciate the trust and confidence our customers have in us to help them realize their ambitious goals and bring them to fruition. As the population of the planet grows, finding more sustainable and affordable modes of transportation is even more critical.

“**Electrification** of vehicles, whether cars and trucks, or shorter-range vehicles like scooters and motorcycles, has the **potential** to help reduce our dependence on fossil fuels and move us towards a more **sustainable** future.”

Ryan Osborn
Application Engineer,
LEV/Fitness - Mobility

eSCOOTER

Our partnership with Gogoro has helped to accelerate the sustainable future of urban transportation. We co-developed Flo Drive™, a vehicle drivetrain system using Gates Carbon Drive™, which provides Gogoro with the most powerful, connected and efficient electric two-wheel power system on the market.

eMOTORCYCLE

Our partnership with Zero Motorcycles® resulted in the design and creation of a high-speed, rapid-charging, quiet, low-to-no maintenance motorcycle.

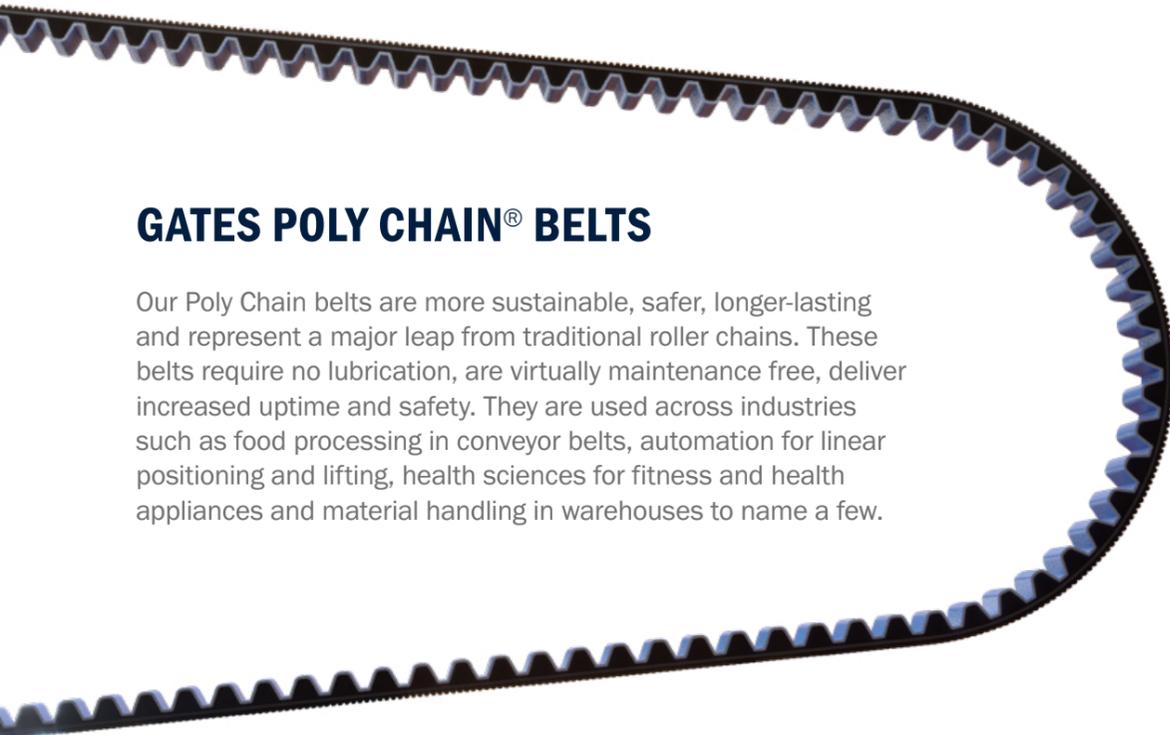
eBIKE

Riese & Müller, a company that has firmly embedded sustainability into its corporate strategy since 2018, is using the Gates Carbon Drive Belts because of the low maintenance and three-times longer durability compared to a normal chain.

EXPANDING POWER TRANSMISSION AND THERMAL MANAGEMENT

GATES POLY CHAIN® BELTS

Our Poly Chain belts are more sustainable, safer, longer-lasting and represent a major leap from traditional roller chains. These belts require no lubrication, are virtually maintenance free, deliver increased uptime and safety. They are used across industries such as food processing in conveyor belts, automation for linear positioning and lifting, health sciences for fitness and health appliances and material handling in warehouses to name a few.



THERMALPRO™ ELECTRIC WATER PUMP

Our next-generation electric water pumps (EWP) improve the efficiency, reliability and performance of hybrid and electric vehicle platforms. The ThermalPro electric water pump is the first generation of design to use axial flux motor technology and a dry rotor. The axial flux design is 25% more efficient than typical radial flux motors, which are the current industry standard. This modular platform is a culmination of significant investments in electronics, software, motor design and computational fluid dynamics.



At Gates, we've been anticipating and investing in the exciting new market opportunity presented by the global shift to electrified transportation. Whether it's building out our extensive catalog of products for over 1,500 applications across 30 electric vehicle models, or developing advanced thermal management technologies to enable improved performance and efficiency of these highly complex systems, we are dedicated to maintaining our leadership position in both aftermarket and OEM applications.

Tom Pitstick
Chief Marketing Officer and Senior Vice President of Strategic Planning



First Production ThermalPro EWP from the Windsor, Ontario, Plant

ADVANCING FLUID POWER

MXT™ HOSE PAYING DIVIDENDS

In 2018, we developed and patented the MXT hose family. Since then, more than 20 million meters of hose has been sold to our customers. Demand for MXT is driven by its 3x durability in a flexible and lightweight construction.

VALUE FOR GATES:

- MXT is more efficient to produce, equating to savings of 164 MWh of energy per year.
- MXT uses less raw material, enabling Gates to reduce material consumption by over 1,000,000 kg versus legacy hose production. Less material also means less processing time and energy to produce products, and less fuel to ship those products from our manufacturing plants to customers.

VALUE FOR OUR CUSTOMERS:

Performance:

- MXT is tested to 600,000 impulse cycles, 3 times the industry standard, leading to reduced downtime and lower replacement costs.
- MXT is 20-30% lighter weight, for improved equipment responsiveness and fuel efficiency.

“In tunneling equipment, space is at a **premium**. The smaller, lighter and **more compact** the hose content, the better. There is a night and day difference between the new **MXG 5K** and the old, heavy, stiff hose we used [before].”

AI Tenbusch
Tenbusch Incorporated

Ergonomics:

- MXT is lighter weight than legacy hoses, for improved ergonomics when handling and moving hoses.
- MXT is 40% more flexible than legacy hoses, so it is easier to install in both OEM and replacement applications.
- MXT is easier to route in congested hydraulic systems because it is more compact (i.e., smaller outer diameter) than legacy hoses.

Cost Savings:

- Distributors ship hose to end users, so the weight savings from MXT also means they are reducing energy required for transportation and reducing shipping expenses.

MXG™ 5K

In 2021, Gates extended our MXG family to include the 5000 psi pressure range. One of our early adopters was Tenbusch, a premium US manufacturer of underground tunneling equipment used in heavy infrastructure projects. MXG 5K hoses proved essential for new tunneling machine to install underground pipes in and around Manhattan, NY. The application required high-pressure hoses, but the space available for routing was very small. The legacy hoses were too stiff to fit in the application, but MXG 5K's flexibility enabled the hoses to fit in the machine. Furthermore, Tenbusch was able to safely and ergonomically install the MXG 5K assemblies with just one person — a critical benefit when labor is in short supply.

Ergonomics:

- MXG 5K is 25% more flexible, so it is easier to install.
- MXG 5K is 20% lighter weight, so it reduces stress and strain when handling.

Energy:

- Less material for the same performance results in application energy savings due to the lighter weight.
- XtraTuff™ Plus cover is standard on MXG hoses, offering both abrasion and ozone resistance to protect the hose from environmental damage and extend its life.

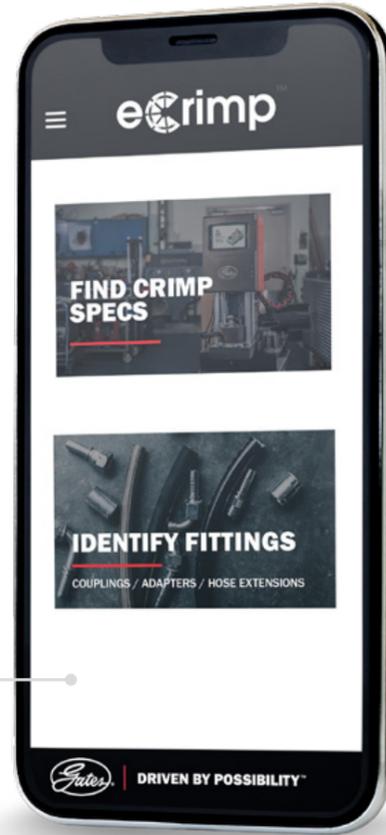


DIGITAL TRANSFORMATION

We are **“Driven by Possibility.”** Gates is constantly adopting new ways of utilizing digital technology to create a world class experience for our employees and customers alike. In recent years, we have made significant investments that digitize the business in areas including E-commerce, mobile apps and the Internet of Things (IOT). Such investments support our ability to provide our customers with value when and where they need it.

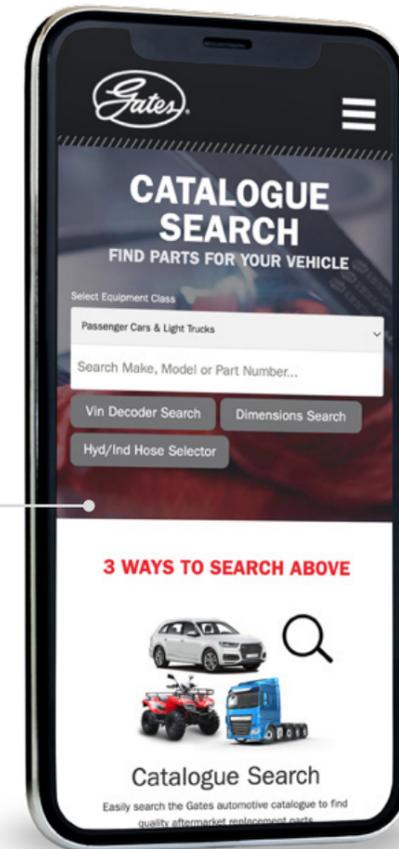
ECRIMP™ APP

Enables users to access assembly specifications offline and in real-time, so they can deliver factory-quality hose assemblies any time their application demands. A graphical interface ensures they can find the correct parts and frequently-used specs can be saved for quick reference. This eliminates the need for paper from previous printed crimp data.



