



2024

Sustainability Report

cts Your Partner in Smart Solutions®



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A Message from Our Chairman and CEO



At CTS, we achieve our goals by focusing on our strategy, performance and values, including shaping a more connected—and more sustainable—future.

On behalf of my CTS Corporation colleagues, including the Sustainability Committee, we are proud to share our Sustainability Report for 2024.

We believe that we deliver greater value to our customers, stakeholders, and the communities in which we operate when we conduct our business with the highest ethical standards and in a manner that mitigates our impact on the environment, maintains a safe and healthy workplace for our employees, utilizes good governance practices and, ultimately, demonstrates our value as a trusted partner.

This year, we achieved a 38% reduction in Scope 1 greenhouse gas emissions, building on prior efforts and resulting in a total decrease of 63% since 2022. This success was primarily driven by innovative changes in the manufacturing process we utilize, underscoring our dedication to environmental stewardship.

Our commitment to workplace safety remains paramount. We recorded significant improvements across all safety metrics, including a 44% reduction in the Near Miss Frequency Rate, reflecting our emphasis on enhancing our safety culture globally.

The CTS Cares program is the heartbeat of our organization, embodying the spirit that drives us daily. Our employees are empowered to make a meaningful difference in the communities where they live and work. Their dedication to service reflects our core values in action, with over 7,500 contributed to community service—demonstrating our strong commitment to social responsibility and community engagement.

We are proud of our execution on our Focus 2025 strategic plan and the substantial progress on our ESG initiatives. As we look to the future, we remain dedicated to advancing our ESG goals and ensuring sustainability and responsibility are at the core of our operations.

We are committed to meeting the expectations of our stakeholders—customers, employees, investors, suppliers and the global communities we serve. Our strategic initiatives drive us to achieve greater results.

Thank you for your continued support and trust in our company.



Kieran M. O'Sullivan
Chairman, President and
Chief Executive Officer

A Message from Our Board



At CTS, we are committed to fostering sustainable and ethical business practices as a cornerstone of long-term value creation for our investors, customers, and stakeholders.

Our Board of Directors, through the Nominating Governance, and Sustainability Committee, oversees our sustainability strategies and initiatives.

Our sound corporate governance practices encourage our management and employees to identify both opportunities and strategic risks, while promoting effective policy and decision-making both at the Board and management levels. With a view to enhancing long-term value for CTS shareholders, we work together to bring CTS corporate values to life every day.

The release of our 2024 Sustainability Report represents another important step in our ongoing journey toward transparency and accountability.

On behalf of our Board of Directors, we thank you for engaging with CTS’ latest sustainability report. We are excited to continue this journey together, advancing our shared commitment to a more sustainable future.



Robert A. Profusek
Lead Independent Director on behalf of
the CTS Corporation Board of Directors



REPORT FOUNDATION

Sustainability Report Foundation

Governance & Oversight

The Nominating, Governance and Sustainability Committee of the CTS Board of Directors provides oversight of environmental, social, and governance policies and initiatives.

CTS Sustainability Committee

Our Sustainability Committee is comprised of a cross-functional and diverse team of employees, that includes members representing Environmental, Health & Safety, Human Resources, Legal, Product, Internal Audit, and Supply Chain.

Established in 2021, the Committee leads the effort to assess frameworks, engage stakeholders, identify material topics, and build capabilities to track and report on these areas. These efforts culminated in our inaugural 2022 ESG Report and with a commitment to publish ESG reports every two years thereafter.

Stakeholder Assessment

Understanding our stakeholders forms the context by which the CTS Sustainability Committee identifies the topics that are most material to CTS Corporation. This Stakeholder Assessment, which was foundational in the 2022 ESG Report, has been re-validated annually and is used to inform the focus of the committee for future action.

Data

Unless specifically noted, all ESG data is as of December 31, of the applicable year (2022, 2023, 2024.)

Our stakeholders and relevant material topics include:



Employees – Workplace safety, diversity, fair wages, and career development.



Executives & Board of Directors – Governance, ESG strategy, and risk management.



Shareholders & Investors – Sustainable financial performance, ESG disclosures, and risk mitigation.



Customers & End-Users – Product sustainability, ethical sourcing, and societal & environmental impact of the end-product.



Suppliers & Business Partners – Compliance with ESG standards, responsible sourcing, and carbon footprint.



Regulators & Government Agencies – Compliance with environmental laws, labor standards, and anti-corruption policies.



Local Communities – Environmental impact, corporate social responsibility (CSR), and economic development.

Materiality Assessment

Material Topics

People

Environment

Governance

	Employees	Board	Investors	Customers	Suppliers	Regulators	Communities
Training and Education/ Career Development	x	x	x				
Diversity & Equal Opportunity	x	x	x	x			
Community Involvement	x						x
Health & Safety	x	x	x	x	x	x	x
Water & Wastewater Management	x	x	x	x	x	x	x
Energy Management	x	x	x	x	x	x	x
Waste & Hazardous/ Waste Management	x	x	x	x	x	x	x
Climate Change & GHG Emissions	x	x	x	x	x	x	x
Economic Performance	x	x	x	x	x		
Business Ethics	x	x	x	x	x	x	x
Innovation	x	x	x	x	x	x	
Sustainable Supply Chain	x	x	x	x	x	x	





COMPANY OVERVIEW

Your Partner in Smart Solutions

At CTS, our mission is to enable an intelligent and seamless world. We strive to fulfill this mission by being instrumental in helping our customers and their products shape the future. This includes designing highly-engineered solutions with more effective and efficient technologies that make our customers' products smarter.



We also understand that we have a responsibility to help shape not only a smarter future, but one that is mindful of the needs of future generations. Making responsible business choices creates long-term value for the company, our stakeholders, and the communities in which we live and do business.

The goal of our 2024 report is to provide our stakeholders with an overview of the key areas of our business, of meaningful steps we have taken toward enhancing ESG-related business practices, and of CTS' goals as we continue to advance our initiatives.

2024 By The Numbers*

Revenue (in millions)

\$515M

Number of Locations

20+

Adjusted EPS²

\$2.12

Number of Countries

12

Adjusted EBITDA Margin

22.4%

Number of Employees (approx.)

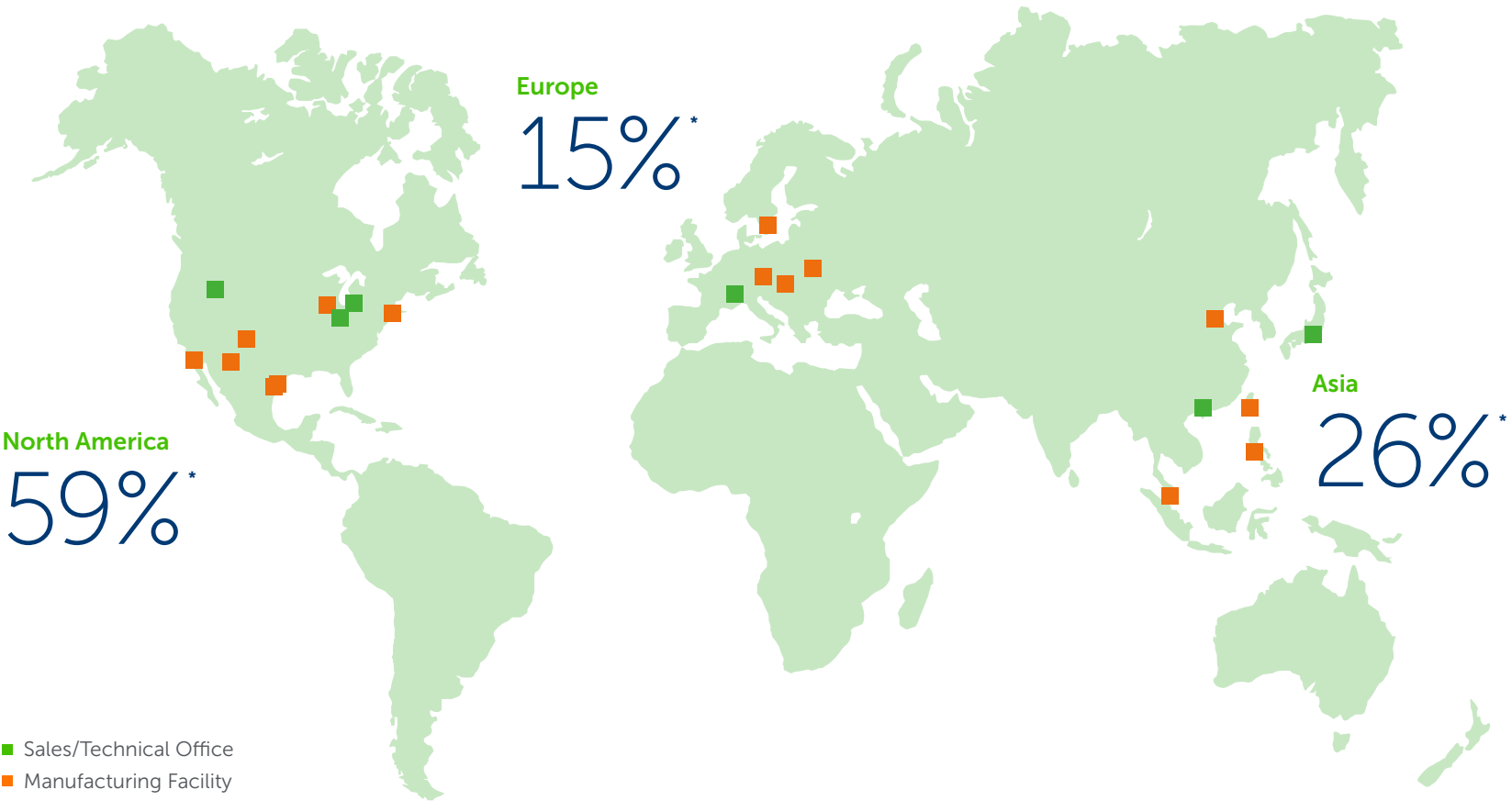
3,500

*A reconciliation of each non-GAAP financial measure to its most directly comparable GAAP financial measure is included in the Appendix to this Report.

About CTS

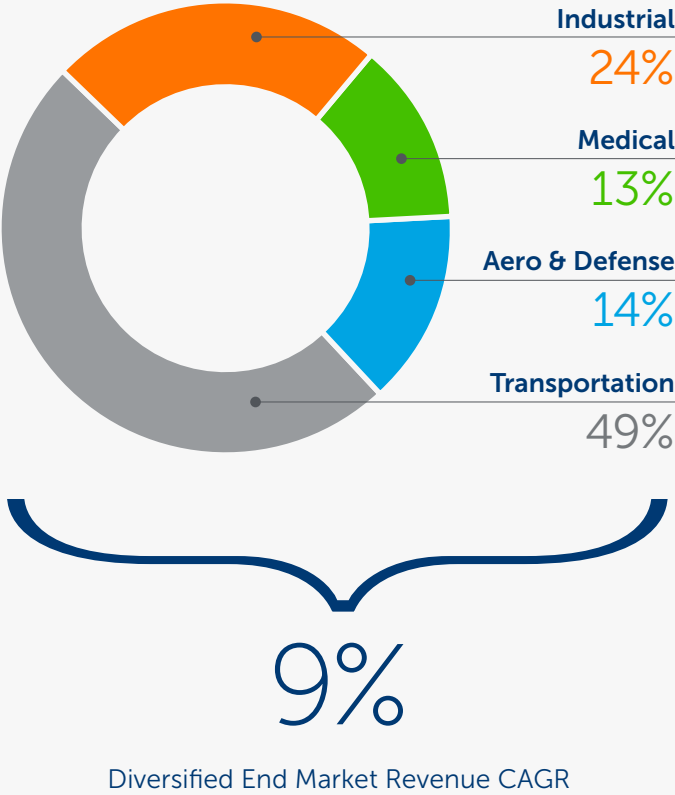
Global Design and Manufacturing Capabilities

CTS has always aimed to be at the forefront of technology, delivering innovative sensing, connectivity, and motion solutions enabling an intelligent and seamless world.



