

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 OR 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 6, 2024**

**GENTHERM INCORPORATED**

(Exact name of registrant as specified in its charter)

**Michigan**  
(State or other jurisdiction  
of incorporation)

**0-21810**  
(Commission  
File Number)

**95-4318554**  
(IRS Employer  
Identification No.)

**21680 Haggerty Road, Northville, MI**  
(Address of principal executive offices)

**48167**  
(Zip Code)

**Registrant's telephone number, including area code: (248) 504-0500**

**Former name or former address, if changed since last report: N/A**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, no par value	THRM	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

Gentherm Incorporated (the “Company”) is implementing a planned transition process for the office of President and Chief Executive Officer. On November 8, 2024, the Company announced that Phillip Eyler, the Company’s President and Chief Executive Officer, and Interim Chief Financial Officer, will depart from the Company and will resign as a director on the Company’s Board of Directors (the “Board”), each effective December 31, 2024 (the “Eyler Departure Date”), and that William T. Presley has been hired as the successor President and Chief Executive Officer of the Company, and has been appointed by the Board as a director of the Company, each effective January 1, 2025 (the “Presley Start Date”). The Company expects that Mr. Eyler will remain in his current roles with the Company until the Eyler Departure Date. Mr. Eyler has agreed to serve in a non-employee consulting role as an advisor to Mr. Presley and the Company through June 30, 2025 to assist in the orderly transition of his responsibilities to Mr. Presley. Mr. Eyler’s departure as an employee and resignation as a director was not the result of any disagreement on any matter relating to the Company’s financial statements, internal control over financial reporting, operations, policies or practices.

Hiring of President and Chief Executive Officer; Appointment of Director – Mr. Presley

Mr. Presley, age 55, has over 30 years of domestic and international experience in leadership positions within the automotive industry, is an engineer by training and is a holder of multiple patents in the automotive industry. Mr. Presley has deep automotive general management, engineering and manufacturing expertise. From January 2019 to November 2024, he served at Aptiv PLC (NYSE: APTV), a designer, developer and manufacturer of software and hardware solutions for automotive safety features, electrified architectures, and intelligent connectivity with revenue of over \$20 billion. He most recently served as Vice Chairman and Chief Operating Officer, where he was responsible for overseeing and managing all of the operations and functions of Aptiv’s business. He also served at Aptiv as SVP & President of Signal & Power Solutions from September 2020 to December 2022, and as President of Electrical Distribution Systems from January 2019 to September 2020. He served in roles of increasing responsibility at Lear Corporation (NYSE: LEA) from June 2008 to January 2019, most recently as Vice President and Business Unit Leader of the Electrical Distribution Systems business unit. Before joining Lear, Mr. Presley began his career in the automotive industry at Chrysler Corporation, holding several positions of increasing responsibility from 1992 to 2008. He also served in both the U.S. Army and the Michigan Army National Guard for a combined total of 13 years from 1988 to 2001. Mr. Presley received a Master of Business Administration from Oakland University, a Master of Electrical Engineering from the University of Detroit, and a Bachelor of Science in Electrical Engineering from Norwich Military University.

The Board has appointed Mr. Presley as a non-independent director of the Board as of the Presley Start Date to fill the vacancy created by Mr. Eyler’s resignation as of the Eyler Departure Date. Mr. Presley will serve for a term expiring at the Company’s 2025 annual meeting of shareholders and until a successor has been duly elected and qualified, or until his earlier resignation, retirement or other termination of service. Mr. Presley will not receive any compensation for his service on the Board and will not serve on any Board committees. There are no arrangements or understandings between Mr. Presley and any other person pursuant to which he was selected as a director.

Mr. Presley has no family relationships with any director or executive officer of the Company, and there are no transactions in which Mr. Presley has a material interest requiring disclosure under Item 404(a) of Regulation S-K.

Offer Letter – Mr. Presley

On November 6, 2024, in connection with Mr. Presley’s appointment as President and Chief Executive Officer of the Company, the Company and Mr. Presley entered into an offer letter regarding Mr. Presley’s at-will employment (the “Presley Offer Letter”). Mr. Presley’s compensation set forth in the Presley Offer Letter includes:

- A \$950,000 annual base salary.
- Eligibility for an annual cash bonus beginning in 2025 under the Second Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan (the “Bonus Plan”), with a target bonus of 125% of his annual base salary.