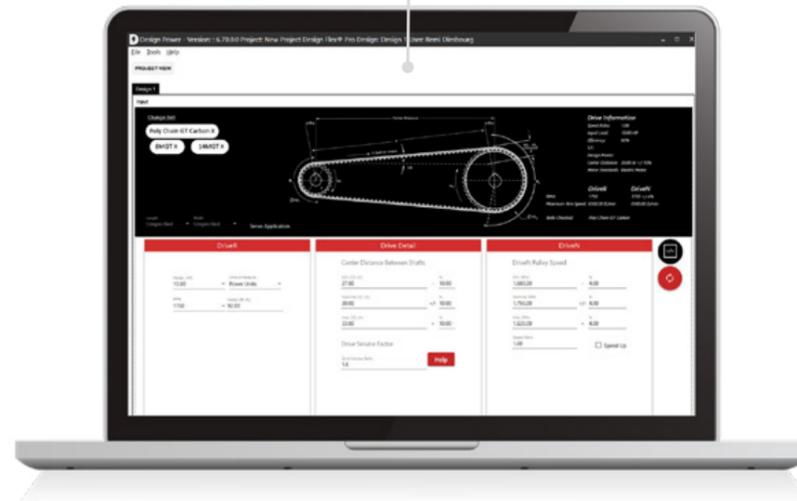
NAVIGATES

The NaviGates mobile app helps technicians find Gates OE quality aftermarket parts with the simplicity of searching by the vehicle category, a keyword or the OE/competitor part number. Any vehicle, whether a passenger car, truck, bus, snowmobile, ATV or much more, can be serviced this way at any mile and within any market. The 2.0 version of the app for the iPhone and Android lets the user streamline the search by part number, VIN scanning, product image, store locator or voice recognition.



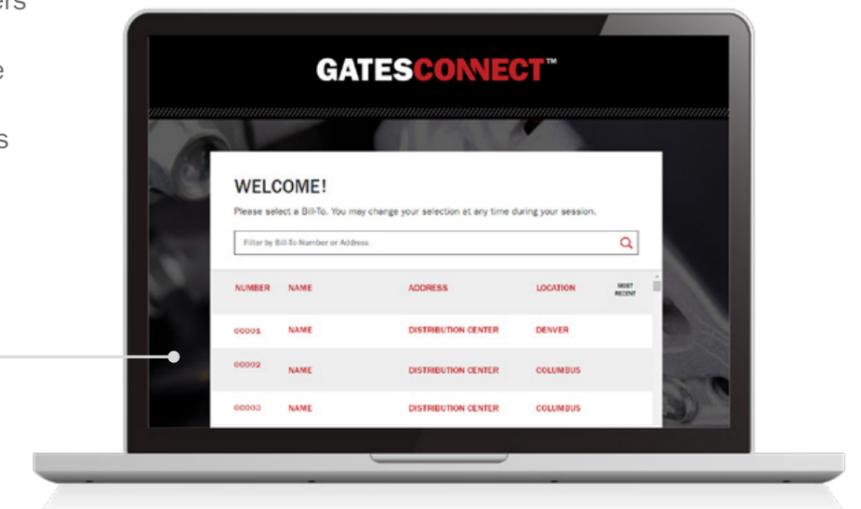
DESIGN POWER™

To help industrial customers determine the right belt for their application, Gates released an updated version of the Design Power software. Now, by simply inputting power, RPM and drive dimensions, customers can get multiple drive design options sorted by relative cost and drive specifics. Once a drive is selected, a report is generated that provides details of all the parts needed, including part numbers, which makes it easy to place an order with Gates or our distributors. Importantly, the results also share energy or cost savings calculations based on the customer-configurable inputs. A future version will quantify how the chain-to-belt conversion can help achieve reduction in carbon footprint and associated ESG objectives.



GATES CONNECT™

Our modern user-friendly digital portal offers our distributors enhanced self-service transaction capabilities. This makes online ordering easier for authorized Gates distributors faster and easier, and provides 24/7 access. It makes ordering, repeat purchases and order tracking effortless.



ENVIRONMENT



Gates Creates Photo Contest Entry
Name: Salman Farooq
Gates Location: Windsor Ontario, Canada
Category: Photography & Video
Title: Heaven On Earth
Lake Moraine - Banff, Alberta Canada

Our sustainability philosophy is to minimize our impact on the environment and Earth's resources to ensure that both our company and the communities in which we operate are sustained for years to come. Bringing this philosophy to fruition involves optimizing resources and materials involved in making our products, while considering the overall affects to the health and wellbeing of communities, ecosystems and the ability for life on Earth to flourish in the future. We continually revisit and maintain our internal policies and require all Gates facilities to follow our Health, Safety and Environmental (HSE) standards.

GREENHOUSE GAS EMISSIONS

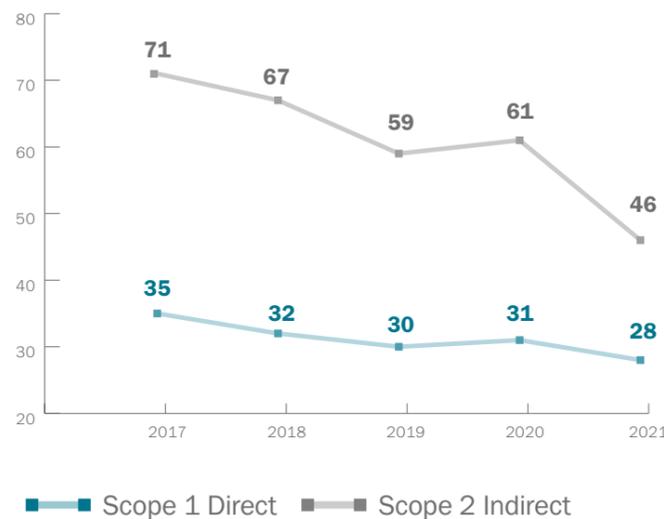
Climate change poses global risks that can impact our business and our stakeholders in significant ways. As a society, we are more frequently seeing how climate-related weather events can disrupt supply chains and business continuity, which has far-reaching implications on everyday life. With this in mind, we have committed to reducing our total greenhouse gas (GHG) emissions by 15% by 2025 based on a 2019 baseline to help curb the negative impacts of the climate crisis. Compared to 2019, our 2021 Scope 1 direct GHG emissions have increased by approximately 5%, while Scope 2 indirect emissions declined by almost 13%. Indexed to net sales, Scope 1 emissions intensity has been reduced by 7% and Scope 2 emissions reduced by 22%, for a combined 17% reduction.

In order to achieve our greenhouse gas reduction goals, we need to reduce the amount of energy used at all locations as much as possible. Therefore, each manufacturing site has set greenhouse gas emission targets that collectively contribute to our global performance. To help guide our efforts, we have implemented a global energy program to drive energy efficiency and subsequent greenhouse gas emissions. Through disclosure, we will enhance alignment of Scope 1, Scope 2 and eventually Scope 3 emissions to the Greenhouse Gas Protocol.



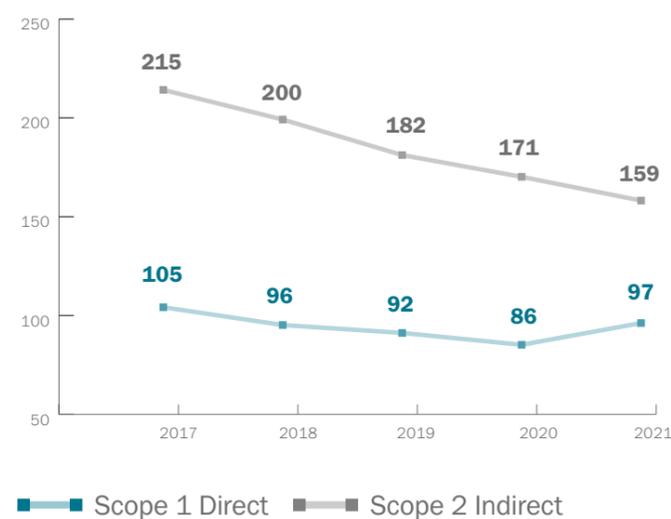
GREENHOUSE GAS EMISSIONS INDEXED

Thousands of metric tons of CO₂ equivalent indexed to net sales (USD)



GREENHOUSE GAS EMISSIONS

Thousands of metric tons of CO₂ equivalent



Gates Creates Photo Contest Entry
Name: David Morton
Gates Location: Denver, CO
Category: Photography & Video
Title: Glacier View in Alaska

Data for all manufacturing facilities either owned or under our operational control. Total Scope 1 and Total Scope 2 emissions data have been independently assured by Ruby Canyon Environmental, Inc. who have carried out limited assurance in accordance with the International Standard ISO 14064-3:2006 "Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse has assertions".

ENERGY CONSERVATION AND CONSUMPTION

Energy consumption directly contributes to our GHG emissions and, by extension, climate impact. Remaining diligent about monitoring and managing this area enriches our ability to assess the environmental risk factors for our business and inevitably reveals new opportunities. To that end, we introduced targeted initiatives to reduce energy consumption by 20% by 2025, based on 2019 targets. Compared to 2019, our 2021 total energy consumption increased by approximately 2%, due to increased production. Indexed to net sales, however, energy consumption has been reduced by 9% since 2019. Currently, 16% of Gates manufacturing sites have ISO 50001 certifications for energy management, which helps to advance our goal.

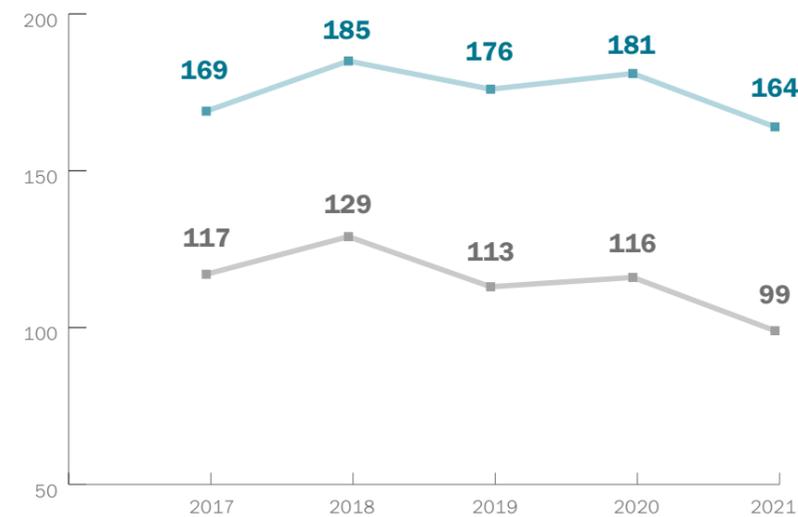
GLOBAL ENERGY CONSERVATION

In line with our goal to reduce total energy consumption, we implemented a global energy conservation program for all our manufacturing sites. The key to success of the program is a holistic management approach focused on the following areas:

- All global locations have set energy reduction goals aligned to our corporate goal
- Each site's energy performance and efficiency metrics include total consumption and are indexed to net sales
- Improving process and procedural operations through the Gates Production System to optimize shut down procedures, shift and personnel planning, as well as equipment use
- Incorporating technologies such as energy harmonics, capacitor banks and equipment monitoring to maximize effective energy usage and savings

ENERGY CONSUMPTION INDEXED

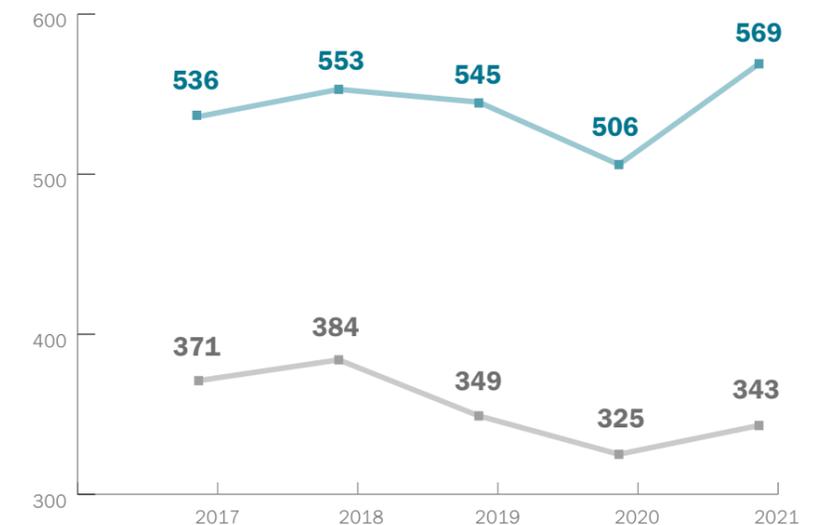
Millions of Kilowatt-hours indexed to net sales (USD)



■ Scope 1 Direct
■ Scope 2 Indirect

ENERGY CONSUMPTION

Millions of Kilowatt-hours



■ Scope 1 Direct
■ Scope 2 Indirect

Data for all manufacturing facilities either owned or under our operational control. Total energy consumption and consumption indexed to sales have been independently verified by Ruby Canyon Environmental, Inc.