*Percentages reflect the revenue generated by CTS from the applicable geography as of December 31, 2024.

Applying deep technical expertise across our diverse end markets provides a sustainable advantage.



2024 ESG Highlights



2024 ESG highlights include:

63% ↓

Reduced process emissions by 63% since 2022 utilizing new, environmentally friendly fluids to replace perfluorocarbons (PFCs).

lead-free

Continued development of lead-free piezoelectric ceramics and products supporting non-invasive surgical devices and techniques.

+7,500 hrs












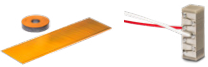

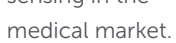

Enhanced our legacy of community outreach by devoting more than 7,500 hours of community service through CTS Cares—our global program designed to promote charitable giving and community involvement.

+13,421 hrs

Provided our employees with training in a variety of subjects including ethics and compliance, health and safety, cybersecurity awareness, anti-harassment, with 5,257 of hours of training focused on executive leadership skills and behavior to help them achieve their career goals.

A History of Innovation

Founded in 1896, CTS manufactures sensors, actuators, and electronic components in North America, Europe, and Asia. Our history of innovation spans 128 years.

<p>In 1896, A.J. and George A. Briggs created Chicago Telephone Supply Company, eventually known as CTS.</p> 	<p>Engineers introduced Cermet, a stable resistance element. Cermet's stability met the demands of miniaturized applications in computers and military industries.</p> 	<p>As demand in the electronics industry called for the miniaturization of electronic products, CTS responded by manufacturing hybrid microcircuits, designing more functionality into smaller packages, for applications as varied as heart pacers and missile guidance systems.</p> 	<p>Alpha Ceramics Expanded its piezoceramic portfolio to the defense market with hard-doped PZT.</p> 	<p>Valpy Fisher Expanded frequency control products into military & aerospace for the US & EU markets.</p> 	<p>QTI Initial CTS entry into temperature sensing - thermistors & RTD product.</p>	<p>Ferroperm Expanded the piezo capability to strengthen CTS' position in the medical therapeutic market.</p>  <p>TEWA Expanded thermistors & RTD product portfolio and EU market.</p> 	<p>SyQwest Designers and manufacturers of Naval sensors and systems. Dedicated to providing reliable, high-quality solutions that stand the test of time.</p>							
1896	1922	1958	1963	1971	1999	2007	2010	2012	2016	2019	2021	2022	2023	2024
	<p>CTS shifted from finished products to radio components manufacturing during this period.</p> 	<p>The electronics industry's call for miniaturization prompted CTS to produce hybrid microcircuits.</p> <p>1964 – Acquisition of James Knight Co. Initial engagement of CTS into frequency control products.</p> 	<p>Motorola's Component Division (CPD) This acquisition marks the first entry of CTS into piezo ceramic and RF ceramic filters.</p> 	<p>Tusonix Military and industrial EMI/RFI filter products.</p> <p>Fordahl Expanded focus on specialized frequency control products.</p> 	<p>HC materials Expanded piezo product capability into single crystal piezo for medical imaging.</p> <p>Noliac Expanding piezo product capability into multilayer technology and transducer design.</p> 	<div><p>CTS Celebrates 125 years</p></div> <p>SSI Expanded temperature sensing in the medical market.</p> 	<p>maglab CTS entered into the automotive and industrial electrification industry with current sensors.</p> <div><p>ESG Report</p></div> <p>First ESG Report CTS publishes its inaugural ESG report, reaffirming its goal to make a difference for employees, stakeholders, and the communities in which we operate.</p>							

Core Values and Guiding Principles

Our Core Values



Play to Win
Being ambitious, seizing opportunities, challenging to get the best results, acting with humility, intelligence, and integrity



Responsiveness
Being nimble and acting fast, understanding customers' needs, respecting the views and needs of others, working with a sense of urgency



Simplicity
Being straightforward, easy to deal with, reducing bureaucracy and complexity, delivering solutions efficiently and effectively



Solution Oriented
Staying curious and resourceful, embracing challenges, understanding the challenges, finding new and better ways to work together

Our Guiding Principles

Since 1896, we have adapted to meet the ever-changing needs of our customers and employees. The CTS purpose, vision, promise, and values serve as our guiding principles as we continue to develop quality products and create rewarding careers for our employees.

Our Purpose

We're here to enable an intelligent and seamless world.

Our Promise

Your Partner in Smart Solutions.

Our Vision

We aim to be a leading provider of sensing and motion devices as well as connectivity components, enabling an intelligent and seamless world.

Our Values

Play to Win, Simplicity, Responsiveness, Solution Oriented.

Supporting Innovations in Healthcare and Medical Devices

CTS is proud of our proven track record of partnering with customers with a broad portfolio of products in healthcare and medical applications to facilitate solutions in diverse applications that help improve diagnostics, quality of life, and the patient experience.

Medical Imaging



High-performance piezo components manufactured by CTS are enabling advancements in medical imaging, including improved accuracy, contrast imaging that can replace biopsies, and improved ergonomics.

Our partners and customers are using our products to enable AI for cardiac diagnostics, detecting structural heart disease and improving electrophysiology studies. In addition, innovative ultrasound probes and portable ultrasound devices drive faster diagnostic and treatment availability at the point-of-care, in clinics or emergency response facilities.

CTS is supporting the development of technology for the treatment of keratoconus as well as vision errors in otherwise healthy eyes.

Therapeutic Ultrasound



In use by U.S. health care providers now, CTS has supported the development of a process known as Transurethral Ultrasound Ablation for over five years. An MRI-guided minimally invasive procedure used primarily for treating prostate cancer, it utilizes real-time guidance that monitors temperatures within the prostate and surrounding structures, enabling health care providers a more precise treatment for a broad spectrum of patients.



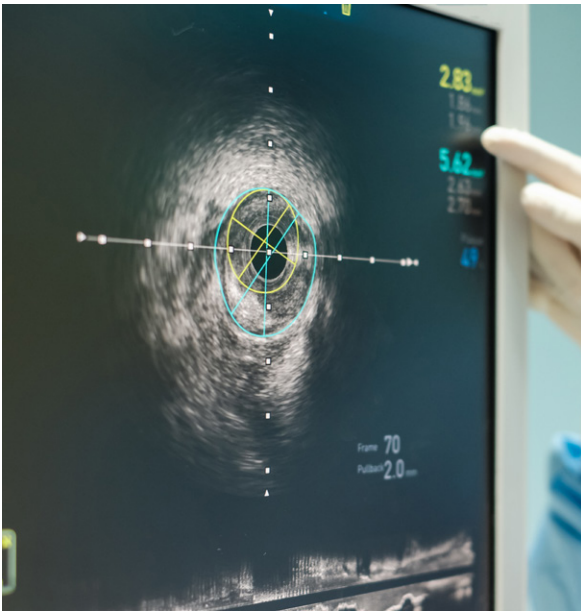
CTS also continues its innovation in high-intensity focused ultrasound (HIFU). CTS creates concave- shaped piezoceramic components referred to as “focus bowls” (image above) that are ideal for focusing ultrasonic energy onto a pinpoint target. These focus bowls are employed in HIFU medical therapeutics.

Supporting Innovations in Healthcare and Medical Devices

Medical Applications



CTS has partnered in developing a blood gas analysis device to aid in point-of-care blood gas testing. The hemolysis detector uses acoustic waves to separate blood cells and integrates CTS’s lead-free piezo technology.



CTS supported the development of a noninvasive platform designed to fragment and reposition kidney stones in any clinical setting, for fully awake patients, shortening recovery times and hospital stays.

CTS innovation helped advance a medication management solution for manual IV bolus injections that automatically identifies the IV injectable drug name and concentration and performs real-time allergy checks before an injection. It also measures the cumulative dose being administered to a patient during an injection and wirelessly sends captured information on the drug, dose, time, and route of administration directly into the patient’s electronic medical record following an injection.



CTS innovation also helped a partner develop a drug delivery device in use today for emergency cases when other techniques cannot be applied.

Drug delivery systems must account for many factors, including efficacy and patient acceptance/compliance. A recent development leverages CTS piezo technology for a non-invasive, transcutaneous drug delivery product that uses vibration from a thin piezo element to provoke the penetration of drugs through the patient’s skin. The product is easier to use, safer, and more comfortable than conventional drug delivery systems, thereby improving the patient experience.



Supporting Vehicle Electrification

Currently, over 95% of CTS’ light vehicle products can be used in electric vehicles. By the end of 2025, CTS intends for 25% of its light vehicle components to be sold for electrified platforms.

As the demand for electric vehicles (EV) continues to evolve, manufacturers are challenged with designing vehicles that maintain performance while maximizing the positive environmental impact of electric vehicles. We collaborate directly with original equipment manufacturers to provide products, such as CTS’ sensor and pedal products, that drive both innovation in electric vehicles and improved performance. CTS is uniquely positioned to support vehicle electrification through its portfolio of products that are platform agnostic—meaning they can be used in electrified vehicles without any additional development or modification. In addition, CTS also is designing products specifically for use in EV applications, facilitating the increased availability of electrified vehicles.

Temperature Sensor for EVs

As motors become lighter and smaller, temperature management becomes more and more critical. Currently still in testing, axial flux electric motors and controllers provide the greatest efficiencies and highest power and torque density in their class, for the smallest size and weight. The CTS axial leaded glass bead thermistor under development will be inserted in an axial flux motor design with 4-8 sensors per vehicle.



Current Sensors

Current sensors gauge how much power various vehicle regions, such as the motor, and are imperative in optimizing electric motor performance and metering applications.

CTS designs and manufactures a suite of sensors for industrial and automotive applications using Hall-effect technology, such as electric vehicles (EV), hybrid electric vehicles (HEV), battery electric vehicles (BEV), and plug-in hybrid electric vehicles (PHEV).



Innovations in Safety

Occupancy Restraint Sensors

CTS offers a wide range of occupancy restraint sensors to ensure vehicle passenger safety. Our seat belt sensors are crucial components in modern automotive safety systems, designed to enhance the protection of vehicle occupants. Our sensors detect whether the seat belt is fastened and can trigger a series of safety mechanisms, such as warning alerts or automatic locking of the belt during a collision. By providing real-time feedback to the vehicle’s safety system, our sensors ensure that drivers and passengers are properly restrained.



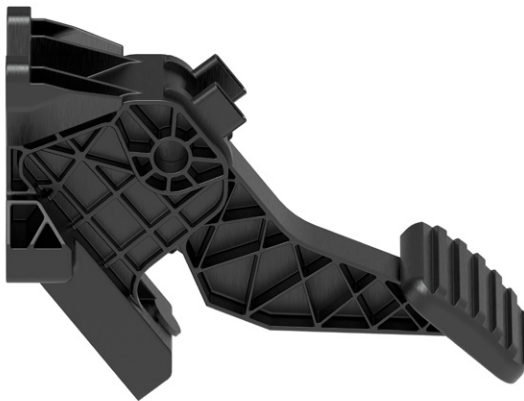
Brake Pedal Sensors

CTS has a long history of experience in position sensing technology, applied to our linear and rotary brake sensors. These sensors not only determine the position of the brake pedal but also enable fuel-saving technology incorporated in ‘Stop Start’ Engines.



eBrake™

The CTS eBrake™ is a custom modular pedal that operates as a brake-by-wire technology designed for electronic braking systems (EBS). With safety at the forefront of our design process for automotive parts, this system utilizes multiple sensor technologies to protect end users, allowing OEMs to seamlessly integrate brake-by-wire technology and establish electronically controlled hydraulic brake systems (EHB) without mechanical input. The CTS eBrake™ also optimizes footwell packaging, reducing the space needed for brake pedal movement and enhancing overall vehicle interior design.