- Perquisites generally consistent with those provided to other Company executive officers, including paid vacation, health and welfare benefits, participation in a 401(k) retirement savings plan and the Company's deferred compensation program.
- An annual equity award with a total grant value of \$4,000,000, with the initial award to be granted in March 2025, on terms and conditions consistent with the annual equity awards to the Company's executive officers. 70% of the grant value of this award will be in the form of performance stock units, and 30% of the grant value will be in the form of restricted stock units ("RSUs"). Future equity awards remain at the discretion of the Board.
- In replacement of him forgoing a 2024 cash bonus and vesting and earnings of certain outstanding equity awards with Aptiv, he will receive (i) \$1,350,000 in cash within 45 days of the Presley Start Date and \$1,350,000 in cash within 45 days prior to the first anniversary of the Presley Start Date (together, the "Make Whole Bonuses"), and (ii) RSUs with a total grant value of \$4,700,000 and vesting pro rata annually on each of the first three anniversaries of the grant date, to be awarded as of the later of within 45 days of the Presley Start Date or the first business day of an open trading window under Gentherm's policy as applicable to executive officers of the Company, each subject to Mr. Presley's continued employment with the Company. The first Make Whole Bonus and second Make Whole Bonus will be forfeited and must be repaid, if applicable, if Mr. Presley voluntarily terminates his employment without Good Reason (as defined in the Presley Offer Letter) or is terminated for Cause during the first and second year of employment, respectively.

In the event of a termination without Cause or for Good Reason (and not during a Change in Control window period), each as defined in the Presley Offer Letter, Mr. Presley will receive a lump sum cash payment of 12 months' salary plus the Make Whole Bonuses (to the extent not paid previously), up to 12 months of COBRA premium coverage, a lump sum cash payment for any unpaid annual bonus under the Bonus Plan determined for the year prior to the year of termination, and a prorated cash bonus for the year of termination (at a minimum of the prorated target bonus). In the event of a termination of Mr. Presley without Cause or for Good Reason during a Change in Control window period (as defined in the Presley Offer Letter), Mr. Presley will receive a lump sum cash payment of 24 months' salary plus the Make Whole Bonuses (to the extent not paid previously), up to 18 months of COBRA premium coverage, a lump sum cash payment for any unpaid annual bonus under the Bonus Plan determined for the year prior to the year of termination, and a lump-sum cash payment equal to two times the annual target bonus for the year of termination. Mr. Presley's right to receive the foregoing severance is conditioned upon his execution of a general release of claims, which becomes irrevocable, for the benefit of the Company.

Any incentive cash or equity compensation paid to Mr. Presley is subject to the Gentherm Incorporated Policy for the Recovery of Erroneously Awarded Compensation. Further, during employment and thereafter, Mr. Presley is subject to confidentiality and non-disparagement requirements. During employment and for 12 months after termination of employment, Mr. Presley is subject to non-competition and non-solicitation requirements.

The Presley Offer Letter provides that it is expected that Mr. Presley will continue to serve on the Board during his service as President and Chief Executive Officer, subject to Board discretion, election by shareholders and applicable law.

A copy of the Presley Offer Letter is attached hereto as Exhibit 10.1 and is incorporated herein by reference. The above description of the material terms of the Presley Offer Letter is qualified in its entirety by reference to such exhibit.

#### Separation and Consulting Agreement – Mr. Eyler

On November 6, 2024, the Company and Mr. Eyler entered into the Separation and Consulting Agreement regarding the foregoing matters (the "Separation and Consulting Agreement").

The Separation and Consulting Agreement confirms that, in accordance with Mr. Eyler's employment contract with the Company, dated September 18, 2017, as amended, he will receive the severance and related benefits in accordance with a separation from service without Cause, subject to his execution and non-revocation of a general release of claims in favor of the Company and his employment with the Company through the Eyler Departure Date. A description of these benefits is included under the heading "Potential Payments Upon Termination or Change in Control" in the Company's 2024 proxy statement filed with the Securities and Exchange Commission on April 4, 2024 and incorporated herein by reference.

For 18 months from the Eyler Departure Date, Mr. Eyler also will be subject to non-competition and non-solicitation requirements, and Mr. Eyler and the Company will be subject to non-disparagement requirements.

The Separation and Consulting Agreement provides that Mr. Eyler will receive a fee of \$59,000 per month during the term. Mr. Eyler will not be eligible to participate in the Bonus Plan for 2025 and will not receive any new equity awards in 2025.