ENERGY CONSERVATION CASE STUDIES

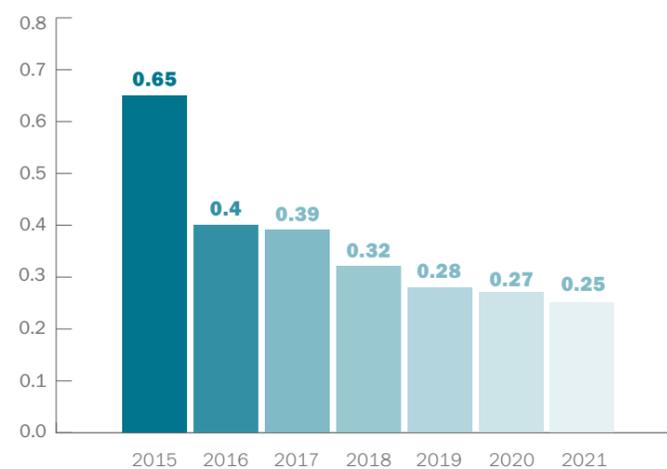
FARIDABAD, INDIA

The plant reduced energy consumption by **7%** in 2021 relative to 2020 through various projects, exceeding the **goal of 5%**.

ACTIVITIES:

- Installation of variable frequency drives in seven production machines
- Educating team members about turning off air conditioning and machines during periods of down time
- Educating team members on optimal light use and turning off lights to save energy

ENERGY CONSUMPTION - (KWH / PRODUCTION)



AVERAGE ENERGY CONSUMPTION/ PRODUCTION 2020 0.27 | 2021 0.25 | **7% REDUCTION**



Faridabad, India

JACAREI, BRAZIL

Achieved a **23% reduction** in energy consumption in 2021 from the prior year.

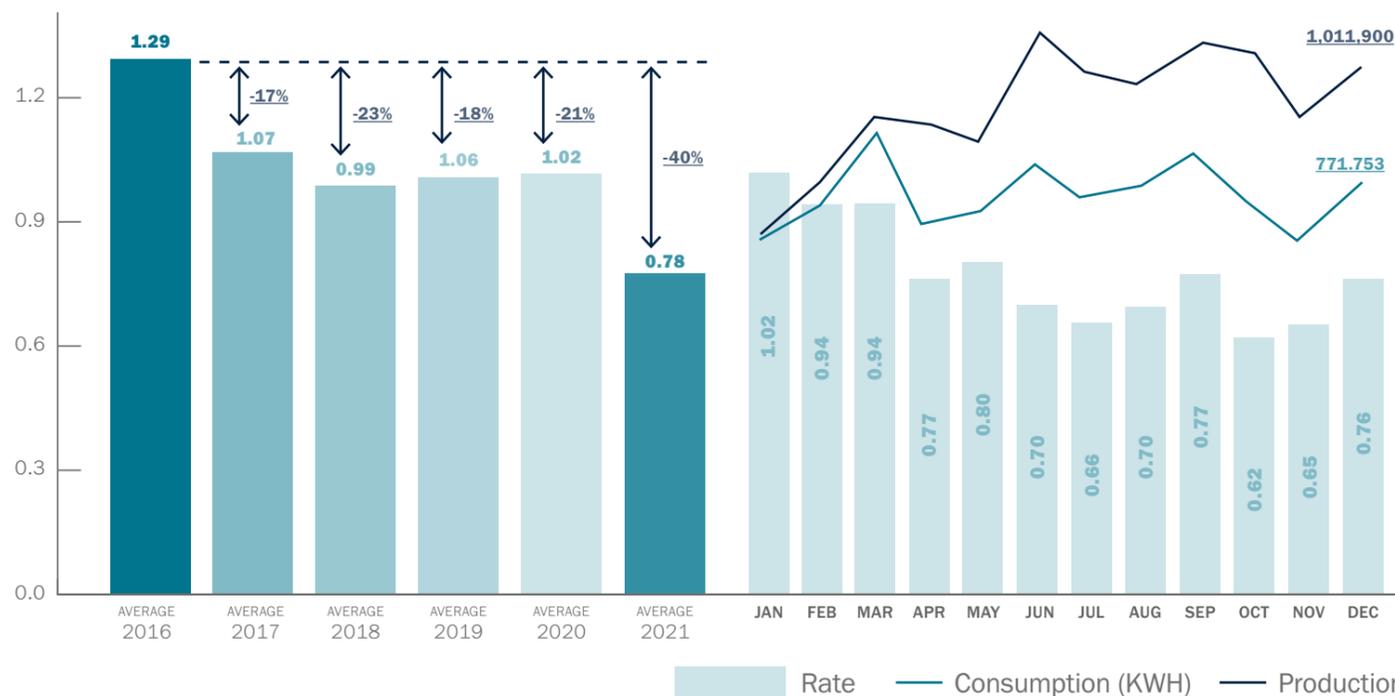
ACTIVITIES:

- Addition of sensors to improve air flow efficiency
- Utilization of automatic shutdown of equipment
- Addressing leakages of compressed air
- Replacement of lamps with LED lamps
- Installation of a power monitor to better monitor energy consumption



Jacarei, Brazil

ENERGY CONSUMPTION (KWH / PRODUCTION)



Rate Consumption (KWH) Production

WATER CONSERVATION AND CONSUMPTION

Water conservation is a crucial component of executing on our sustainability philosophy. Some of our global locations operate in water-stressed regions that are susceptible to drought or arid environmental conditions. Therefore, our approach emphasizes reducing water withdrawal and recycling or reusing water whenever and however possible. All Gates sites monitor, report and have site-based water initiatives aimed at achieving our goal of reducing water consumption year-over-year (in every instance where this occurs). The majority of our water supply comes from third-party sources and originates from surface water. However, some of our global sites do rely on well water.

Wastewater is also a closely monitored aspect of our water management approach. All sites monitor, treat and comply with all wastewater regulatory requirements. All sites are required to have a wastewater management plan, which includes an annual review and audits documenting water inputs as well as outfall of all water entering and leaving the facility. Audits include an annual gap assessment, mapping process and environmental impact evaluation.

Throughout our manufacturing operations we see results through more efficient use of water. We continue to focus on several key areas of water conservation.

- Recycling water
- Identifying water waste and improving efficiencies to reduce water and usage
- Utilizing low-flow water fixtures
- Updating our manufacturing facilities' water heating and cooling systems to closed-loop systems where possible, reducing water consumption on average by 9% over older systems
- General upgrades and investments including the installation of new boilers, cooling towers and water conservation processes across multiple sites

5% REDUCTION OF WATER CONSUMPTION SINCE 2019

SINCE 2021 WE HAD **6%** WATER RETURNED, CONSERVING OVER **96,032M³** OF WATER, WHICH COULD FILL **THE AVERAGE BATH TUB 600,000 TIMES** OR **40 OLYMPIC SIZED SWIMMING POOLS**

HEALTH, SAFETY AND ENVIRONMENT (HSE) ACHIEVEMENT

Waste and Water Reduction in Lithonia

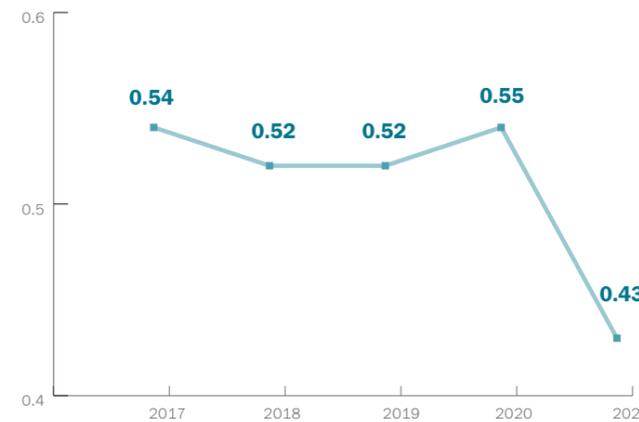
The Lithonia DC facility in the state of Georgia made incredible strides in reducing water and waste levels at the facility and were considered for the HSE Diamond Award. Last year, two awards were given by Gates to a manufacturing and non-manufacturing site that demonstrates exemplary HSE performance. HSE goals are incorporated into the annual goals for site leaders and HSE personnel. The facility in Lithonia worked hard to exceed expectations. Thanks to continuous monitoring of data, the team was able to act promptly when a leak occurred at both yard spigots. The issue was quickly detected and repaired, enabling the facility to meet our goal of keeping water consumption below 1 gallon per hour worked. Other achievements included an increase in waste diverted from landfill, which was significantly improved in 2021 compared to 2020.



Ecological conservation effort at the Lithonia distribution center (DC)

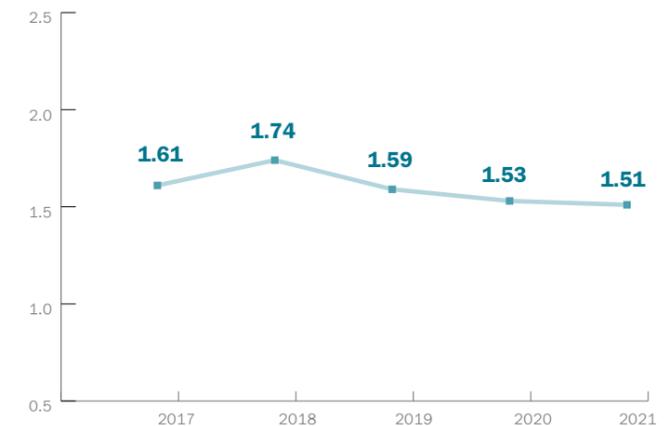
TOTAL WATER WITHDRAWAL INDEXED

Millions of cubic meters indexed to net sales (USD)



TOTAL WATER WITHDRAWAL

Millions of cubic meters



Data for all manufacturing facilities either owned or under our operational control. Water data has been independently reviewed by Ruby Canyon Environmental, Inc.