SOCIAL

CTS Cares

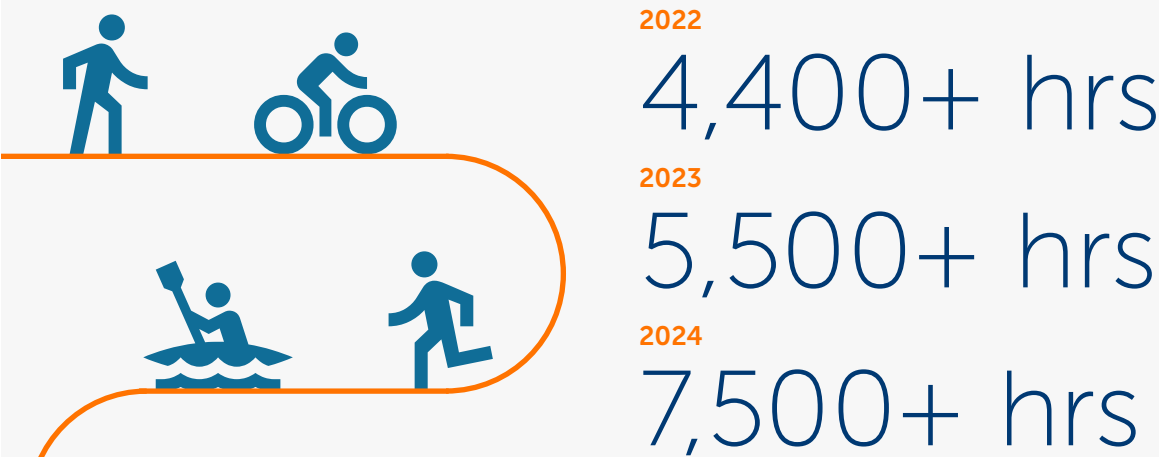
The ability to positively impact society has always been a core element of CTS’ corporate DNA. We draw on the collective strengths of our global teams to foster a culture that encourages active employee participation in community enhancement opportunities.



CTS has a rich history of philanthropy and community involvement, and our employees routinely leverage their individual skills and capabilities to give back to their local communities. We value the contributions that our employees make and are proud of their commitment to improving the world around them.

In 2021, we introduced CTS Cares, a platform that connects CTS employees to the causes they consider to be the most impactful to their local communities and stakeholders. CTS Cares allows us to be both good neighbors and better corporate citizens by encouraging CTS employees to pursue volunteer opportunities in their local communities that are consistent with our core values.

CTS Cares Annual Impact



CTS Global Relay Challenge is a charity race founded by one team, and then adopted by all CTS locations in 2023. This relay race brings our global teams closer together in the spirit of giving. Each October, CTS employees form global teams and compete in a 24-hour race to record the greatest distance. CTS then donates to the chosen charities of the top three relay teams.

CTS Cares: Key Projects in 2024

Blood Drive



Lublin – Approximately eighty employees supported the event, and the team donated 10,350 liters of blood, saving as many as 240 lives.

3D Printer Donation



Denmark – Two Ultimaker 3D printers were no longer needed. The Kvistgaard facility donated to a local after-school center for grades four and up. Our team helped the center setup the printers, train the staff, and hosted an event for the kids to print various figures.

Dragon Spreading Warmth Boat Festival Event



Kaohsiung – With the help of volunteers, over 5,000 rice dumplings were made and distributed to underprivileged people in Kaohsiung, Tainan, and Taichung.

Habitat for Humanity



Lisle – The CTS team volunteered for the local Habitat for Humanity to build homes for low income, single partner families in the local community.

CTS Celebrates Belonging & Inclusion

At CTS, we understand that our success depends on fostering an environment that values and supports an inclusive and empowered workforce. With a business spanning the globe, we strive for our facilities and workforce to reflect the diversity of our geographic footprint.

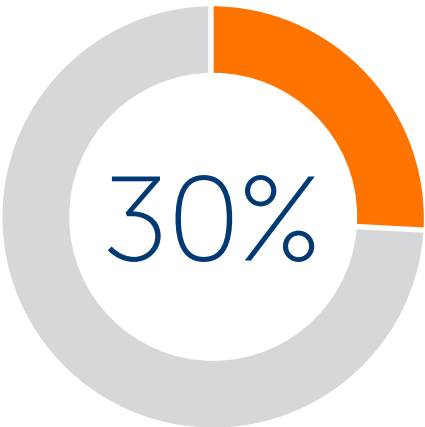
Leveraging Our Diverse, Global Teams

CTS’s broad geographic footprint allows for global capability with regional sensitivity. Our inclusive demographic employee mix provides diverse perspectives to advancing the business.

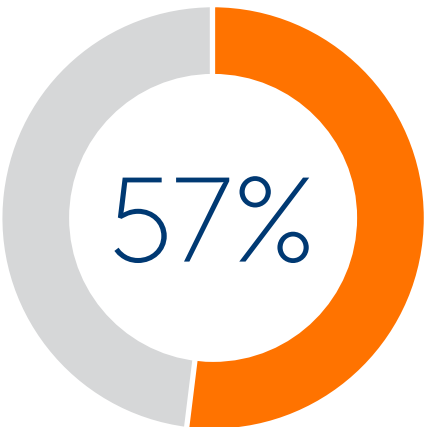
As a result of our efforts, we can report more than half of CTS employees were female in 2024. It is our current mission to proactively support and advance our female team members to build a pipeline of female leaders.

With our global footprint of over 3,400 employees worldwide, our regional presence enables us to stay close to our markets, understand local needs, and deliver innovative solutions that drive global success.

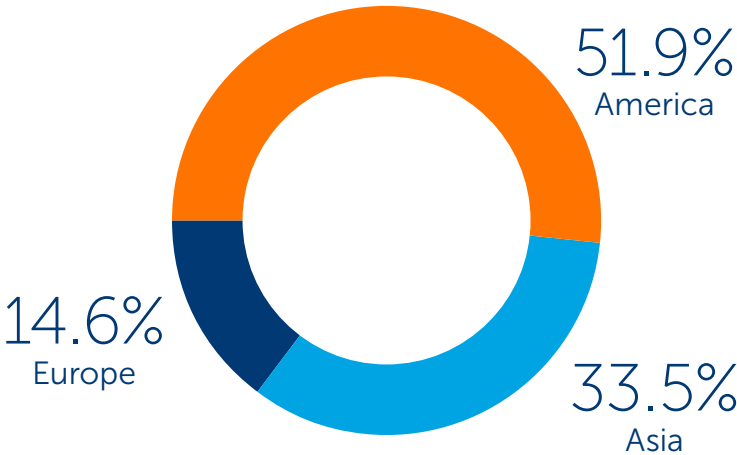
Female CTS Leaders



Female CTS Employees



CTS Global Footprint



Developing Tomorrow’s Leaders Today

At CTS, we believe employee development and achieving our business goals go hand in hand. That’s why we focus our learning and development activities on helping employees achieve their personal career development goals. In 2024, we provided our employees with training on a variety of subjects, including over 5,200 hours of training dedicated to executive leadership skills and behaviors.

CTS Employee Training Programs

2024 Training Hours

Leadership & Development	5,257 Hours
Safety	3,377 Hours
Ethics/Compliance	3,932 Hours
Cybersecurity Awareness	855 Hours
Total Training Hours	13,421 Hours

Situational Leadership & Leadership Essentials

The core of our career development training programs is comprised of our situational leadership and leadership essentials courses. These courses build leadership and soft skills that help CTS create a results-driven and empowered culture. These sessions focus on

helping employees build the skills they need to excel in their roles.

New Training Data Being Captured

The Sustainability Committee will continue to evaluate ways to improve the reliability of the data from other training methods, including in-person, which currently is excluded from this report. The CTS Sustainability Committee is evaluating methods to improve the collection and reliability of training data at the site level. In 2024, we were able to track and add two new data sources into the Leadership and Development section from the following sources:

- CTS Engineering Training = 208 hours
- Lean Six Sigma Training through GEMBA Academy = 1,242 hours



Accelerated Leadership Program (ALP) 2024

Richardson Sales Training

We partnered with Richardson to accelerate sales growth by equipping teams with the agility and skills needed to stay ahead of evolving buyer needs. All customer-facing team members completed training in Sprint Prospecting™, Sprint Selling™, Sprint Dialogues™, Sprint Negotiations™, and Sprint Coaching™, providing a structured yet flexible approach to sales. These programs enhance critical thinking, customer engagement, effective sales conversations, agile negotiation, and trust-based coaching—ensuring our teams are equipped to drive meaningful customer relationships and long-term success.

Accelerated Leadership Program (ALP)

Designed for current and future leaders interested in advancing their development and career as a CTS leader, this program provides the opportunity to develop a leadership perspective, increase leadership potential and generate clear plans for getting to the next level. In 2023, CTS graduated a class of 20 future leaders through the ALP program.

Health & Safety

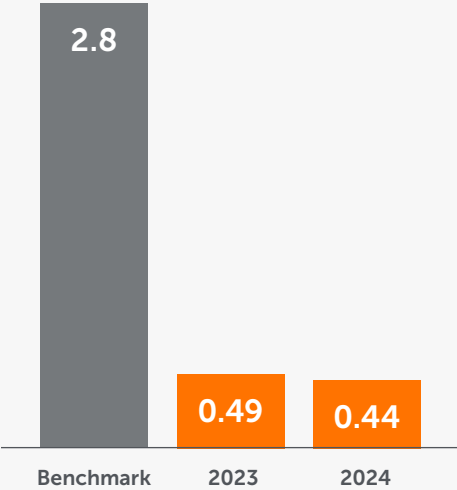
At CTS, we strive to provide a work environment that enhances employee safety, satisfaction and productivity. Providing a safe workplace is not only the right thing to do, it's essential to maintaining a high-performance culture, attracting new talent, and effectively competing in the marketplace.

Since 2022, CTS has reduced our Total Recordable Incident Rate by 39% and our Lost Time Incident Rate by 36%.

These improvements were generated by centralizing our Safety and Health programs and by developing a monthly safety focus system where problematic areas are identified and proactive measures are taken to address potential issues in the system.

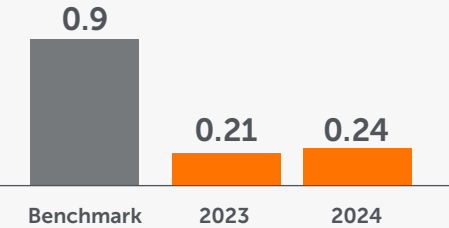
2024 Health and Safety Highlights

Total Recordable Incident Rate



U.S. Bureau of Labor Statistics (BLS)
Benchmark Manufacturing: 2.8
Rate of nonfatal work injuries and illnesses in all manufacturing sectors

Lost Time Injury Rate



BLS Benchmark Manufacturing: .9
Injury and illness rate involving cases with days away from work, job restriction or transfer.



Safety in Practice

Recently, CTS launched an Ideas Campaign aimed at identifying areas for safety improvement. CTS encouraged all employees to participate in the Safety Ideas Campaign with a prize for the best Idea submitted.

The Safety Ideas Campaign winner was Huang Kuo Tai from Kaohsiung. Huang Kuo Tai's Idea centers on a packaging area that utilized a pneumatic sealing machine. Because the machine has an airline strung along the floor, creating a trip hazard, Kuo Tai suggested stringing the airline across the ceiling, thereby removing the trip hazard.