A copy of the Separation and Consulting Agreement is attached hereto as Exhibit 10.2 and is incorporated herein by reference. The above description of the material terms of the Separation and Consulting Agreement is qualified in its entirety by reference to such exhibit.

**Item 7.01 Regulation FD Disclosure.**

On November 8, 2024, the Company issued a news release regarding the matters set forth in Item 5.02 herein, which is attached hereto as Exhibit 99 and is incorporated herein by reference. The information in this Item 7.01 and the attached Exhibit 99 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly stated by specific reference in such filing.

In such news release, the Company also announced that the process for hiring the successor Chief Financial Officer is proceeding effectively, and that the Company expects to announce such person in the near future.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
10.1*	<a href="#">Offer Letter between Gentherm Incorporated and William T. Presley, dated as of November 6, 2024</a>
10.2*	<a href="#">Separation and Consulting Agreement between Gentherm Incorporated and Phillip Eyler, dated as of November 6, 2024</a>
99	<a href="#">Company news release, dated November 8, 2024</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Indicates management contract or compensatory plan or arrangement.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**GENTHERM INCORPORATED**

By: /s/ Wayne Kauffman  
Wayne Kauffman  
Senior Vice President, General Counsel and Secretary

Date: November 8, 2024

**GENTHERM**

November 4, 2024

William Presley  
 54254 Ego Drive  
 Macomb Township, MI 48042

Dear Bill,

On behalf of Gentherm Incorporated (“Gentherm” or the “Company”), I am very excited to present to you an offer of employment for the position of President and Chief Executive Officer. In this position you would be part of Gentherm’s Executive Committee and report directly to the Board of Directors (the “Board”). Your compensation package would be as set forth in the attached term sheet, all of which remains subject to and conditioned upon Board approval. If you accept such offer, the Board also intends to appoint you to the Board for an initial term ending as of the 2025 annual meeting of shareholders.

I believe that you would find this role to be exciting, challenging and rewarding. The entire Board is thrilled at the prospect of you joining our Company.

As with all positions at Gentherm, the following conditions apply: (1) you would be permitted to begin employment with the Company only after you provide required documentation verifying your identity and employment eligibility in the United States; (2) your employment is contingent upon successfully passing a pre-employment drug test, enhanced background check and reference check; (3) you will be required to sign various Company documents that will be sent to you during your onboarding process; (4) your employment would be “at-will” and terminable at any time for any reason; and (5) you would be required to sign the attached Confidential Information and Inventions Assignment Agreement.

Please contact me should you have any questions; otherwise, your signature below will confirm your acceptance of the terms of this offer. Please return a signed copy to me.

I am looking forward with great anticipation to working with you.

Sincerely,

/s/ Ron Hundzinski

Ron Hundzinski  
 Chair of the Gentherm Board of Directors

cc: Wayne Kauffman, Senior Vice President, General Counsel and Secretary  
 Barbara Runyon, Senior Vice President, and Chief Human Resources Officer

**AGREED TO AND ACCEPTED BY:**/s/ **William Presley**


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 William Presley
**11/6/2024**


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 Date

## COMPENSATION TERM SHEET

William Presley

Attachment to Offer Letter Dated: November 4, 2024

### POSITION

Position	President and Chief Executive Officer of Gentherm Incorporated (“ <u>Gentherm</u> ” or the “ <u>Company</u> ”)
Primary Work Location	Gentherm’s Michigan World Headquarters in Metro Detroit
Board Service	You would be appointed to the Board of Directors of Gentherm (the “ <u>Board</u> ”), effective as of the Employment Start Date (as defined herein) for a term ending at the 2025 annual meeting of shareholders. Subject to the discretion of the Board regarding director nominations, election by shareholders at future annual meetings and applicable law and regulations, we expect you to serve on the Board during your service as President and Chief Executive Officer. If your service as President and Chief Executive Officer is terminated for any reason, you agree to resign from the Board effective as of such termination date.
Gentherm Subsidiaries	You may be requested to serve as an officer or on the board of directors or similar body of one or more subsidiaries of Gentherm. If your service as President and Chief Executive Officer is terminated for any reason, you agree to resign from such positions effective as of such termination date.
Company Policies	You would be subject to all policies and practices of the Company applicable to other similarly situated executive officers of Gentherm. Any policy or plan remains subject to amendment from time o time by the Board and Committees of the Board, as well as by applicable laws and regulations.