WASTE MINIMIZATION AND RECYCLING

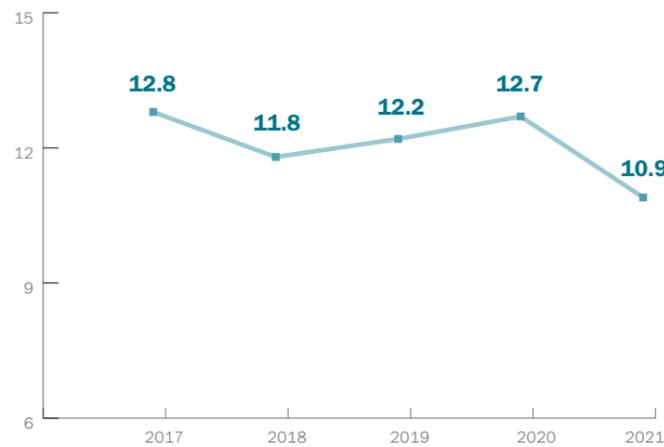
Minimizing waste isn't just the right thing to do, it's smart business. As part of our waste reduction and management plan we monitor 67 waste streams and their disposition from all global sites. As part of our waste reduction efforts we strive to minimize production of hazardous waste year over year. The commitment extends to diverting as much waste from landfills as possible through recycling and composting options for each of our waste streams, including rubber manufacturing scrap. On the whole, over 80% of our non-hazardous waste is directed to recycling and incineration facilities. This is a 33% improvement since 2019.

Effectively minimizing waste depends on strong commitment from our manufacturing facilities. All Gates sites strive for zero waste to landfill. To date, approximately 56% of our sites have already established zero waste to landfill goals.

Minimizing waste and leveraging innovation contributes to a circular economy. Circularity is a theme that spans the entire lifecycle of our products. We explore ways to use less material, create less waste and maintain durability and dependability.

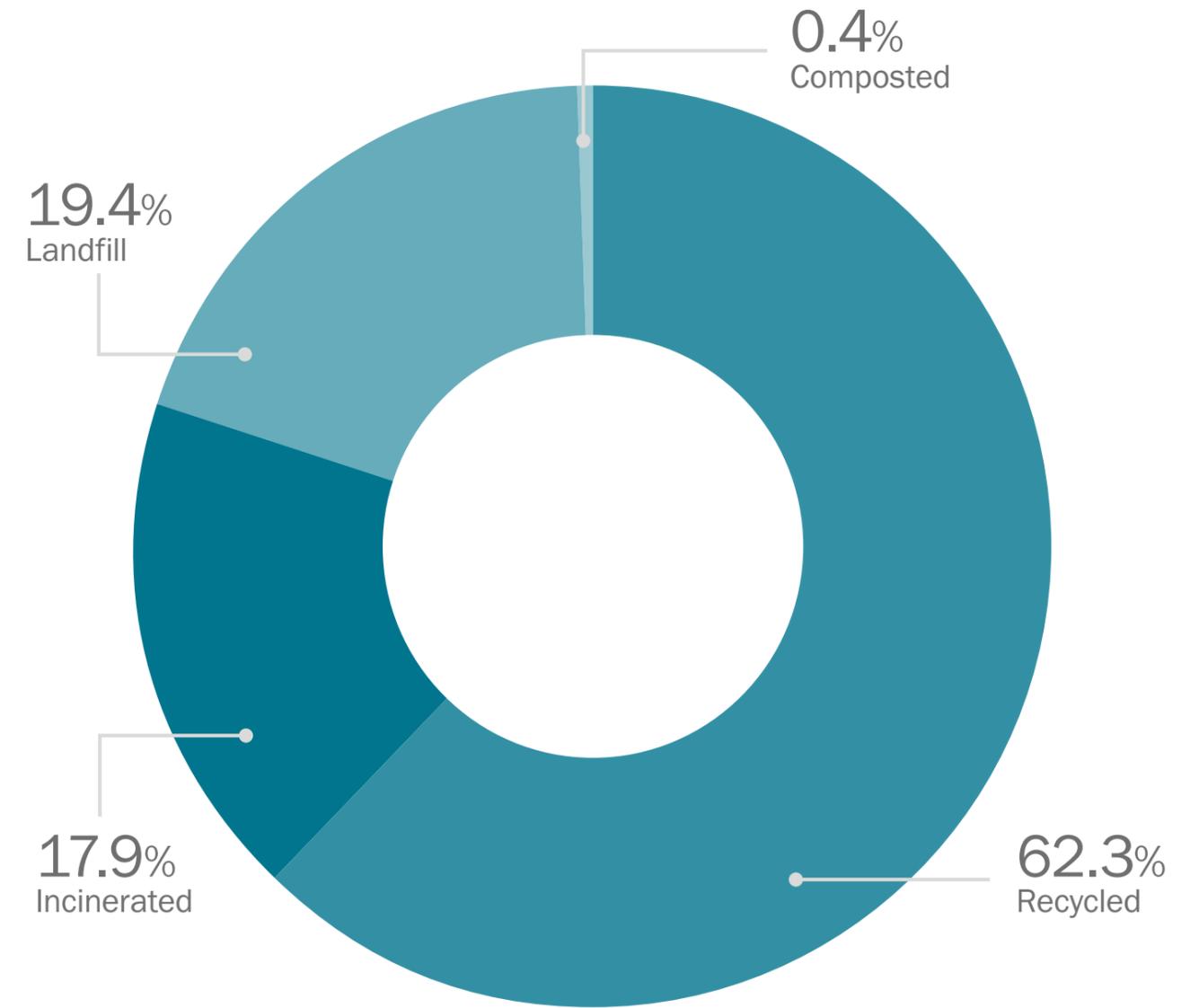
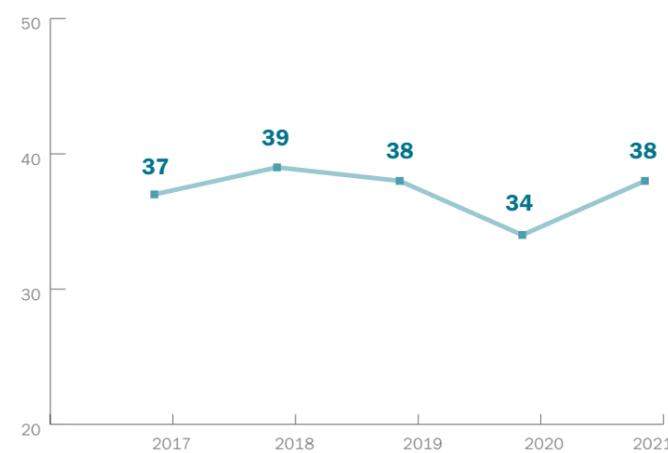
TOTAL WASTE INDEXED

Tons to total per million net sales (USD)



TOTAL WASTE GENERATION

Thousands of Metric tons



2021 WASTE DISPOSITION

By metric tons

Data for all manufacturing facilities either owned or under our operational control. All waste is moved offsite for processing. Waste data has been independently reviewed by Ruby Canyon Environmental, Inc..

ENVIRONMENTAL INITIATIVES



PARTNERSHIP WITH LOCAL BEEKEEPERS

Gates engaged in corporate beekeeping through its partnership with local beekeeping organizations. The activity helps to restore the honeybee population and supports a more diverse ecosystem by introducing bee colonies at the Colorado Customer Solutions Center and Ghent, Belgium Distribution Center. In addition to sharing the honey with employees, some of the honey from Ghent is auctioned off to support cancer research.



USING SOLAR POWER

The Gates facilities in Belgium and Thailand use solar energy to lower our carbon footprint. Our Belgium facility is 100% solar powered and generates up to 739 kWp. Our Thailand facility achieved an energy saving of 24,336 kWh/year.



REDUCING WASTE TO LANDFILL

Jacarei, Brazil received recognition from the local waste management company for achieving zero waste to landfill. Our Brazil team eliminated chlorine from our manufacturing process to allow for energy recovery.



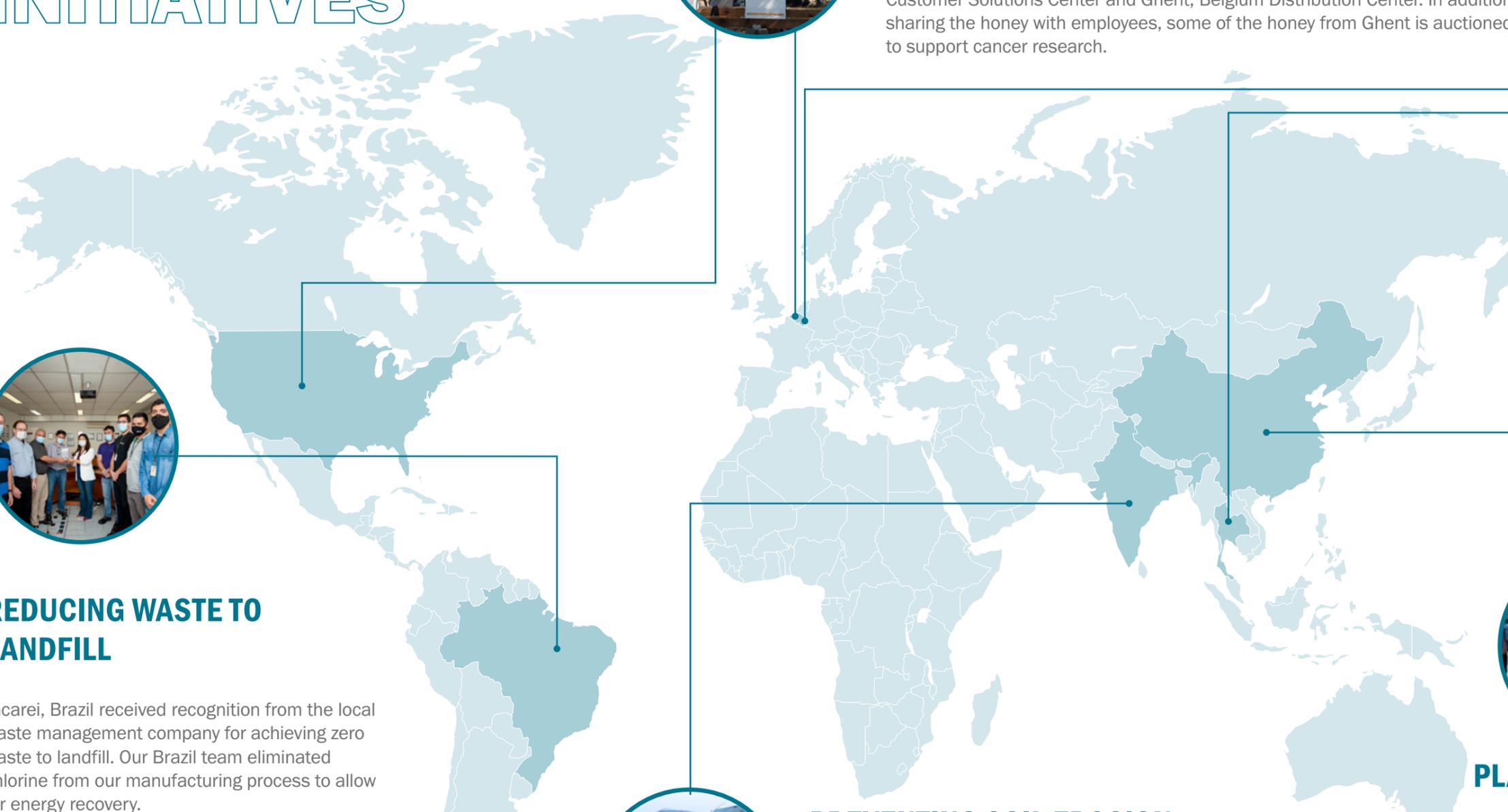
PLANTING TREES

Persimmon trees were planted at the Yantai facility in China, leading to more foliage coverage, adding more color to the factory and the harvest of 2,200 persimmons. Each employee received 10 persimmons, enabling them to enjoy the fruit at home — building on the wellbeing tips they receive from the Gates GoodLife initiative for living a healthier life.