Tianjin Safety Day 2024

Our Tianjin team dedicates an entire day to performing their emergency responses plans that incorporate hands-on training in their individual responsibilities in the event of an emergency. This training and preparedness is foundational in CTS’s safety-first culture.

Employees practice fire escape in a simulated room created by inflatable structures.

A group of employees are inside a simulated fire escape room made of red and yellow inflatable walls. They are wearing masks and appear to be practicing evacuation procedures.

During the evacuation drill, employees pretend to have injured legs and receive treatment from the first-aiders.

Two employees in light blue lab coats are providing first aid to a seated employee who is simulating a leg injury. They are using a bandage to wrap the leg.

Employees practice the emergency response measures for chemical leakage.

Two employees are wearing full-body yellow protective suits, including hoods and respirators. They are practicing emergency response measures for chemical leakage in an indoor setting.

Employees actively participate in fire-fighting operations.

An employee is using a red fire extinguisher to spray a fire burning in a metal barrel. Other employees are standing in a line in the background, observing the fire-fighting operation.

Employee Well-Being and Engagement

At CTS, our employees are the foundation of our success. As a global manufacturing company with operations across the Americas, Europe, and Asia, we are committed to fostering a safe, supportive, and engaging workplace that prioritizes well-being.

Employee well-being goes beyond physical health—it encompasses mental resilience, work-life balance, and opportunities for personal and professional growth. That’s why each of our sites is empowered to develop initiatives tailored to the unique needs of their workforce and local communities. From innovative health and safety programs to mental wellness support and engagement activities, our teams around the world are driving meaningful change.

Here are just a few examples of how our sites are championing employee well-being:

Mental Well-Being in the U.S.

At CTS, we deeply value the well-being of our employees. As we continue to navigate through various challenges both in and out of the workplace, it’s essential that we prioritize our mental health. Our mental health is not just about the absence of illness but encompasses our psychological, emotional, and social well-being. Things like stress and grief influence how we think, feel, and act, ultimately shaping how we engage with our work and those around us.

Mental Health Awareness Month

Throughout May, we focus on various perspectives of mental health by providing information and resources for our employees, conveying that seeking mental health care is a sign of strength and self-awareness.

Employee Engagement in Kaohsiung, Taiwan

In October, the Plant extended its health promotion initiatives by organizing activities that brought employees together.

The excitement continued in November with a Badminton Friendly Match that drew enthusiastic participation from all departments. The Kaohsiung Plant sponsors a four-month health promotion series, offering something for everyone. Participants in any of the events are automatically entered into a lottery draw.



Employee Well-Being and Engagement

Employee Engagement and Well-Being in Prague, Czech Republic

In 2024, our Prague site placed a strong focus on employee well-being and strengthening team spirit through a number of events.

Nymburk Half Marathon – 10 km Run (April 2024)

One of the most inspiring moments of the year was our participation in the charity run organized as part of the Nymburk Half Marathon. Ten of our employees joined the 10 km race – including colleagues who were new to running and only began their training 1–2 months before the event. Our goal was not only to promote physical activity and a healthy lifestyle but also to demonstrate that with determination and a shift in mindset, we can achieve much more than we often think. All participants successfully completed the run, spent a wonderful day together in a friendly setting, and ended it with a well-deserved lunch.



Health Education and Preventive Screenings (April & October, 2024)

We organized lectures on healthy living and nutrition, combined with body composition analysis using the InBody device and arterial health checks. In several cases, we were able to identify health risks that led to further medical consultations.

Ongoing Well-being and Motivational Challenges

Throughout the year, we hosted various sport and lifestyle challenges to promote healthy habits and work-life balance – including additional running events and a rowing challenge, among others.



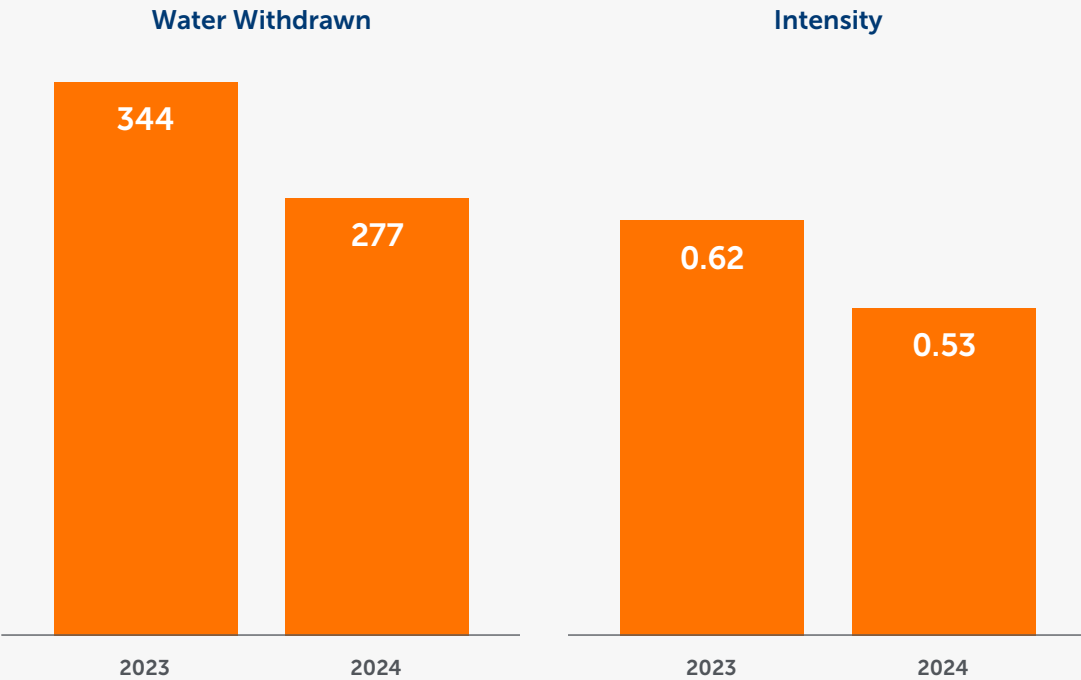


ENVIRONMENTAL

Water and Wastewater Management

There are a few CTS locations with water intensive processes or in water depressed areas. After establishing our baseline in 2022, the CTS Sustainability Committee reviewed those locations to identify ways to drive reduction in water consumption.

Water Use (Megaliters)



CTS Lisle, IL Water Project

In 2023, a CTS engineering and operations team developed a system that recirculates the process water throughout the operations, dramatically reduced water consumption at the Lisle site.

Denmark Water Project

At our CTS facility in Denmark, a water cooler on a cutting machine was initially installed using clean tap water for cooling. It was modified to include an internal electric cooling unit that recirculates the water within the equipment. This change has helped CTS Denmark reduce its monthly consumption of clean drinking water by more than half.



Reduction in Water Consumption in 2024

70%

Cubic Meters of Water Saved in 2024

8,265

Kaohsiung, Taiwan Water Savings

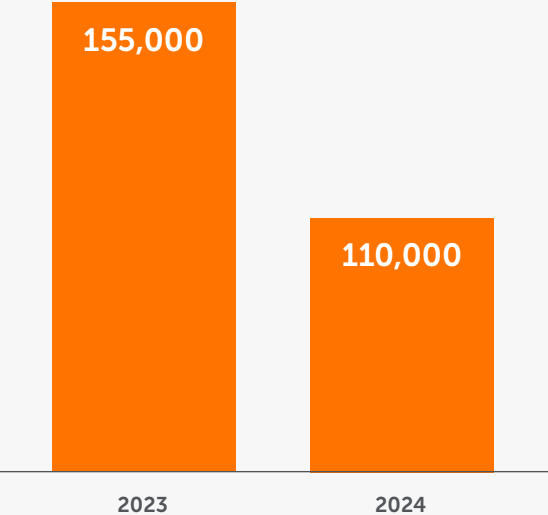
Through routine checks, staff at our Kaohsiung facility determined that water usage on the weekends was similar to use during the week. Upon further investigation, actions were taken to reroute water supply lines, reducing water usage at Plant 1 by 70%.

Water and Wastewater Management

Tianjin, China Water Savings Project

In 2023, a meticulous review was conducted for scientific verification of the process water used in the PZT production. The Tianjin site achieved a water saving of 45,000 cubic meters in 2024 compared to 2023 by using softened water to replace part of the ultrapure water, and the total water consumption of Tianjin site decreased by 30%.

Yearly Water Consumption (cubic meters)



Reduction in Water Consumption in 2024

30%

Cubic Meters of Water Saved in 2024

45,000



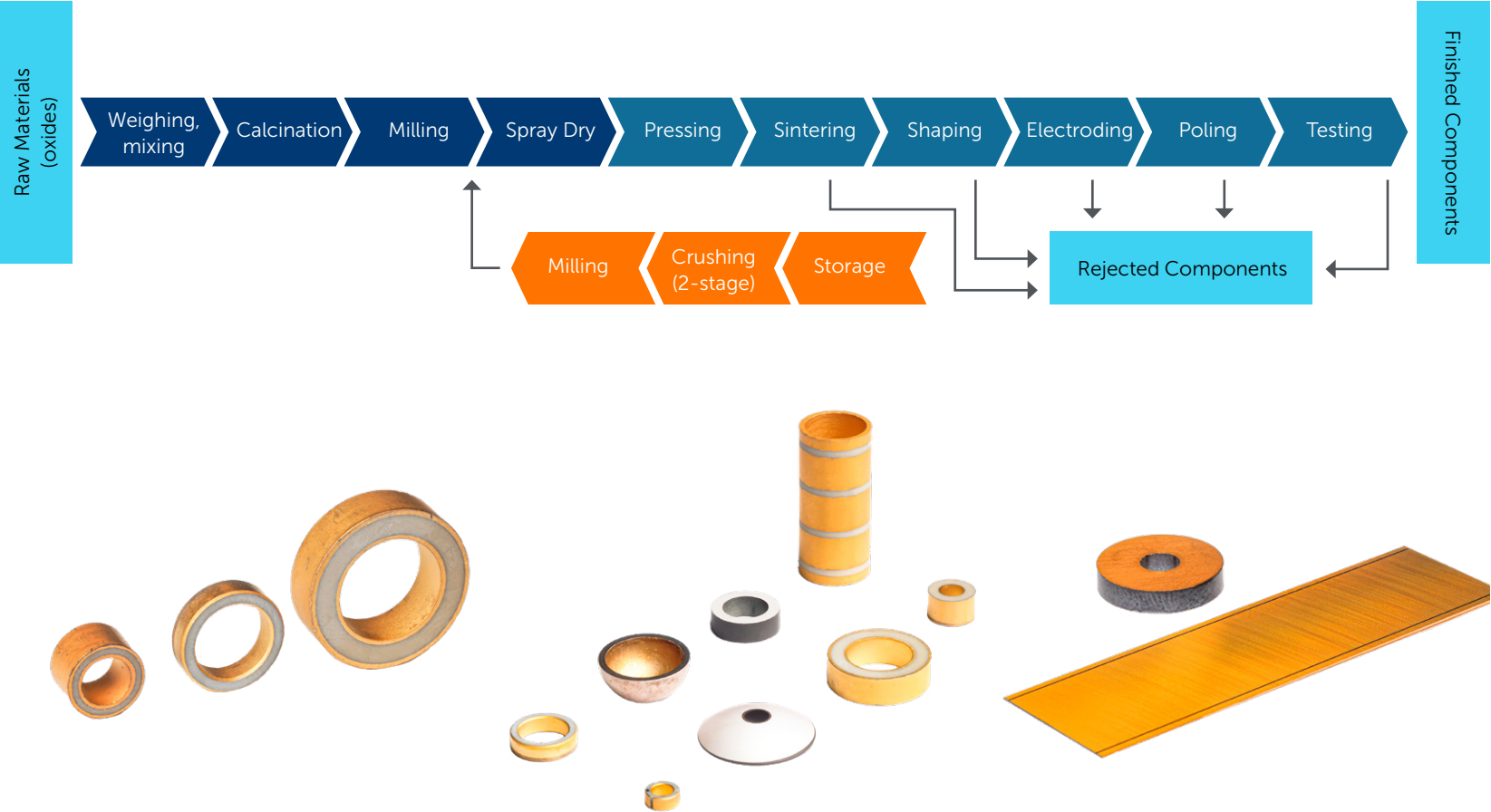
Energy and Waste Management

Continuous Improvement through Energy and Waste Management

CTS maintains a continuous improvement (CI) program managed centrally but administrated within all of our facilities. This CI program is designed to identify cost savings opportunities using lean and 6 Sigma practices focused on reducing waste, improving efficiencies, and other improvements to the value chain. Each quarter employees are recognized throughout the organization based on their successful identification and implementation of CI projects. This is one of the ways that we recognize and celebrate our employees and their contributions above and beyond their normal day to day job. The ultimate outcome of many of these projects has direct or indirect impacts on energy and waste reduction. With thousands of projects being implemented each year under our CI program, CTS continues to maintain a culture of continuous improvement.