### DIRECT COMPENSATION

Salary	Annual salary of \$950,000 per year (paid semi-monthly), pro-rated for 2024 to reflect the partial year of employment.
Annual Bonus Program	Starting with 2025, the position has a 125% target bonus under the Second Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan dated March 12, 2021 (as amended from time to time, the “ <u>Bonus Plan</u> ”). Earned bonuses are subject to approval by the Compensation and Talent Committee of the Board.
Equity Compensation	Subject to approval by the Compensation and Talent Committee of the Board, under the 2023 Equity Incentive Plan (as amended from time to time, the “ <u>Equity Incentive Plan</u> ”) and starting with 2025, you would receive an annual equity compensation grant having a grant value in 2025 of \$4,000,000, as determined under

the Equity Incentive Plan and in accordance with the methodology used for other similarly situated executive officers of Gentherm. The initial annual grant would be delivered on or about March 15, 2025, subject to your continued employment with Gentherm through that date. As further set forth in and subject to the award agreements to be executed by you and Gentherm, (i) 70% of the grant value of the award will be in the form of Performance Stock Units (with the grant value for target Performance Stock Units) that would be earned (from 0% to 200% of the target Performance Stock Units) and vest based on the achievement of Company financial measures (used for 2025 awards made to other similarly situated executive officers of Gentherm) during a three-year performance period (with the performance period beginning January 1, 2025), and (ii) 30% of the grant value of the award will be in the form of Restricted Stock Units that would vest pro rata on each of the first three anniversaries of the grant date without performance conditions, in each case, subject to your continued employment or service to Gentherm. Future equity grants are at the discretion of the Compensation and Talent Committee of the Board.

## First Make Whole Bonus

You will be entitled to receive a make whole cash bonus totaling \$1,350,000 (subject to taxes and tax withholding), to be paid within 45 days following the Employment Start Date (the “First Make Whole Bonus”). This bonus will be forfeited in full and any amount paid by the Company must be repaid if you voluntarily • terminate your employment without Good Reason (as defined herein) on or prior to the first anniversary of the Employment Start Date. By accepting this offer and this bonus you authorize the Company to deduct from your final paycheck from the Company all or part of this amount from other payments including your base salary, which are owed to you, and/or agree to repay the full amount owed to the Company, in any case within , 45 days of your termination date.

## Second Make Whole Bonus

You will be entitled to receive a second make whole cash bonus totaling \$1,350,000 (subject to taxes and tax withholding), to be paid within 45 days prior to the first anniversary of the Employment Start Date (the “Second Make Whole Bonus” and, together with the First Make Whole Bonus, the “Make Whole Bonuses”). This bonus will be forfeited on a pro-rated basis (computed monthly), and any forfeited amount paid by the Company must be repaid, if you voluntarily terminate your employment without Good Reason on or between the first and second anniversaries of the Employment Start Date. By I accepting this offer and this bonus you authorize the Company to deduct from your final paycheck from the Company all or part of this amount from other payments including your base salary,, which are owed to you, and/or agree to repay the forfeited . amount owed to the Company, in any case within 45 days of your; termination date.



# GENTHERM

Make Whole Equity Grant	You will receive an equity grant with a value of \$4,700,000 within the 45 days following the Employment Start Date (or, if later, the first business day that Gentherm's trading window is open to similarly situated executive officers of Gentherm). This is a time-based grant that vests pro rata on each of the first three anniversaries of the grant date without performance conditions, in each case, subject to your continued employment or service to Gentherm.
Deferred Compensation	You will be permitted to defer a portion of your annual salary and annual bonus under Gentherm's deferred compensation plan for other similarly situated executive officers of Gentherm.
Technology	The Company will provide you with a laptop computer, iPad, and appropriate other technology accessories.
Employment Start Date	To be mutually agreed upon in writing.
Severance Opportunity	(a) Gentherm has established a Severance Pay Plan for Eligible Employees of Gentherm Incorporated dated January 29, 2021 (as amended from time to time, the " <u>Severance Plan</u> "), which provides for Severance Benefits (as defined in the Severance Plan) to be provided in the Company's discretion to eligible employees whose employment is involuntarily terminated without Cause (as defined in the Severance Plan) in accordance with the terms of the Severance Plan. As set forth in and subject to the Severance Plan, the Severance Benefits at your level would consist of (i) one year of Base Pay (as defined in the Severance Plan), payable in a single lump sum payment, (ii) one year of a COBRA Subsidy (as defined in the Severance Plan), equal to the employer portion of the monthly premium for active employee coverage, based on your coverage selection (and you will be responsible for the remaining portion of the any applicable COBRA premium), (iii) payment of any unpaid annual bonus under the Bonus Plan determined for the year prior to the year of the termination, payable at the same time the Company makes payment of such annual bonuses to similarly situated executive officers of Gentherm, and (iv) a pro-rated annual bonus under the Bonus Plan for the year in which the termination occurs based on the number of months (including partial months) of active employment during such fiscal year divided by 12 months and determined based on target performance, payable in a lump sum at the time Severance Benefits are paid. For the avoidance of doubt, the treatment of any bonus payment hereunder shall supersede the terms and conditions of any such bonus plan and such payment hereunder shall be in lieu of any bonus payment under any such bonus plan.