PREVENTING SOIL EROSION

The Gates office in Lalru, India donated and helped plant 200 saplings around the Sarsini village. These saplings will grow alongside a road that was constructed by the company. As the trees mature, they will help address air pollution, support the local biodiversity and provide foliage for local animal life.



STEWARDSHIP



HEALTH AND SAFETY

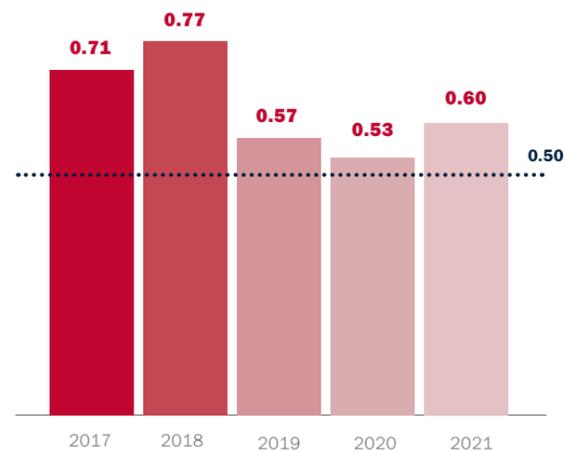
Maintaining the health and safety of our employees is a responsibility shared by Gates entire workforce. We engage our employees to play an active role in identifying and minimizing HSE risks. Our employees also assist in defining opportunities to prevent HSE incidents, injuries and illnesses. Together we share a vision for zero injuries while cultivating an incident-free workplace that contributes to the lives and wellbeing of our employees in a positive manner.

All Gates facilities are required to comply with the **Gates Global HSE Standards** or local regulations — giving precedence to the more stringent requirements. All locations are expected to conform to the Gates HSE Global Standards Manual which is aligned with ISO 45001.

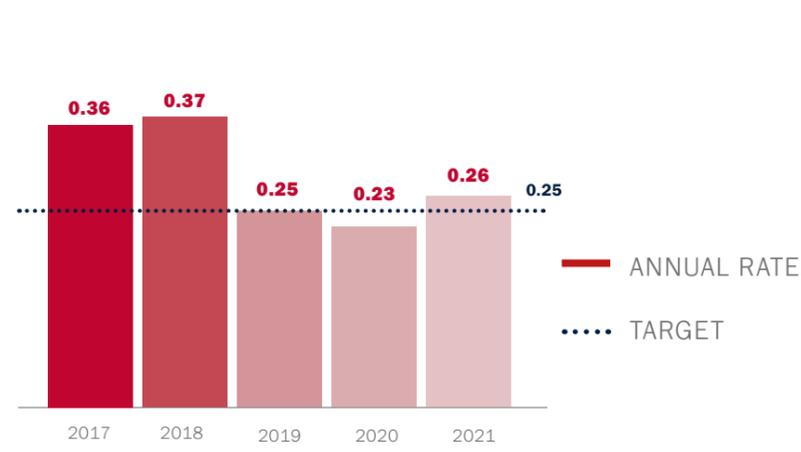
Each facility performs a self-assessment or conducts an internal audit on compliance, which is tracked using a corporate system reviewed by regional and corporate managers. Every site develops and maintains a risk reduction action plan as well as an emergency preparedness plan, which are regularly tested. Identified risks are evaluated and prioritized for action using globally recognized risk assessment methodologies such as ISO 12100: Safety of Machinery, Design Risk Assessment and Risk Reduction. The systematic sharing of HSE performance and practices across Gates is strongly encouraged through networking and monthly safety communications.

Our key focus is always on the “proactive” reduction of risk. However, incidents do occur. In these unfortunate circumstances, Gates uses a thorough incident investigation and analysis process to identify all root causes and contributory factors. The outcome is a comprehensive report of findings and an action plan tracked through completion within our online Velocity EHS portal. All lessons learned are deployed globally across the company in order to target any similar risks elsewhere and to prevent reoccurrence.

TOTAL CASE INCIDENT RATE



LOST-TIME INCIDENT RATE



The Team in Euskirchen, Germany celebrated 200 days without accidents, adding their contribution to the list of over 16 sites with over 2M hours worked without lost time



Start of shift stretches in Cohisa, Mexico

The corporate target at Gates is to keep Total Case Incident Rate (TCIR) below 0.5 and Lost-Time Incident Rate (LTIR) below 0.25. HSE figures are consistently tracked and monitored for each facility: number and rate of high-consequence work-related injuries, the number and rate of recordable work-related injuries, any fatalities that may have been caused by such

injuries, the main types of work-related injuries and the number of hours worked. Additionally, we analyze how the hazards occurred, which hazards contributed to high-consequence injuries during the reporting period, what actions are being taken to eliminate hazards and minimize the risks and whether those risks transpired based on 200,000 or 1,000,000 hours worked.

HEALTH, SAFETY AND ENVIRONMENT AWARDS HIGHLIGHT

The 2021 HSE Awards that recognize facilities with exceptional HSE performance in areas of sustainability, engagement and risk reduction were awarded to the sites listed to the right.

Select criteria included: no regulatory violations, quarterly self-assessments, injury metrics in line with corporate goals of Total Case Incident Rate (TCIR) = 0.5 and Lost-Time Incident Rate (LTIR)=0.25, meeting goals for energy and greenhouse gas reductions, and on time completion of key HSE corrective actions.

HSE PERFORMANCE RECOGNITION

- Brantford DC
- Jacarei Hose Plant
- Chandigarh
- Faridabad
- Ghent DC
- Moscow DC
- Turgutlu
- Esch
- Izmir
- Legnica
- Pfungstadt
- St Neots

HSE DIAMOND AWARD WINNERS

HSE INNOVATION AWARD (NEW!)

This award was given to facilities that demonstrated exemplary performance or innovation in four specific areas.



* Non-Manufacturing sites include distribution centers and R&D centers



LABOR RELATIONS

Treating each individual with dignity and respect is the core philosophy of our Human Rights Policy. It's enriched by the principles outlined in the UN Guiding Principles on Business and Human Rights (UNGPs), the International Bill of Human Rights, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the ILO Declaration on Fundamental Principles and Rights at Work.

At Gates, health and wellbeing are further communicated to employees through the Code of Business Conduct and Ethics, the Supplier Code of Conduct, and the Health, Safety and Environmental Policy.

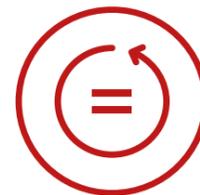
We identified the following human rights issues as being most salient to our business:



ACCESS TO MECHANISMS FOR REPORTING CONCERNS



APPROPRIATE WAGES AND BENEFITS



EQUAL OPPORTUNITY FOR ALL



FREEDOM OF ASSOCIATION



HEALTH AND SAFETY



INVOLUNTARY LABOR AND HUMAN TRAFFICKING



UNDERAGE LABOR

Such policies help us maintain compliance with labor laws, create equal opportunity for all, ensure health and safety and provide competitive wages and benefits.

EMPLOYEE TRAINING

Gates holds a variety of trainings for employees to improve efficiency, build knowledge and reduce injuries at the facilities. Areas of training cover ergonomic risks, first aid, electrical safety, fire safety, chemical safety and other focus areas that make employees more aware and the working environment in the manufacturing facility very stable and secure.



FRANCE

ERGONOMIC RISK REDUCTION PROJECT

The Nevers, France team held a virtual reality training for employees on how to reduce job-related ergonomic risks. To assist in the training, the team used state-of-the-art ergonomic risk assessment software, 3D modeling and virtual reality simulations. These trainings helped to reduce the ergonomic risk by redesigning workstations according to ergonomic standards.



CHINA

FIRST AID TRAINING

To enhance and improve Health and Safety performance, the Gates Changzhou plant in China held first aid trainings to provide employees with actionable steps in case of emergency situations, such as sudden acute disease or accidental injury. Gates invited the American Heart Association (AHA) to conduct the trainings.



INDIA

ELECTRICAL SAFETY STANDARD TRAINING

In Faridabad, India, the Gates team held a training on corporate electrical and safety standards to raise awareness around the importance of electrical safety. Participants were provided a list of various electrical hazards and were shown the benefits of grounding and protection devices.

EMPLOYEE WELLBEING

Ensuring we succeed as a business relies on keeping our employees healthy — both mentally and physically. This requires striking a good work-life balance and providing resources to maintain a high level of wellbeing, especially during difficult times. Many of our initiatives are structured around the following four key factors:



MENTAL AND EMOTIONAL WELLBEING



SOCIAL SUPPORT TOOLS



PHYSICAL WELLNESS



FINANCIAL WELLNESS

In 2021, we launched the holistic **GoodLife** program brand to support our employees on their wellbeing journey. Support is provided through a dedicated platform and information is distributed through monthly newsletters. Our resources cover various articles on health topics such as recipe suggestions for healthy snacks, articles on the latest research on wellbeing, and recommendations for physical activities to keep our staff moving. Additionally, we share various perks and benefits available to Gates employees. During nationwide observances, such as **National Mental Health Awareness Month** and **National LGBTQ Pride Month**, we share resources that provide additional information about the importance of these events.



COVID ACTION

In the Santa Fe facility in Mexico, employees received COVID-19 testing, with 20% of employees being tested on a weekly basis. In the GC China Head office in Shanghai Hongqiao, 100% of employees received their vaccinations. Temperature screenings during breaks, automatic faucet sensors, social distancing and disinfection of facilities provided additional barriers against the virus.



SUSTAINABLE LIFESTYLE

Gates held a virtual Earth Week celebration at our Denver Headquarters, covering a number of sustainability themes. Participants received a Gates-branded reusable shopping bag to minimize the use of single plastic bags. Employees also received succulents to brighten up their days and work spaces.

Hannah Storm is featured in the photo with her new Earth Week Celebration succulent



SUCCESSION MANAGEMENT

The succession management program enables a holistic approach to integrating talent identification, employee development and internal selection/promotions to build and develop pipelines of talent that can be deployed when and where they are needed. Ultimately, this program strengthens leadership continuity in key positions as well as retains and develops intellectual and knowledge capital for the future.



OUTPLACEMENT PROPOSAL

Gates partnered with IMPACT Group to provide career and development coaching for exiting, relocating and developing talent. The IMPACT Group has recently helped 89% of participants successfully transition during the program. 43% received 2+ job offers, 36% made an industry change and 29% received a significant increase in compensation.

Building such an environment requires the dedication, commitment and accountability of the entire company. For us, integrity, ethics and mutual respect informs everything we do, which includes the relationships and interactions we build with internal and external stakeholders.

DIVERSITY, EQUITY AND INCLUSION

Gates strives to foster an environment where every employee has an equal opportunity to be heard, can contribute their thoughts and be recognized for their individual efforts. As part of our continued efforts to raise awareness on the importance of diversity, equity and inclusion, we engaged employees and local communities in conversation and activism through trainings and sponsored activities. Our corporate policy also encourages voluntary identification of pronouns in email correspondence for all employees.