Gaining Efficiencies Through the Remanufacture of PZT

At CTS Denmark, the team is exploring waste reduction through the reuse of sintered components. The team is testing the viability of recycling rejected components into ceramic powder for re-processing.



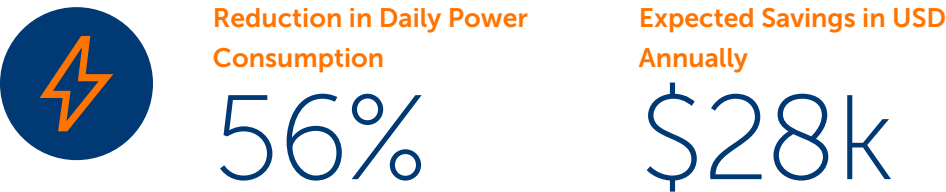
Energy and Waste Management

Energy Management

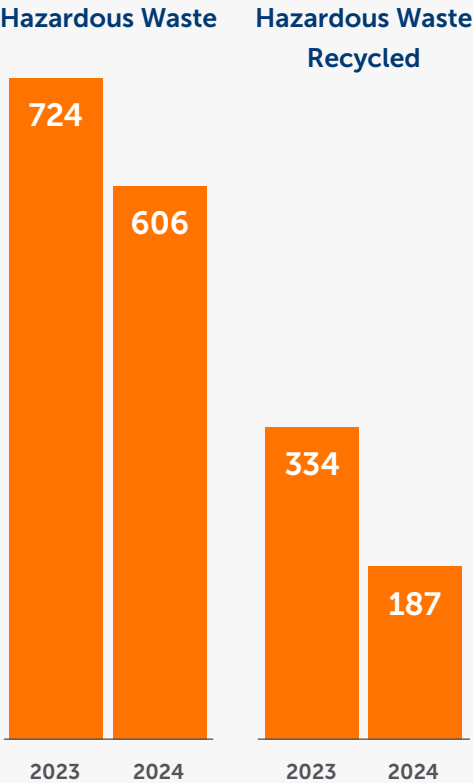


Saving Electricity through Improved Pump Control at Tianjin, China

By changing the frequency converter of the cooling water pump at the Tianjin facility from full-frequency to variable-frequency, energy and money was saved. The frequency converter automatically adjusted the running frequency of the pump, resulting in a reduction in daily power consumption.



Waste and Hazardous Waste Management (in Metric Tons)



Separating Stainless Steel from Scrap at Kaohsiung, Taiwan

Our team in Taiwan recently identified that stainless steel waste could be separated and recycled. Implemented in November 2024, 160 kg of stainless steel was recycled.

Collaborating on Waste Reduction at Albuquerque Facility

As part of our ongoing commitment to sustainable operations, our Albuquerque facility recently launched a collaborative waste reduction initiative with a key customer. Together, we introduced reusable foam trays into the shipping process—an innovation that not only optimizes packaging efficiency but also significantly reduces single-use material consumption.

These lightweight trays are returned by the customer after each delivery, enabling continuous reuse within our supply chain. This closed-loop system has resulted in an estimated waste reduction of approximately 80 pounds per week—equivalent to nearly 1.8 tons annually. This initiative exemplifies how strategic partnerships can drive measurable environmental impact while enhancing operational performance.

Climate Change and GHG Emissions

Climate Change and GHG Emissions

After establishing our baseline in 2022, the CTS Sustainability Committee created a sub-committee to perform a deeper assessment on our baseline data and the sources of GHG emissions to identify potential areas of opportunity to reduce Scope 1 emissions. The project team identified the most significant driver centered around certain CTS facilities utilizing a process that contains perfluorocarbons (PFCs). A project team was assembled, comprised of Engineering, Operations, and EHS team members, to find an environmentally-friendly alternative to the Fluorinert used in these processes that would also meet our customers’ product requirements. Based on the initial research and testing, the team identified potential replacement fluids with no GHG footprint and which were also non-toxic and could be handled safely by our operations teams.

GHG Emissions (mt/CO²e)



119,503

2023 Location Based



84,189

2024 Location Based

=

30%

Emissions reduced

117,772

2023 Market Based



83,526

2024 Market Based

=

29%

Emissions reduced

GHG Intensity (mt/CO²e)



217

2023 GHG Intensity
Location Based



163

2024 GHG Intensity
Location Based

=

30%

Emissions reduced

213

2023 GHG Intensity
Market Based



161

2024 GHG Intensity
Market Based

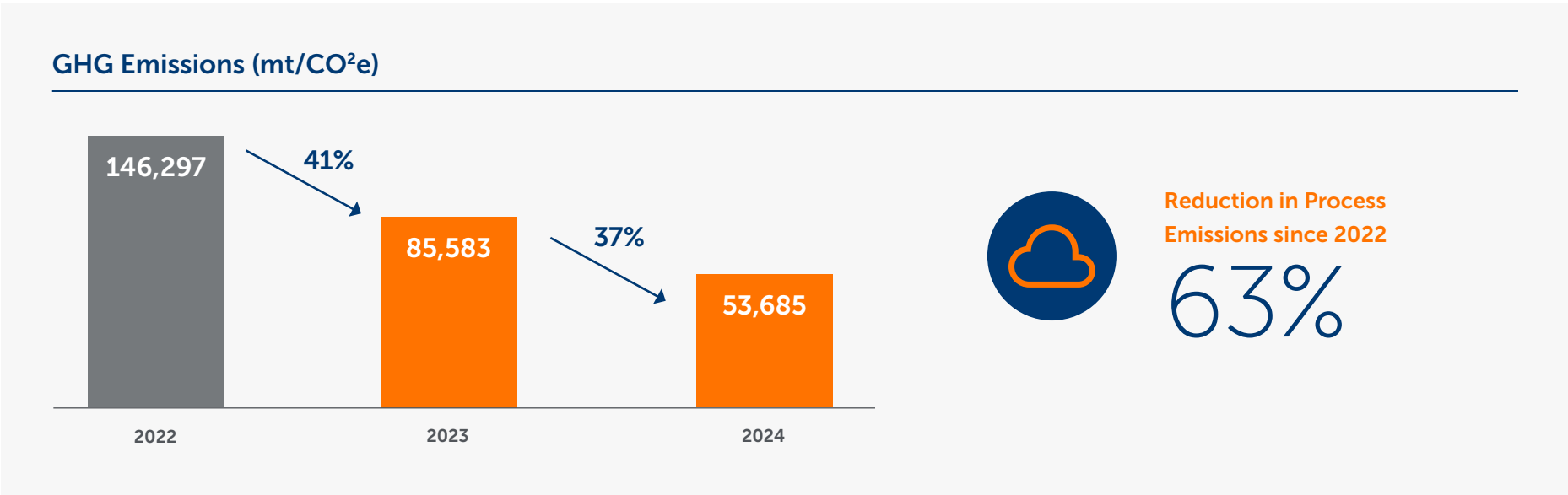
=

29%

Emissions reduced

GHG Emissions & Sustainable Supply Chain

Between 2023-2024, CTS was able to test and implement changes to our GHG processes resulting in substantial GHG reductions. In our 2022 baseline, 146,297 mt/CO₂e emissions stemmed from the use of Fluorinert. This number was reduced to 85,583 mt/CO₂e (41%) in 2023 and to 53,685 mt/CO₂e (37%) in 2024. In the past two years, CTS has reduced process emissions by 92,612 mt/CO₂e. This represents a 63% reduction in process emissions since 2022. CTS will continue to shift all remaining legacy production and qualify all new parts utilizing these new, environmentally friendly fluids.



Sustainable Supply Chain

CTS has been working toward improving our sustainable supply chain efforts beyond standard reporting requirements. While we continue to manage our conflict minerals program and report results annually in the Form SD, CTS added dedicated resources to supply chain management with a focus on the global supply chain, setting the stage for future growth in this area.

Revisiting our Human Rights & Supplier Code of Conduct

In late 2023 and early 2024, CTS embarked on an effort to review two of our foundational policies regarding our supply chain. After a benchmarking exercise, we updated our Human Rights Policy, bringing it up to current standards which set the stage for the subsequent update to our Supplier Code of Conduct. Both documents are publicly available on the Investors page of our external website. Further, the updated CTS Supplier Code of Conduct was communicated to our supplier base proactively to ensure all changes were communicated.

Aligning with Customer Supply Chain Needs

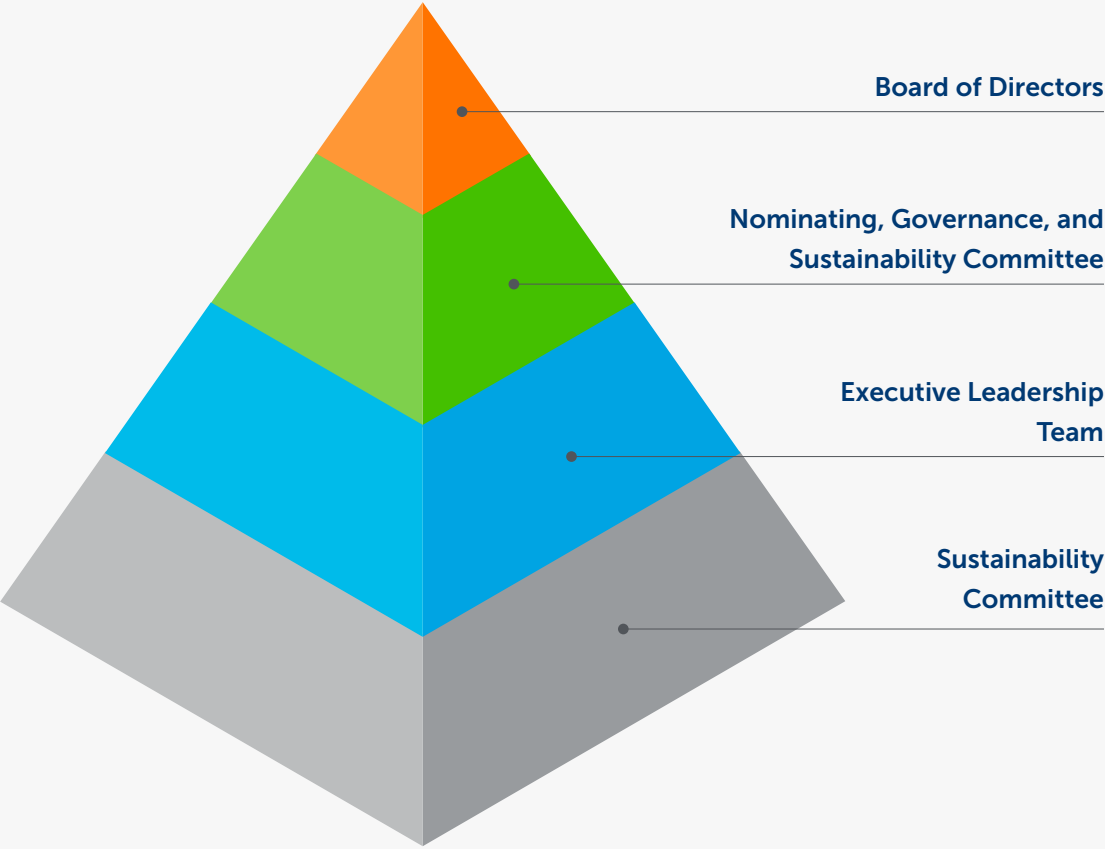
As a global supplier to many large corporations and OEMs that are consumer facing, our customers require CTS to respond to surveys, data requests, or submit our ESG data into 3rd party assessment platforms such as EcoVadis, SAQ 5.0, and CDP. CTS partners with our customers to ensure we deliver the requested information timely and to the best of our ability. Beyond our data transparency with our customers, CTS has successfully partnered with a few customers to reduce our collective impact on the environment.