(b) If you are eligible for Severance Benefits in the event of an involuntary termination without Cause, the Company will provide such benefits to you notwithstanding its discretionary authority not to do so under the Severance Plan, as well as payment of the Make Whole Bonuses, to the extent not yet paid. Such benefits will be provided in accordance with the other terms and requirements of the Severance Plan, including but not limited to the release requirement set forth in Appendix B of the Severance Plan, and the Make Whole Bonuses will be payable on the dates on which such bonuses otherwise would have been paid.

(c) If you resign your employment with the Company for Good Reason (as defined below), then you will be eligible to receive the Severance Benefits under the Severance Plan as if you had been involuntarily terminated without Cause, notwithstanding Gentherm's discretionary authority not to provide benefits under the Severance Plan in that circumstance, as well as payment of the Make Whole Bonuses, to the extent not yet paid. Such benefits will be provided in accordance with the other terms and requirements of the Severance Plan, including but not limited to the release requirement set forth in Appendix B of the Severance Plan, and the Make Whole Bonuses will be payable on the dates on which such bonuses otherwise would have been paid.

(d) "Good Reason" means the occurrence of any of the following without your consent: (i) a material breach of the Offer Letter by Gentherm; (ii) a material diminution in your then-current compensation or benefits, authority, duties, or responsibilities, including following a Change in Control (as defined below); (iii) a change in your primary work location to a location that is more than 50 miles away from your primary work location as of the commencement of your employment; (iv) any successor's failure to assume the Company's duties and obligations under the terms of the Offer Letter; or (v) the Company's termination of the Severance Plan or an amendment thereof that results in a material diminution of the available Severance Benefits for you. Notwithstanding the above, no "Good Reason" will exist unless (x) you notify the Company in writing within 30 days after the existence of any condition listed above, and the Company fails to cure the condition within 30 days after receiving notice, and (y) you terminate employment by no later than 45 days after providing the notice.

## Change in Control Severance

(a) If your employment is terminated by the Company or its successor without Cause or by you for Good Reason during the window period starting with the signing of an agreement to engage in a Change in Control until 12 months after the Change in Control, then the Severance Benefits otherwise payable to you in accordance with the above and the Severance Plan will instead consist of:

- Severance Benefits: Two years of Base Pay (as defined in the Severance Plan), payable in a single lump sum payment within 30 days of the effective date of the release required under the Severance Plan, as set forth in Appendix B of the Severance Plan.
- COBRA Subsidy: 18 months of COBRA Subsidy (as defined in the Severance Plan). The COBRA Subsidy shall be equal to the employer portion of the monthly premium for active employee coverage, based on your coverage selection. You will be responsible for the remaining portion of any applicable COBRA premium.
- Annual Bonus: The annual bonus for the year in which the termination occurs shall be payable at two times your bonus target for the year in which the termination occurs, to be paid in a lump sum at the same time as the Severance Benefit is paid. To the extent the annual bonus for the year prior to the year in which the termination of employment occurs has not been made, payment of such annual bonus shall be made at same time the Company makes payment of such annual bonuses to similarly situated executive officers of Gentherm. For the avoidance of doubt, the treatment of any bonus payment hereunder shall supersede the terms and conditions of any such bonus plan and such payment hereunder shall be in lieu of any bonus payment under any such bonus plan.
- Make Whole Bonuses: Payment of the Make Whole Bonuses, to the extent not yet paid, payable on the dates on which such bonuses otherwise would have been paid.