An equitable workplace at Gates is cultivated by empowering people. Mentorship and coaching expand the skillsets of employees, enabling them to experience upward mobility and career advancement.

As of 31 Dec 21	GLOBAL			U.S. ONLY		
	Total	Women #	%	TOTAL	Minorities* #	%
Board Of Directors	9	4	44%	9	1	11%
CEO & Direct Reports	9	2	22%	9	1	11%
Directors, VPS & Above	233	44	19%	135	18	13%
Managers	1249	272	22%	327	50	15%
Management Total	1491	318	21%	471	69	15%
TOTAL (Includes Board Members And All Types Of Employees)	15408	3793	25%	3849	956	25%

*Does not include female as minority.



eXPLORE PROGRAM

The eXplore program is designed for our frontline leaders who play an invaluable role in cultivating a high-performing and highly engaging culture at Gates. It is done through an interactive experiential learning process that covers six distinct modules:

- Foundational leadership skills
- Managing your environment
- Managing performance skills
- Preparing for the future
- Managing work skills
- Critical business skills

The program allowed me to meet leaders within the organization and also learn from my peers' experience. Overall, it was a nice way to network within Gates and learn at the same time.

Felipe Mejia
Business Development Manager - Mobility
Denver, CO

As a result of this program, by getting out of my comfort zone, I discovered characteristics and potential in myself that I didn't even know I have.

Alexandra Liska
Commodity Manager
Luxembourg

GLOBAL MENTORING

The global mentoring program promotes a diverse and inclusive culture that provides learning, growth and knowledge transfer opportunities between our mentors and mentees. 4000+ professionals have participated in the program since 2016. Not only does the global mentoring program help build new peer relationships, it also strengthens our corporate mentoring culture.

DIVERSITY, EQUITY AND INCLUSION (DEI) IN 2021 WAS PROMOTED THROUGH:



Coaching events that highlighted women leaders



Partnership with local academic institutions to hold workshops on unconscious bias and microaggression



Virtual panel discussions to create safe spaces in which to discuss difficult conversations and drive awareness on critical topics



Engagement with Catalyst to assess our DEI landscape and co-create a strategy to address the most significant areas of opportunity, resulting in the announcement of a North America pilot program to be launched in 2022

CELEBRATING INTERNATIONAL WOMEN'S DAY

For International Women's Day, the East Asia and India offices held a campaign called **#ChooseToChallenge**, inviting individuals to raise their hand to demonstrate their commitment to challenge inequality, call out bias, question stereotypes and help forge an inclusive environment.



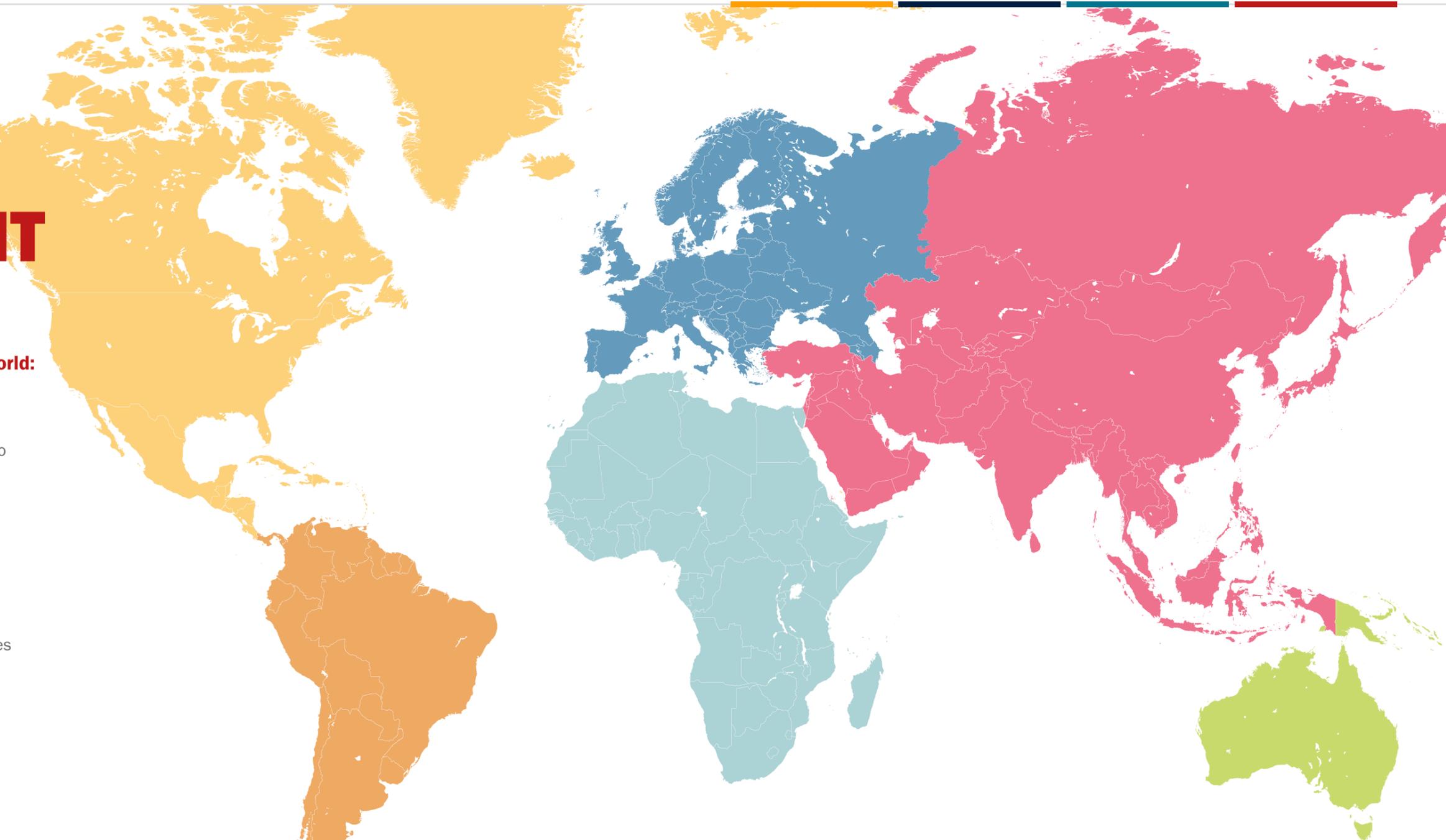
GLOBAL ENGAGEMENT

Community action highlights from around the world:

- Charitable donations in the US to 160+ organizations
- Donation of clothes, toys, food and financial resources to those in need
- Implementing energy, water and waste reduction across regional facilities
- Promoting a sustainable lifestyle with employee training and awareness
- Supporting local biodiversity through community activities

MEMBERSHIPS & AFFILIATIONS

- Association of Rubber Product Manufacturers (ARPM)
- ASTM
- Australia Automotive Aftermarket Association
- Automotive Content Professionals Network (ACPN)
- Automotive Technology Council (ATC)
- BFPA
- China Automotive Forum
- China Rubber Industry Association
- Colorado Forum
- Downtown Denver Partnership
- Heavy Duty Sales Council
- ISO
- Modern Industry eXpertise (MiX)
- Opticat
- Original Equipment Suppliers Association
- Overseas Automotive Council
- Sales Executive Council
- Skills USA
- Society of Automotive Engineers (SAE)
- South Metro Denver Chamber of Commerce (SMDC)
- Suzhou Intelligent Manufacturing Industry Alliance
- Wish For Wheels



EDUCATION SCHOLARSHIP

Seven **Gates Foundation Scholarships** were awarded to the qualifying dependents of Gates full-time associates. The total amount granted by the Foundation in 2021 was \$83,020, covering 25 past and present recipients. Current recipients receive \$4,000 per year towards 4 years of undergraduate studies.

○ Roll over on the map to see more about **Gates** actions around the world.

COMMUNITY DONATIONS

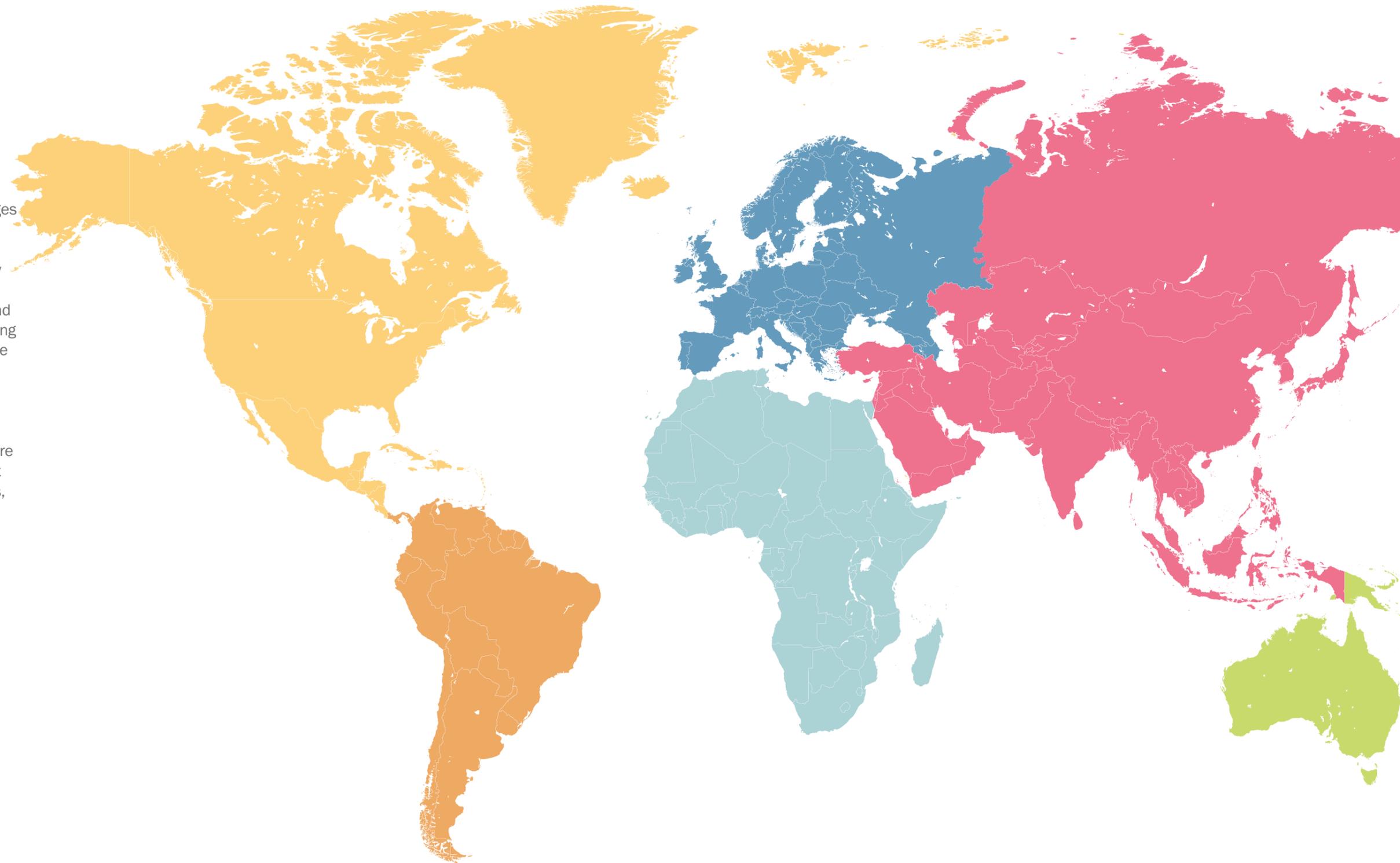
Gates values community engagement and encourages employees to advocate and raise awareness about causes for which they are passionate. Through the Gates Industrial Corporation Foundation, we actively support civic, community, arts, cultural, health and welfare initiatives, as well as education programs and scholarships. The foundation also includes a Matching Gift Program, through which we match U.S. employee donations dollar-for-dollar.