GOVERNANCE

Governance Structure

ESG Governance Structure



We have a robust governance structure to enable our employees to have a voice in shaping our ESG strategy, our leadership is invested in advancing that strategy, and our Board of Directors has oversight of the strategy and the ESG-related initiatives that CTS has implemented to date and plans to further implement moving forward.

Our Sustainability Committee, a cross-functional group comprised of representatives from legal, human resources, environmental, health and safety, internal audit, product management and operations, is responsible for spearheading CTS’ ESG initiatives and making recommendations to the leadership team and Board of Directors for advancing those initiatives.

At the Board of Directors level, we have expanded the role of our Nominating and Governance Committee (now the Nominating, Governance, and Sustainability Committee) and our Compensation Committee (now the Compensation and Talent Committee) to include reviewing, evaluating, and consulting with CTS regarding its ESG policies and initiatives, and to advise the full Board of Directors regarding such initiatives. We provide these committees and our full Board of Directors with regular reports on our ESG policies and initiatives.

The Board of Directors also receives regular reports on other ESG-related topics such as CTS’ cybersecurity policies and programs and compliance-related initiatives.

Board of Directors

Donna M. Costello



Age: 51
Director since: 2021

Professional Experience

Ms. Costello served as Chief Financial Officer of C&D Technologies, Inc., a global leader in energy storage solutions and services for the telecommunications, utility, uninterruptible power supply, cable, broadband, and renewable energy markets, from 2016 to 2020. She served as Chief Financial Officer (from 2008 to 2016) and Vice President, Controller and Chief Accounting Officer (from 2002 to 2008) of Sequa Corporation, which, through its subsidiary Chromalloy, is a global technology company and a leading solutions provider for aircraft engines and gas turbines. From 1995 to 2002, Ms. Costello held the role of Senior Manager with Arthur Andersen, LLP.

Ms. Costello is a member of the board of directors of Rogers Corporation (NYSE: ROG), a global company focused on specialty materials and components, such as elastomeric materials, specialty silicone and polyurethane materials and pressure sensitive tapes, and currently serves as a member of the Audit Committee. Ms. Costello previously served as a member of the board of directors of Neenah, Inc. (formerly, NYSE: NP).

Committee Assignments

- Audit (Chair)
- Compensation and Talent

Skills and Experience Highlights

- Accounting/Audit
- Cybersecurity/Privacy
- Experience as a Chief Financial Officer and Chief Accounting Officer
- Financial Expertise/Literacy
- International Business Experience
- Industry/End-Market Experience
- Public Company Board Experience
- Risk Management

Board of Directors

Amy M. Dodrill



Age: 52
Director since: 2024

Professional Experience

Ms. Dodrill served as President, Global Surgical Solutions & Patient Support Systems at Baxter International, Inc., (NYSE: BAX), a company with a portfolio of diagnostic, critical care, kidney care, nutrition, hospital and surgical products, until October 2022. Previously, Ms. Dodrill worked at Hillrom Holdings, Inc., a company specializing in medical device innovation, from October 2012 until December 2021 when it was acquired by Baxter International, Inc. While with Hillrom, Ms. Dodrill held various positions including President, Global Surgical and Vice President and General Manager of the U.S. Surgical Division. Ms. Dodrill also previously served as Vice President and General Manager of Trumpf Medical Surgical Solutions NA.

Ms. Dodrill is a member of the board of directors of Procept BioRobotics (NASDAQ: PRCT), a commercial-stage surgical robotics company focused on developing transformative solutions in urology, and currently serves as a member of the Audit and Compensation Committees.

Committee Assignments

- Nominating, Governance and Sustainability
- Technology and Transactions

Skills and Experience Highlights

- Accounting/Audit
- Corporate Governance/Ethics
- Experience as President of global businesses
- Financial Expertise/Literacy
- HR/Compensation
- Industry/End-Market Experience
- International Business
- Leadership and Strategy
- Mergers and Acquisitions
- Operations
- Public Company Board Experience
- Risk Management
- Strategic Planning/Oversight
- Technology

Board of Directors

William S. Johnson



Age: 68
Director since: 2015

Professional Experience

Mr. Johnson served as Chief Financial Officer of Cabot Microelectronics Corporation (formerly NASDAQ: CCMP) for almost fifteen years, first as Vice President, from April 2003 until April 2013, and then as Executive Vice President, until January 2018. Mr. Johnson served as Senior Advisor to the Chief Executive Officer from January 2018 until January 2019. Cabot Microelectronics Corporation, later known as CMC Materials, Inc., and now a wholly owned subsidiary of Entegris, Inc. (NASDAQ: ENTG), is a leading supplier of advanced materials primarily for the semiconductor industry. From August 2000 until March 2003, Mr. Johnson served as Executive Vice President and Chief Financial Officer of Budget Group, Inc. (formerly NYSE: BD), the globally

recognized car rental company, now a part of the Avis Budget Group (NASDAQ: CAR). From 1983 to 1999, Mr. Johnson served in various finance and management roles of increasing responsibility with BP Amoco (NYSE: BP), the global oil, gas and chemical company.

Mr. Johnson currently serves as a member of the advisory board of Waldom Electronics, a master distributor of electronic and electrical components. The Board believes that Mr. Johnson’s experience as a Chief Financial Officer of a publicly traded corporation serving global markets, in addition to his financial expertise in a range of industries, substantial risk management skills, and broad international business experience, make him well qualified to serve as a director.

Committee Assignments

- Audit
- Compensation and Talent (Chair)
- Technology and Transactions

Skills and Experience Highlights

- Accounting/Audit
- Corporate Governance/Ethics
- Experience as a Chief Financial Officer
- Financial Expertise/Literacy
- HR/Compensation
- Industry/End-Market Experience
- International Business
- Leadership and Strategy
- Mergers and Acquisitions
- Public Company Board Experience
- Risk Management
- Strategic Planning/Oversight
- Technology

Board of Directors

Kieran M. O’Sullivan



Age: 62
Director since: 2013

Professional Experience

Mr. O’Sullivan joined CTS in January, 2013 as President and Chief Executive Officer and was appointed Chairman of the Board in May 2014. From 2006 until 2012, Mr. O’Sullivan served in several executive-level roles with Continental A.G., a global business focused on technology solutions and products for the transportation and mobility industries, first serving as Executive Vice President of the Global Infotainment and Connectivity business and later adding responsibility for its NAFTA Interior Division. From 2004 until 2006, Mr. O’Sullivan served as Corporate Vice President of Motorola’s Automotive business.

Since 2015, Mr. O’Sullivan has been a member of the Board of Directors of LCI Industries (NYSE: LCII), a supplier of engineered components for manufacturers of recreational vehicles, manufactured homes, marine applications, and for related aftermarkets, and currently serves as Chair of the Risk Committee and as a member of the Audit and Corporate Governance, Nominating, and Sustainability Committees.

Committee Assignments

- Chairman of the Board

Skills and Experience Highlights

- Financial Expertise/Literacy
- International Business Experience
- Industry/End-Market Experience
- Mergers and Acquisitions
- President and CEO of the Company
- Operations
- Public Company Board Experience
- Risk Management

Board of Directors

Robert A. Profusek



Age: 74
Director since: 1998

Professional Experience

Mr. Profusek is a partner with Jones Day, a leading global law firm, where he serves as the Chair of the Global Mergers and Acquisitions practice. Since joining Jones Day in 1975, Mr. Profusek has been recognized as one of the world’s leading mergers and acquisitions and corporate governance lawyers. He has worked on hundreds of mergers, acquisitions and buyouts and has advised many boards and director committees on sensitive governance matters.

Mr. Profusek was a long-standing member of the Board of Directors of Valero Energy Corporation (NYSE: VLO), the largest independent petroleum refiner in the world and the world’s second largest renewable fuels producer.

In 2018, Mr. Profusek joined the Board of Directors of Kodiak Sciences, Inc., (NASDAQ: KOD), a biopharmaceutical company specializing in therapeutics to treat chronic, high-prevalence ophthalmic diseases, and currently serves as Lead Independent Director, Chair of the Nominating and Governance Committee, and as a member of the Compensation Committee.

Mr. Profusek has served as CTS’ Lead Independent Director since 2015.

Committee Assignments

- Nominating, Governance and Sustainability (Chair)
- Compensation and Talent

Skills and Experience Highlights

- Corporate Governance/Ethics
- Financial Expertise/Literacy
- Legal/Regulatory
- Mergers and Acquisitions
- Public Company Board Experience
- Risk Management

Board of Directors

Randy L. Stone



Age: 58
Director since: 2023

Professional Experience

Mr. Stone most recently served as Executive Vice President of Laboratory Solutions for Avantor, Inc. (NYSE: AVTR), a leading global provider of mission-critical products and services to customers in the biopharma and healthcare, education and government and advanced technologies industries. Avantor’s Laboratory Solutions segment is a multi-billion-dollar business that includes a comprehensive portfolio of products, services and digital solutions to enable insights in life sciences research, diagnostic and quality control workflows and supports Avantor’s own research and development initiatives. Mr. Stone joined Avantor in April 2023 as Executive Vice President, Proprietary Research Products and Materials.

Prior to joining Avantor, Mr. Stone served as the President of DuPont’s (NYSE: DD) Mobility and Materials segment, a leading provider of engineered polymers, performance resins, and advanced solutions serving the electronics, industrial, consumer and transportation markets, from 2016 until November 2022 when DuPont divested the majority of the business. From 2012 until 2015, Mr. Stone served as a Director of Investor Relations for DuPont, during which time he gained extensive experience interacting with institutional investors and analysts. Prior to that, Mr. Stone served as a DuPont Regional Director in Asia, based in Shanghai, China.

Committee Assignments

- Nominating, Governance and Sustainability
- Technology and Transactions (Chair)

Skills and Experience Highlights

- Corporate Governance/Ethics
- Executive Experience
- International Business Experience
- Industry/End-Market Experience
- Investor Relations
- Mergers and Acquisitions
- Operations

Board of Directors

Alfonso G. Zulueta



Age: 62
Director since: 2018

Professional Experience

Mr. Zulueta spent over three decades in various roles of increasing responsibility with Eli Lilly and Company (NYSE: LLY), a global pharmaceutical company, including as Vice President of Global Marketing, President of Global Oncology and Critical Care Products and, most recently, as President of International responsible for all geographies outside the United States and Canada, from 2017 until his retirement at the end of 2021. Mr. Zulueta also served as a corporate officer and a member of Eli Lilly and Company’s Executive Committee.