In 2021, donations totaled \$525,000 (of which \$250,000 were matching employee donations). More than 250 different non-profit organizations were supported. They included organizations that support mental health, education, social service, food banks, animal care, children's hospitals, diabetes research, renewable energy, wildlife rescue and many other impactful causes.

- \$150,000 was given to the Ronald McDonald House Charities
- \$50,000 was given to support relief efforts for natural disasters in USA and Germany
- \$25,000 was given to Wish for Wheels
- \$83,020 was made available in scholarships for children of employees

STEM EMPOWERMENT

Gates also supports the Science, Technology, Engineering and Math (STEM) Generation non-profit program that helps address inequities in K-8 support through science fairs that level the tech and engineering playing fields for underrepresented populations in STEM, particularly girls and students of color from low-income communities.



Roll over on the map to see some of the **Gates Creates** global art contest entries



LOOKING AHEAD

In celebrating our 110th anniversary, we've taken time to reflect upon our rich history as well as envision what success looks like over the next century. We believe we have significant opportunity to drive growth well into the future, with sustainability playing a key role in the way we conduct our business.

We are committed to:

- Advancing our leadership model built around Governance, Technology, Environment and Stewardship (GTES)
- Delivering meaningful outcomes for all our stakeholders
- Driving growth by addressing transformational mega trends that create sustainable benefits for the planet and society
- Using Eco-Innovation to deliver enhanced value for customers while minimizing product lifecycle impacts and reducing our ecological footprint
- Creating a simplified and standardized process for suppliers and customers by reducing complexity

Looking ahead, we see sustainability as an increasingly important catalyst for future success, both in our products and in stakeholder relationships. Although our sustainability journey is still in its early stages, we continue to identify new ways to embed sustainability in everything we do. We are confident that by investing in sustainability, we will realize opportunities to grow and strengthen Gates for years to come.

Our executive sustainability sponsor and Gates employees testing our Carbon Drive bikes on the Colorado Front Range

SUSTAINABILITY PERFORMANCE DATA

ENVIRONMENTAL

ENERGY	ENERGY CONSUMED WITHIN GATES		2017	2018	2019	2020	2021
	Total Direct Energy Consumed (Millions of KWh)		536.11	553.36	545.08	505.85	568.88
	ENERGY CONSUMED OUTSIDE OF GATES		2017	2018	2019	2020	2021
	Total Indirect Energy Consumed (Millions of KWh)		370.74	384.17	349.36	324.91	342.56
	ENERGY INTENSITY		2017	2018	2019	2020	2021
	Energy Intensity (Scope 1) (Millions of KWh) Indexed (Per Thousand USD Net Sales)		168.76	185.24	176.27	181.11	163.73
Energy Intensity (Scope 2) (Millions of KWh) Indexed (Per Thousand USD Net Sales)		116.71	128.60	113.17	116.33	98.60	

GHG EMISSIONS	GHG EMISSIONS BY SCOPE		2017	2018	2019	2020	2021
	Direct (Scope 1) GHG Emissions (thousands of metric tons of CO ₂ equivalent)		104.17	96.18	92.45	86.21	96.86
	Indirect (Scope 2) GHG Emissions (thousands of metric tons of CO ₂ equivalent)		214.64	199.66	181.54	170.56	158.87
	GHG INTENSITY		2017	2018	2019	2020	2021
	GHG Emissions (Scope 1) Indexed (Per Thousand USD New Sales)		34.82	32.20	29.95	30.87	27.88
	GHG Emissions (Scope 2) Indexed (Per Thousand USD New Sales)		71.35	66.84	58.81	61.07	45.73

Data for all manufacturing facilities either owned or under our operational control. Total Scope 1 and Total Scope 2 emissions data have been independently assured by Ruby Canyon Environmental, Inc, who have carried out limited assurance in accordance with the International Standard ISO 14064-3:2006 “Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.”

Data for all manufacturing facilities either owned or under our operational control. Where actual data was not available, estimates were used. For example, in cases where data is not available for a full 12-month period, available data is used to extrapolate and



WASTE		2017	2018	2019	2020	2021	
	Total Waste Generation (Thousands of Metric Tons)		37.24	39.41	37.63	34.77	37.86
	Total Waste Indexed (Metric Tons Per Million USD Net Sales)		12.38	11.77	12.19	12.67	10.75

WATER		2017	2018	2019	2020	2021	
	Total Water Withdrawn (millions of cubic meters)		1.61	1.74	1.59	1.53	1.51
	Water Withdrawal Indexed (per thousand USD net sales)		0.54	0.52	0.52	0.55	0.43

estimate the values for missing data. Emissions factors for greenhouse gas calculations are primarily from the U.K. Department for Environment, Food & Rural Affairs (DEFRA), the International Energy Agency, the United Nations Intergovernmental Panel on Climate Change (IPCC, AR5) and the U.S. EPA’s Greenhouse Gas Emissions Factors Hub and are adjusted where more recent country or region specific governmental factors are published. Total Scope 1 and total Scope 2 emissions data have been independently assured by Ruby Canyon Environmental, Inc. who have carried out limited assurance in accordance with the International Standard ISO 14064-3:2006 “Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.”



SOCIAL PERFORMANCE DATA

	GLOBAL				US ONLY
	AS OF 31-DEC-21	TOTAL	MEN (%)	WOMEN (%)	MINORITIES*
EMPLOYEE DIVERSITY	Board Of Directors	9	56%	44%	11%
	CEO & Direct Reports	9	78%	22%	11%
	Directors, VPS & Above	233	81%	19%	13%
	Managers	1,249	78%	22%	15%
	Management Total	1,491	79%	21%	15%
	TOTAL (Includes Board Members & All Types Of Employees)	15,408	75%	25%	25%

		GLOBAL	BY GENDER		BY REGION			
		TOTAL	MEN (%)	WOMEN (%)	AMERICAS	CHINA	EAST ASIA AND INDIA	EMEA
GLOBAL WORKFORCE	Full-Time	15,077	76%	24%	7640	1897	1442	4098
	Part-Time	322	52%	48%	232	0	1	89

HEALTH & SAFETY		2017	2018	2019	2020	2021
		Global Lost Time Incident Rate (LTIR) – Employees	0.36	0.37	0.25	0.23
Global Total Case Incident Rate (TCIR) – Employees	0.71	0.61	0.57	0.53	0.60	

*Does not include female as minority

GRI CONTENT INDEX

GRI 101: FOUNDATION 2016

GRI 102: GENERAL DISCLOSURES 2016

Bold = [Hyperlink](#) Regular = Report section reference

ORGANIZATIONAL PROFILE			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-1	Name of the Organization	Company Overview (gates.com)	<u>1</u>
102-2	Activities, brands, products and services	Company Overview (gates.com)	<u>7</u>
102-3	Location of headquarters	Company Overview (gates.com)	<u>8</u>
102-4	Location of operations	Company Overview (gates.com)	<u>8</u>
102-5	Ownership and legal form	10K (investors.gates.com) / Company Overview (gates.com)	<u>15</u>
102-6	Markets served	Company Overview (gates.com)	<u>7</u>
102-7	Scale of the organization	Company Overview (gates.com)	<u>8</u>
102-8	Information on employees and other workers	Company Overview (gates.com)	<u>46</u>
102-9	Supply chain	Ethical Sourcing (gates.com)	<u>18</u>
102-10	Significant changes to the organization and its supply chain	Supplier Information (gates.com)	<u>18</u>
102-11	Precautionary Principle or approach	We strive to comply with both the letter and spirit of the many laws and regulations that govern our business globally and to avoid actions that could give rise to even the appearance of impropriety.	
102-12	External initiatives	Sustainability (gates.com)	<u>10</u>
102-13	Membership of associations	Global Engagement	<u>42</u>
STRATEGY			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-14	Statement from senior decision-maker	CEO Letter	<u>4</u>

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ETHICS AND INTEGRITY			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-16	Values, principles, standards and norms of behavior	We Are Gates	<u>6</u>

GOVERNANCE			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-18	Governance structure	<u>Investor Relations & Policies (gates.com)</u>	<u>15</u>
102-22	Composition of the highest governance body and its committees	<u>Investor Relations & Policies (gates.com)</u>	<u>15</u>
102-24	Nominating and selecting the highest governance body	<u>Investor Relations & Policies (gates.com)</u>	<u>15</u>

STAKEHOLDER ENGAGEMENT			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-40	List of stakeholder groups	Engaging With Stakeholders	<u>9</u>
102-41	Collective bargaining agreements	<u>10K (investors.gates.com)</u>	
102-42	Identifying and selecting stakeholders	Engaging With Stakeholders	<u>9</u>
102-43	Approach to stakeholder engagement	Engaging With Stakeholders	<u>9</u>
102-44	Key topics and concerns raised	Engaging With Stakeholders	<u>9</u>

REPORTING PRACTICE			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-45	Entities included in the consolidated financial statements	<u>10K (investors.gates.com)</u>	
102-46	Defining report content and topic Boundaries	Engaging With Stakeholders	<u>9</u>
102-47	List of material topics	Engaging With Stakeholders	<u>9</u>
102-48	Restatements of information	GRI Content Index	<u>47</u>

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REPORTING PRACTICE			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
102-49	Changes in reporting	About This Report	<u>2</u>
102-50	Reporting period	About This Report	<u>2</u>
102-51	Date of most recent report	About This Report	<u>2</u>
102-52	Reporting cycle	About This Report	<u>2</u>
102-53	Contact point for questions regarding the report	Back Cover	<u>58</u>
102-54	Claims of reporting in accordance with the GRI Standards	About This Report	<u>2</u>
102-55	GRI content index	GRI Content Index	<u>47</u>
102-56	External assurance	Gates does not currently seek external assurance for the entire report and there is no formal internal policy requiring such assurance. However, select data including GHG emissions inventory has been validated via third-party consultants. External assurance may be considered on a yearly basis as part of the sustainability report strategic planning process.	