Mr. Zulueta previously served as a member of the board of the European Federation of Pharmaceutical Industries and Associations and the U.S.-Japan Business Council.

Mr. Zulueta currently serves as Non-Executive Chairman of the board of directors of Interpharma Investments Limited, the holding company of Zuellig Pharma, one of the largest healthcare services groups in Asia. Mr. Zulueta also serves as a director of Lupin Limited (NSE: LUPIN), a pharmaceutical company that develops and commercializes a wide range of products in the cardiovascular, anti-diabetics, and respiratory segments. Mr. Zulueta previously served as a director of Glooko, Inc., Amarin Corporation (NASDAQ: AMRN), Syneos Health, Inc. (formerly, NASDAQ: SYNH) and Calidi Biotherapeutics, Inc. (NYSE: CLDI).

Committee Assignments

- Audit
- Nominating, Governance and Sustainability

Skills and Experience Highlights

- Executive Experience
- Financial Expertise/Literacy
- International Business Experience
- Industry/End-Market Experience
- Operations
- Public Company Board Experience

Committees of the Board of Directors¹

Audit Committee	Compensation and Talent Committee	Nominating, Governance and Sustainability Committee	Technology and Transactions Committee
<ul style="list-style-type: none">Responsible for appointing the independent auditor, approving engagement fees and non-audit engagements, and reviewing the independence and quality of the independent auditor.Reviews audit plans, audit reports, systems of internal accounting controls, audit results, and recommendations of the independent auditor and the internal audit department.Reviews and discusses with management CTS' financial statements, earnings releases and earnings guidance.Reviews CTS' annual enterprise risk assessment and cybersecurity controls as well as its compliance with public-company regulatory requirements and its Code of Ethics.	<ul style="list-style-type: none">Establishes executive compensation policies and reviews and approves executive compensation.Periodically reviews and consults with CTS about its strategies, initiatives and programs with respect to talent management, which may include CTS' culture, talent recruitment, development and retention, employee engagement and diversity, equity and inclusion initiatives and periodically informs the Board of such strategies, programs, and initiatives.Reviews and approves corporate goals and objectives relevant to executive officers, including the Chief Executive Officer, evaluates the Chief Executive Officer's performance against those objectives, and makes recommendations to the Board regarding the Chief Executive Officer's compensation.Reviews director compensation annually and makes recommendations regarding director compensation to the Board for approval.	<ul style="list-style-type: none">Reviews, evaluates, and consults with the Board regarding its ESG policies and initiatives, and advises the Board regarding such initiatives.Reviews and makes recommendations to the Board concerning committee assignments and director nominees for election at the Annual Meeting of Shareholders and oversees director recruitment efforts.Reviews and makes recommendations to the Board regarding CTS officers for election and succession, including succession planning for the Chief Executive Officer.Updates and refines the Corporate Governance Guidelines for the approval of the Board and makes recommendations on matters of corporate governance.	<ul style="list-style-type: none">Reviews and makes recommendations to management regarding CTS' technology strategy, new product development programs, and performance in the context of targeted market segments and strategic goals, as well as CTS' organic development of technology and opportunities to acquire technology directly or through business acquisition or combination transactions.Reviews on a preliminary basis, possible acquisitions, divestitures or other transactions identified by management for possible consideration by the Board, assesses existing and future trends and threats in technology that may impact strategy, and reports activities of the Committee to the Board.

1. The information on this page includes highlights of the main functions of the Committees of CTS' Board of Directors. Additional information about CTS' Board of Directors and Committees, including the committee charters, can be found at investors.ctscorp.com.

Committees of the Board of Directors

Committee Membership¹

Director	Audit Committee	Compensation and Talent Committee	Nominating, Governance and Sustainability Committee	Technology and Transactions Committee
Donna M. Costello	Chair	Member	—	—
Amy M. Dodrill	—	—	Member	Member
William S. Johnson	Member	Chair	—	Member
Kieran M. O’Sullivan	—	—	—	—
Robert A. Profusek ²	—	Member	Chair	—
Randy L. Stone	—	—	Member	Chair
Alfonso G. Zulueta	Member	—	Member	—

1. Information as of March 31, 2025.
2. Lead Independent Director

Key Governance Highlights

- Annual election of directors
- Majority voting standard for uncontested director elections
- All directors are independent except for the chairman
- Diverse and highly skilled Board that provides a range of viewpoints
- Independent Audit, Compensation and Talent and Nominating, Governance and Sustainability Committees
- Executive sessions of independent directors after each board meeting led by the lead independent director
- Annual “Say-on-Pay” advisory vote
- Anti-hedging/anti-pledging policies for directors, officers and certain employees
- Stock ownership guidelines for executives and directors

Board of Directors Metrics

Current Board Members	Male vs Female	Minority	Independent	Terms of Service
Donna M. Costello	Female	No	Yes	4
Amy M. Dodrill	Female	No	Yes	1
William S. Johnson	Male	No	Yes	10
Kieran M. O’Sullivan	Male	No	No	12
Robert A. Profusek	Male	No	Yes	27
Randy L. Stone	Male	No	Yes	2
Alfonso G. Zulueta	Male	Yes	Yes	7
Average				9.0
Min				1
Max				27

Board Independence

Total Members

7

Independent Members

6

86%

Diversity

Female Board Members

2

29%

Minority Members

1

14%

Code of Ethics

CTS has adopted a Code of Ethics that applies to all CTS employees, including our executive officers and non-management directors.

The Code of Ethics includes CTS’ policies addressing conflicts and potential conflicts of interest, prohibiting workplace harassment and discrimination, compliance with anti-corruption, antitrust and trade laws, prohibiting insider trading and stock tipping and requirements for the accurate and timely reporting of CTS’ financial information.

CTS believes that the principles of fairness, honesty and integrity must guide us in whatever actions we undertake. For CTS to grow and prosper, it is essential that everyone in the organization adhere to the Code of Ethics. In that spirit, we provide our employees with annual training on the Code of Ethics and other compliance-related topics so our employees understand and live up to the high standards of ethical conduct expected and required by CTS.

To promote ongoing awareness among both internal and external stakeholders, the CTS Code of Ethics and Ethics & Compliance Hotline posters are prominently displayed across all sites and made available in all CTS languages. These resources are also accessible on our public website for external stakeholders.

[Code Of Ethics](#)

[CTS Ethics Hotline](#)



The poster features a dark blue background with several colorful speech bubbles in orange, green, and blue. In the center, a large white speech bubble contains the text 'SPEAK UP It's your Responsibility'. Below this, the text 'CTS Ethics & Compliance Hotline' is displayed. Underneath, a smaller line of text reads: 'If you are aware of any potential ethical, legal, or business conduct violations or concerns, please report the issues through the confidential hotline in one of two convenient ways.' This is followed by the phone number '+1-888-587-3584' and the website 'www.convercent.com/report'. A section titled 'Key Features:' lists: 'Available 24 hours a day / 7 days a week', 'Anonymous reporting available', 'Operated by third-party provider', and 'Supports your language of choice'. At the very bottom, in small print, it states: 'CTS prohibits retaliation against any individual who in good faith reports violations of CTS' policies and ethical standards or who cooperates in an investigation of such violations or other misconduct. Retaliation should be reported immediately. Retaliation will not be tolerated and will subject the violator to disciplinary action.'

The Company, through a third-party provider, maintains an Ethics and Compliance Hotline which may be used to report violations of the Code of Ethics and other misconduct. Reports can be made over the phone or through the third-party provider’s website. The Ethics and Compliance Hotline is available 24/7, permits anonymous reporting, and supports reports in applicable local languages.

Disclaimer/Forward-Looking Statements

Readers are cautioned that certain statements made by CTS Corporation (“CTS”) relating to environmental, social and governance (“ESG”) matters, including those included in this ESG Report or on its website (such statements, “ESG Statements”), may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included or incorporated in this document, including statements regarding our strategy, financial position, guidance, funding for continued operations, cash reserves, liquidity, projected costs, plans, projects, awards and contracts, and objectives of management, among others, are forward-looking statements. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “continued,” “project,” “plan,” “goals,” “opportunity,” “appeal,” “estimate,” “potential,” “predict,” “demonstrates,” “may,” “will,” “might,” “could,” “intend,” “shall,” “possible,” “would,” “approximately,” “likely,” “outlook,” “schedule,” “on track,” “poised,” “pipeline,” and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements are not guarantees of future performance, conditions or results. Forward-looking statements are based on management’s expectations, certain assumptions, and currently available information. Readers are cautioned not to place undue reliance on these forward-looking

statements, which speak only as of the date hereof and are based on various assumptions as to future events, the occurrence of which necessarily are subject to uncertainties. These forward-looking statements are made subject to certain risks, uncertainties, and other factors, which could cause CTS’ actual results, performance, or achievements to differ materially from those presented in the forward-looking statements. Examples of factors that may affect future operating results and financial condition include, but are not limited to: supply chain disruptions; changes in the economy generally, including inflationary and/or recessionary conditions and increased tariffs, and in respect to the business in which CTS operates; unanticipated issues in integrating acquisitions including, without limitation the integration of SyQwest; the funding of contracts by the U.S.government; the results of actions to reposition CTS’ business; rapid technological change; general market conditions in the transportation, as well as conditions in the industrial, aerospace and defense, and medical markets; reliance on key customers; unanticipated public health crises, natural disasters or other events; environmental compliance and remediation expenses; the ability to protect CTS’ intellectual property; pricing pressures and demand for CTS’ products; risks associated with CTS’ international operations, including trade and tariff barriers, exchange rates and political and geopolitical risks (including, without limitation, the impact of tariffs on China, Canada and Mexico, and other nations, the potential impact of U.S./China relations and the impact of the conflicts in Ukraine and the Middle East may have on our business, results of operations and

financial condition); the amount and timing of any share repurchases; and the effect of any cybersecurity incidents on our business. Many of these, and other risks and uncertainties, are discussed in further detail in Item 1A. of CTS’ most recent Annual Report on Form 10-K and other filings made with the SEC. CTS undertakes no obligation to publicly update CTS’ forward-looking statements to reflect new information or events or circumstances that arise after the date hereof, including market or industry changes. The ESG-related information presented, discussed, referenced or otherwise included in this ESG Report or made available on or through our website does not cover all information about our business. The inclusion or absence of information in CTS’ ESG Statements should not be construed to represent any belief regarding the materiality of such information to our financial results or that such information is necessarily material to investors or other stakeholders for purposes of U.S. federal securities laws. The ESG-related goals and targets presented, discussed, referenced or otherwise included in this ESG Report or made available on or through our website are aspirational and not guarantees or promises that such goals or targets will be achieved. ESG Statements may be based on standards and practices for measuring progress that are still developing, internal controls and processes that continue to evolve, and expectations and assumptions that are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters.

Where You Can Find More Information

Annual, quarterly and other reports filed with the Securities and Exchange Commission by CTS, contain important additional information about CTS and readers are urged to read CTS’ ESG Statements together with those filings, copies of which are available, as applicable, on CTS’ website at investors.ctscorp.com.

UN SDGs and CTS Commitments

3

GOOD HEALTH
AND WELL-BEING



Global employees have access to healthcare

Commitment to lower injury rate

8

DECENT WORK AND
ECONOMIC GROWTH



Competitive wages in local markets

Zero tolerance for forced labor and promote fair and safe labor practices

5

GENDER
EQUALITY



29% women on board
57% women in global workforce
30% women in leadership positions
Equal opportunity employer

9

INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Products empower sustainable, connected and safer world

Technology that enable automobile electrification

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CLEAN WATER
AND SANITATION



Water programs initiated at high usage plants

Compliant waste water treatment plants

13

CLIMATE
ACTION



Focused projects on GHG reductions (poling fluid)

Continuous improvement programs to drive waste reduction

CTS’s sustainability journey is guided by the United Nations Sustainable Development Goals (UN SDGs), a global call to action to address the world’s most pressing social, environmental, and economic challenges.