GRI 200 ECONOMIC MATERIAL TOPICS

GRI 201 ECONOMIC PERFORMANCE 2016

GRI 201 ECONOMIC PERFORMANCE 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
201: 103-1	Explanation of the Material Topic and its Boundary	<u>10K / UK Annual Report (investors.gates.com)</u>	
201: 103-2	The Management Approach and Its Components	<u>10K (investors.gates.com)</u>	
201: 103-3	Evaluation and the Management Approach	<u>10K (investors.gates.com)</u>	
201-1	Direct Economic Value Generated and Distributed	<u>10K / UK Annual Report (investors.gates.com)</u>	<u>8</u>
201-3	Define Benefit Plan Obligations and Other Retirement Plans	<u>10K / UK Annual Report (investors.gates.com)</u>	

GRI 205: ANTI-CORRUPTION 2016

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GRI 205: ANTI-CORRUPTION 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
205:103-1	Explanation of the Material Topic and its Boundary	Policies (gates.com)	
205:103-2	The Management Approach and Its Components	Policies (gates.com)	
205:103-3	Evaluation and the Management Approach	Policies (gates.com)	
205-2	Communication and Training About Anti-Corruption Policies and Procedures	Policies (gates.com)	
205-3	Confirmed Incidents of Anti-Corruption and Actions Taken	This information is considered confidential	

GRI 205: ANTI-COMPETITIVE BEHAVIOR 2016

GRI 205: ANTI-COMPETITIVE BEHAVIOR 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
206: 103-1:	Explanation of the Material Topic and its Boundary	Policies (gates.com)	
206:103-2:	The Management Approach and Its Components	Policies (gates.com)	
206:103-3:	Evaluation and the Management Approach	Policies (gates.com)	
206-1:	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	This information is considered confidential	

GRI 300 ENVIRONMENTAL TOPICS

GRI 302: ENERGY 2016

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GRI 302: ENERGY 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
302: 103-1	Explanation of the Material Topic and its Boundary	Environment	30
302: 103-2	The Management Approach and Its Components	Environment	30
302: 103-3	Evaluation and the Management Approach	Environment	30
302-1	Energy Consumptions Within the Organization	Sustainability Performance Data	45
302-2	Energy Consumption Outside of the Organization	Sustainability Performance Data	45
302-3	Energy Intensity	Sustainability Performance Data	45
302-4	Reduction of Energy Consumption	Sustainability Highlights	13

GRI 303: WATER AND EFFLUENTS 2018

GRI 303: WATER AND EFFLUENTS 2018			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
303: 103-1	Explanation of the Material Topic and its Boundary	Environment	31
303: 103-2	The Management Approach and Its Components	Environment	31
303: 103-3	Evaluation and the Management Approach	Environment	31
303-3	Water Withdrawal	Sustainability Performance Data	45

GRI 305: EMISSIONS 2016

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GRI 305: EMISSIONS 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
305: 103-1	Explanation of the Material Topic and its Boundary	Environment	<u>28</u>
305: 103-2	The Management Approach and Its Components	Environment	<u>28</u>
305: 103-3	Evaluation and the Management Approach	Environment	<u>28</u>
305-1	Direct (Scope 1) GHG Emissions	Sustainability Performance Data	<u>45</u>
305-2	Energy Indirect (Scope 2) GHG Emissions	Sustainability Performance Data	<u>45</u>
305-4	GHG Emissions Intensity	Sustainability Performance Data	<u>45</u>
305-5	Reduction of GHG Emissions	Sustainability Highlights	<u>13</u>

GRI 306: WASTE 2020

GRI 306: WASTE 2020			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
306: 103-1	Explanation of the Material Topic and its Boundary	Environment	<u>32</u>
306: 103-2	The Management Approach and Its Components	Environment	<u>32</u>
306: 103-3	Evaluation and the Management Approach	Environment	<u>32</u>
306-1	Waste Generation and Significant Waste-Related Impacts	Environment	<u>32</u>
306-2	Management of Significant Waste-Related Impacts	Environment	<u>20, 32</u>
306-3	Waste Generated	Sustainability Performance Data	<u>45</u>

GRI 400 SOCIAL TOPICS

GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016

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GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
403: 103-1	Explanation of the Material Topic and its Boundary	Stewardship	35
403: 103-2	The Management Approach and Its Components	Stewardship	35
403: 103-3	Evaluation and the Management Approach	Stewardship	35
403-1	Occupational Health & Safety Management System	Stewardship	35
403-2	Hazard identification, risk assessment and incident investigation	Policies (gates.com) , Stewardship	35
403-9	Work Related Injuries	Sustainability Performance Data	46

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	PAGE NUMBER
405: 103-1	Explanation of the Material Topic and its Boundary	Policies (gates.com) , Stewardship	40
405: 103-2	The Management Approach and Its Components	Policies (gates.com) , Stewardship	40
405: 103-3	Evaluation and the Management Approach	Policies (gates.com) , Stewardship	40

GRI 406: NON-DISCRIMINATION 2016

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GRI 406: NON-DISCRIMINATION 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	
406: 103-1	Explanation of the Material Topic and its Boundary	Policies (gates.com)	
406: 103-2	The Management Approach and Its Components	Policies (gates.com)	
406: 103-3	Evaluation and the Management Approach	Policies (gates.com)	
406-1	Incidents of discrimination and corrective actions taken	This information is considered confidential	

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016			
DISCLOSURE NUMBER	DISCLOSURE TITLE	RESPONSE/REFERENCE	
414: 103-1	Explanation of the Material Topic and its Boundary	Policies (gates.com)	
414: 103-2	The Management Approach and Its Components	Policies (gates.com)	
414: 103-3	Evaluation and the Management Approach	Policies (gates.com)	
414-1	New suppliers that were screened using social criteria	Policies (gates.com)	
414-2	Negative social impacts in the supply chain and actions taken	This information is considered confidential	

UN SDG INDEX

Bold = [Hyperlink](#) Regular = Report section reference

UN SDG GOAL	INTENTION OF GOAL	UN SDG TARGET CONTRIBUTION	SOURCE CONTENT AND PAGE NUMBER	PAGE NUMBER	ADDITIONAL RESOURCES
	GOOD HEALTH AND WELL-BEING Ensure healthy lives and promote well-being for all at all ages.	3.4 - promote wellbeing of employees with exercise and GoodLife newsletter	Employee Wellbeing	39	GoodLife Platform
		3.8 - provide employees with insurance and other benefits	Labor Relations	37	Policies (gates.com)
		3.9 - contribute to reducing mortality attributed to air pollution	Greenhouse Gas Emissions	28	
	GENDER EQUALITY Achieve gender equality and empower all women and girls.	5.1- promote women in senior leadership	DEI	40	gates.com
		5.5 - hold training, coaching and mentoring opportunities for employees	Employee Training	38	gates.com
		5.b - disclose DEI demographics	DEI	40	
		5.c - support the increase of underrepresented groups in STEM	Stem Empowerment	43	gates.com
	CLEAN WATER AND SANITATION Ensure availability and sustainable management of water and sanitation for all.	6.3 - ensure conscious use of water at the facilities	Water Conservation and Consumption	31	
		6.4- innovate products to use less water	Water Conservation and Consumption	31	
	AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all.	7.3 - contribute to more energy efficient products on the market	Energy Conservation and Consumption	30	
		7.b - strengthen EV mobility and expand its accessibility	Eco-Innovation in Action	23	
	INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	9.3 - promote innovation through partnerships with Gogoro/Zero Motorcycles	Eco-Innovation in Action	23	
		9.4- submitted new sustainable and patented inventions	Intellectual Property	22	
		9.b - build partnerships with companies in developing countries	Eco-Innovation in Action	23	
	REDUCE INEQUALITIES Reduce inequality within and among countries.	10.2 - have DEI focused policies	DEI	40	
		10.3 - enhance underrepresented voices	DEI Promotion	41	
		10.4 - promote employee development	Employee Training	38	gates.com
		10.6 - work with partners in developing countries	Eco-Innovation in Action	23	

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UN SDG GOAL	INTENTION OF GOAL	UN SDG TARGET CONTRIBUTION	SOURCE CONTENT AND PAGE NUMBER	PAGE NUMBER	ADDITIONAL RESOURCES
	SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient and sustainable.	11.3 - focus on improving sustainability in the urban mobility sector	Eco-Innovation in Action	23	
		11.5- lower GHG emissions and contribute to global reductions	Greenhouse Gas Emissions	28	
		11.6 - conserve energy with EV mobility fleets and reduce GHG emissions	Greenhouse Gas Emissions Eco-Innovation in Action	28 23	
		11.a - contribute to strengthening links between urban, peri-urban and rural areas	Eco-Innovation in Action	23	
	RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns.	12.2 - promote responsible consumption with material science innovation	Gates Eco-Innovation System	20	
		12.5 - contribute to improved production in the supply chain	Lifecycle Management	21	
		12.6 - published 4th sustainability report with GRI and UN SDG alignment	Compliance Commitment	16	
		12.7 - promote sustainability and transparency in procurement from suppliers	Ethical Sourcing	18	Policies (gates.com)
	CLIMATE ACTION Take urgent action to combat climate change and its impacts.	13.1 - generate products that reduce GHG emissions	Greenhouse Gas Emissions	28	
		13.2 - driven by long-term sustainability goals	Environment	27	
		13.3 - report on UN SDG alignment	Advancing UN SDGs	10 - 11	
	BELOW WATER Conserve and sustainably use the ocean, seas and marine resources for sustainable development.	14.1 - help reduce water consumption	Water Conservation and Consumption	31	
	LIFE ON LAND Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.	15.5 - contribute to initiatives that enhance local biodiversity	Environmental Initiatives	33	
		15.9 - follow a sustainability strategy for long-term positive impacts	Advancing ESG Initiatives Sustainability Performance Data	12 45	
	PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective and accountable and inclusive institutions at all levels.	16.2 - strong policy against use of child labor and sourcing from conflict places	Ethical Sourcing	18	Policies (gates.com)
		16.5 - strong anti-corruption policy	Compliance Commitment	16	Policies (gates.com)
		16.7 - regular review of HSE incidents during innovation and R&D activities	Health and Safety	36	Policies (gates.com)
		16.b - enhance social regional empowerment	Social Performance Data	46	



CAUTIONARY STATEMENT

This Sustainability Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify these forward-looking statements by the use of words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “predicts,” “intends,” “trends,” “plans,” “estimates,” “anticipates” or the negative version of these words or other comparable words. We base these forward-looking statements on management’s current expectations relating to our operations and business plans. These statements include, but are not limited to, statements related to our ambitions, goals, targets, plans and objectives, as well as statements about how we run our business; expectations regarding our continued progress in the areas of sustainability, corporate governance, product innovation, health and safety and community stewardship; and our plans to reduce our environmental footprint, including our commitment and efforts to decrease Greenhouse Gas emissions, reduce total energy consumption, reduce water withdrawal and increase waste diversion from landfills.

Actual results or outcomes may differ from those expressed in such statements. Forward-looking statements are subject to various risks and uncertainties, including, among others, the uncertainties relating to the impact of geopolitical events (including the conflict in Ukraine), the COVID-19 pandemic and associated governmental measures, macroeconomic factors beyond the Company’s control (including material and logistics availability, inflation, supply chain and labor challenges and end-market recovery), continued operation of our manufacturing facilities, risks inherent to the manufacturing industry, our ability to forecast and meet demand, market acceptance of new products and the significant influence of the Company’s majority shareholders, investment funds affiliated with Blackstone Inc. Additional factors that could cause the Company’s results to differ materially from those described in the forward-looking statements can be found under the section entitled “Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended January 1, 2022, filed with the Securities and Exchange Commission (“SEC”), as such factors may be further updated from time to time in the Company’s filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in the Company’s filings with the SEC. The Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. The numbers and data contained in this Sustainability Report have not been audited.

All references to “materiality” or “materiality assessment” within the context of sustainability. These references are not to be used within the context of, or as a substitute for, financial materiality in Gates financial reporting and SEC filings.

Photo taken by Sarah Hill



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