These goals serve as a framework for fostering collaboration across governments, industries, and communities to create a more sustainable and equitable future. As a global organization, CTS is committed to contributing meaningfully to the advancement of the UN SDGs by aligning our sustainability efforts with the goals most relevant to our material topics and long-term business strategy.

Reconciliation of Net Earnings (Loss) to Adjusted EBITDA

(\$ in millions)

	2022 (FULL YEAR)	2023 (FULL YEAR)	2024 (FULL YEAR)
Net earnings (loss)	\$59.6	\$60.5	\$55.5
Net sales	\$586.9	\$550.4	\$514.8
Net earnings (loss) margin	10.2%	11.0%	10.8%
Depreciation and amortization expense	29.8	28.7	30.9
Interest expense	2.2	3.3	4.2
Tax expense (benefit)	21.2	14.6	13.1
EBITDA	112.7	107.2	103.7
Adjustments to EBITDA:			
Restructuring charges (c)	1.9	7.1	4.7
Restructuring related charges (b)	—	0.6	0.7
Environmental charges (a)	2.8	3.5	1.6
Acquisition-related costs (a)	2.5	0.4	(0.3)
Inventory fair value step-up (b)	4.0	—	2.1
Non-cash pension and related expense (d)	4.8	—	0.2
Foreign currency (gain) loss (d)	4.9	2.0	2.7
Total adjustments to EBITDA	20.9	13.5	11.7
Adjusted EBITDA	\$133.6	\$120.7	\$115.4
Adjusted EBITDA Margin	22.8%	21.9%	22.4%

Reconciliation of Diluted Earnings (Loss) Per Share to Adjusted Diluted Earnings Per Share

(\$ in millions)

	2022 (FULL YEAR)	2023 (FULL YEAR)	2024 (FULL YEAR)
Diluted earnings (loss) per share	\$1.85	\$1.92	\$1.80
Tax affected adjustments to reported diluted earnings (loss) per share:			
Restructuring charges	0.06	0.22	0.12
Restructuring related charges	—	—	0.02
Environmental charges	0.09	0.11	0.04
Acquisition-related costs	0.08	0.01	(0.02)
Inventory fair value step-up	—	—	0.05
Non-cash pension expense	0.15	—	0.01
Foreign currency loss	0.15	0.06	0.09
Other discrete tax items	0.01	(0.05)	0.01
Adjusted diluted earnings per share	\$2.46	\$2.22	\$2.12

Performance Data

METRIC	2022	2023	2024
General			
Revenue (Million USD)	587	550.4	514.8
Operational Sites ¹	16	15	15
Total CTS Employees ¹⁶	4,210	4,082	3,544
CTS Employees Total Hours Worked ²	8,986,773	8,629,397	8,180,756
Governance: Business Ethics			
Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior ^{3,16}	See Note 13	See Note 13	See Note 13
% of Sites Covered by CTS Ethics & Compliance Hotline (Percentage)	100%	100%	100%
# of Ethics Hotline Reports / Year	16	10	11
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption ¹⁶ (USD)	\$-	\$-	\$-
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations ¹⁶ (USD)	\$-	\$-	\$-
Governance: Board Information			
Board of Directors	7	7	7
Independent Board Members	6	6	6
Female Directors	2	2	2
Non-Female Minority Directors	1	1	1
% of minority representation on board of directors	43%	43%	43%

Performance Data

METRIC	2022	2023	2024
Social: Health and Safety ⁴			
Total Recordable Incident Rate (TRIR) (Number per 100 Employees)	0.73	0.49	0.44
Lost Time Incident Rate (Number per 100 Employees)	0.38	0.21	0.24
Fatality Rate (Number per 100 Employees)	0	0	0
Near Miss Frequency Rate (NMFR) (Number per 100 Employees)	11.39	3.94	2.18
Social: Employees and Diversity ⁵			
Employees in Asia	1,353	1,262	1,166
Employees in Europe	564	525	509
Employees in North America	2,293	2,295	1,869
Total CTS Employees	4,210	4,082	3,544
% of female employees worldwide	52.%	57%	57%
% of female in leadership or management roles ⁶	26%	28%	30%
Social: Corporate Sponsored Training and Community Engagement ⁷			
Community Service Hours	4,414	5,538	7,858
HR & Leadership Training Hours	3,571	9,415	5,257
Ethics & Compliance Training Hours	2,332	2,020	3,932
Safety Training Hours	4,436	4,262	3,377

Performance Data

METRIC	2022	2023	2024
Cybersecurity Awareness Training Hours	2,052	855	855
Total Training Hours	12,391	16,552	13,421
Training Hours per Employee	2.9	4.0	3.8
Environmental: Greenhouse Gas Emissions ^{1,8}			
Scope 1 (Metric Tons CO2e)	150,125	89,077	55,294
Scope 2: Location Based (Metric Tons CO2e)	32,185	30,425	28,895
Scope 2: Market Based (Metric Tons CO2e)	29,353	28,645	28,232
GHG Total (Scope 1 & 2): Location Based (Metric Tons CO2e)	182,310	119,503	84,189
GHG Total (Scope 1 & 2): Market Based (Metric Tons CO2e)	179,478	117,772	83,526
GHG Emission Intensity: Location Based (Metric Tons CO2e / Revenue)	310	217.1	163.5
GHG Emission Intensity: Market Based (Metric Tons CO2e / Revenue)	305	214.0	162.5
Environmental: Energy Management			
Non-Renewable Sources (MWh)	64,794	62,659	60,932
Renewable Sources (MWh)	39	56	29
Total Energy Consumed (MWh)	64,833	62,715	60,961
Energy Intensity (MWh/\$M Revenue)	110.5	113.94	118.1
Total Energy Consumed ¹⁶ (Gigajoules (GJ))	233,258	225,774	219,462

Performance Data

METRIC	2022	2023	2024
% Grid Electricity ¹⁶	1.00	1.00	1.00
% Renewable Energy ¹⁶	0.00%	0.10%	0.05%
Environmental: Water ¹			
Water Withdrawn (Megaliters)	346	344	277
Water Withdrawn from High Water Stress ⁹ (Megaliters)	N/A	N/A	101
Water Intensity (Megaliters/\$M Revenue)	0.58	0.62	0.53
Environmental: Hazardous Waste ¹			
Amount of Hazardous Waste Generated (Metric Tons) ^{10,16}	758	724	606
Percentage Hazardous Waste Recycled ^{10,16}	29.0%	46.1%	30.8%
Number of Reportable Spills ¹⁶	—	—	—
Aggregate Quantity of Reportable Spills and Quantity Recovered (Kilograms (KG)) ^{11,16}	—	—	—
Sustainable Supply Chain: Supply Chain Ethics			
Description of the management of risks associated with the use of critical materials ^{12,16}	See Note 12	See Note 12	See Note 12
# of conflict mineral issues in supply chain reported	—	—	—
# of human trafficking issues in supply chain reported	—	—	—

Performance Data

METRIC	2022	2023	2024
Sustainable Supply Chain: Product Lifecycle Management			
Number of Recalls ¹⁶	—	—	—
Total Units Recalled ¹⁶	—	—	—
Total amount of money losses as a result of legal proceeding associated with product safety. ¹⁶ (USD)	—	—	—
Percentage of products by revenue that contain IEC 62474 declarable substances. ^{13,16} (% by Revenue)	—	—	—
Percentage of eligible products, by revenue, that meet ENERGY STAR™ criteria. ^{14,16} (% by Revenue)	—	—	—
Revenue from receivable energy-related and energy-efficient related products. ^{15,16} (USD)	—	—	—

Performance Data

Notes

1. Data measured from manufacturing operations at CTS’ facilities located in the United States (Albuquerque, NM; Boise, ID; Cranston, Rhode Island; and Lisle, IL), outside the United States (Kaohsiung, TW; Kvistgaard, DK; Lublin, PL; Matamoros, MX; Nogales, MX; Ostrava, CZ; Calamba, PH; Prague, CZ; Tecate, MX; Tianjian, CN; and Zhongshan, CN) and our engineering headquarters in Elkhart, IN. For locations acquired or closed by CTS during fiscal year 2024, partial year data is included beginning as of the date of acquisition or ending as of the date of closure, as applicable.
2. Total hours worked were calculated based on actual hours worked by hourly employees and the expected 1,920 hours per year for salaried employees.
3. See Page 46 for a description of CTS’s Code of Ethics and related policies. These topics are covered by Ethical Standards 4 and 6 of the CTS Code of Ethics. A copy of CTS’ Code of Ethics can be found in the governance section of its website at investors.ctscorp.com. In addition, CTS provides its employees with annual training regarding the Code of Ethics and other compliance-related topics.
4. Health and safety data measured based on all CTS full-time and temporary employees. BLS Industry Data can be found here: <https://www.bls.gov/charts/injuries-and-illnesses/total-nonfatal-work-injuries-and-illnesses-by-year.htm>
5. Employee data is measured from all CTS locations including operational sites, sales offices, and remote employees.
6. For purposes of this metric, a leadership or management role is defined as any role that has at least 1 direct report based on CTS’ internal employee organization and reporting system.
7. Where actual training times were not available, training hours were estimated based on the number of participants and expected time to complete course, as applicable
8. The GHG calculations are based upon the The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.
9. Water Stress determined using the Water Resources Institute (WRI) Aqueduct Water Risk Atlas.
10. Hazardous wastes are defined per the applicable legal or regulatory frameworks (i.e., U.S. Resources Conservation and Recovery Act (RCRA) or the EU Waste Framework Directive (Directive 2008/98/EC on waste, including its subsequent amendments) within the jurisdictions in which CTS operates.
11. The Company is engaged in remediation activities at legacy operating locations under the supervision of state and federal environmental authorities that may or may not be the result of spills at those locations that occurred prior to the reporting period. These activities include investigation of the nature and extent of contamination, remedial action to address the hazards posed by site contamination and on-going site maintenance and monitoring, in each case in accordance with applicable legal, contractual and regulatory requirements.
12. CTS uses critical materials in some of its products but at a level that is not material in light of CTS’ overall supply chain spend and product portfolio. A discussion of CTS’ policies and practices for the management of risks associated with the use of conflict minerals can be found in CTS’ Form SD filed with the SEC on May 30, 2025.
13. Some of CTS’ products contain IEC declarable substances; however, CTS is in the process of analyzing the relevant data and developing an approach to capturing and measuring the data.
14. The majority of CTS’ products are components used within other items or products for a specific end use and do not consume energy. As a result, ENERGY STAR™ criteria are not applicable to CTS’ products.
15. The majority of CTS’ products are components used within other items or products for a specific end use and do not consume energy. As a result, CTS’ products do not themselves generate revenue from energy-efficient or energy related products. While some of CTS’ products may be used in other products that may be energy efficient or energy related, CTS does not have access to that information. As result, CTS has not included a value for this metric.
16. CTS is aligned to the SASB standard specific to our primary industry as identified in the Sustainable Industry Classification System® (SICS®): Resource Transformation Sector—Electrical & Electronic Equipment Sustainability Accounting Standard (October 2018). Any omitted topics or data from the standard have been determined to not be material based on our current business model, business strategy and relevant legal requirements per SASB application guidance. Unless otherwise indicated, all accounting metrics have been calculated in accordance with the SASB standard and guidelines.