(b) A “Change in Control” means the earliest to occur of any of the following events, each of which must also constitute a “change in control event” within the meaning of Treas. Reg. section 1.409A-3(i)(5): (i) any one Person or more than one Person Acting as a Group (each as defined below) acquires, or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Group, beneficial ownership of more than a majority of the total fair market value or total voting power of the then-outstanding stock of the Company; (ii) any one Person or more than one Person Acting as a Group acquires, or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Group, the assets of the Company that have a total gross fair market value (as determined by the Board) of more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to the initiation of the acquisition; or (iii) a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed or approved by a majority of the members of the Board who were members of the Board prior to the initiation of the replacement.

(c) A “Person” means any individual, entity or group within the meaning of section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), other than (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, or (iii) any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company. Persons will be considered to be “Acting as a Group” (or a “Group”) if they are a “group” as defined under Section 13 of the Exchange Act. If a Person owns equity interests in both entities that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be Acting as a Group with other shareholders only with respect to the ownership in that entity before the transaction giving rise to the change and not with respect to the ownership interest in the other entity. Persons will not be considered to be Acting as a Group solely because they purchase assets of the same entity at the same time or purchase or own stock of the same entity at the same time, or as a result of the same public offering.

Sections 280G and 4999 of the Internal Revenue Code (the “Code”)

If any severance payment or benefit that you would otherwise receive hereunder (when considered together with any payment or benefit you would otherwise receive under any other plan or agreement with, or practice of, the Company or any of its subsidiaries) (collectively, a “Payment”) would (a) constitute a “parachute payment” within the meaning of Section 280G of the Code, and (b) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then such Payment shall be equal to the Reduced Amount. The “Reduced Amount” shall be either: (y) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax; or (z) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in your receipt, on an after-tax basis, of the greatest amount of the Payment to you. If a reduced Payment is made, you shall have no rights to any additional payments and/or benefits constituting the Payment.

The intent of the parties is that payments and benefits under hereunder be exempt from, or comply with, Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively "Section 409A"). To the maximum extent permitted, the benefits and payments will be interpreted accordingly. To the extent that any provision hereof is modified in order to comply with, or be exempt from, Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to you and the Company of the applicable provision without violating the provisions of Section 409A. A termination of employment will not be deemed to have occurred for purposes of any provision providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A, and for purposes of any such provision, references to a "termination," "termination of employment" or like terms will mean "separation from service." In no event shall the Company be liable for any additional tax, interest or penalty that may be imposed upon or other detriment suffered by you under Section 409A or for any damages suffered by or that may be imposed on you for any failure of any provision to be exempt from or to comply with Section 409A. For purposes of Section 409A, your right to receive any installment payments is treated as a right to receive a series of separate and distinct payments. Whenever a payment specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company. Notwithstanding any provision hereunder to the contrary, in no event will any payment that constitutes "nonqualified deferred compensation" for purposes of Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

Notwithstanding the terms of any plan, agreement or policy, to the contrary, if at the time of your "separation from service" (within the meaning of Section 409A) you are a "specified employee" as defined under Section 409A, any payment of any "nonqualified deferred compensation" amounts (within the meaning of Section 409A and after taking into account all exclusions applicable to such payments under Section 409A) required to be made to you upon or as a result of your separation from service (as defined in Section 409A) shall be delayed until the earlier of the six-month anniversary of the separation from service and your death, to the extent necessary to comply with and avoid the imposition of taxes, interest and penalties under Section 409A. Any such payments to which you would otherwise be entitled during the first six months following your separation from service will be accumulated and paid without interest on the first payroll date after the six-month anniversary of the separation from service or within thirty days thereafter. These provisions will only apply if and to the extent required to avoid accelerated taxation and additional taxes, interest and penalties imposed under Section 409A.

## EMPLOYEE BENEFITS

Term Life Insurance/ADD - Company paid.	150% of annual salary provided by Gentherm in accordance with the group benefit plan offered to other similarly situated executive officers of Gentherm.
Short Term/Long Term Disability - Company paid	Provided by Gentherm in accordance with the group benefit plan offered to other similarly situated executive officers of Gentherm.
Vacation	Four weeks per year
Sick Leave	One week per year
Paid Holidays	In accordance with Gentherm's headquarters location holiday schedule (by way of example, 15 total paid holidays in 2024)
Medical / Dental / Vision / Flexible Spending Account	All in accordance with the group benefit plan offered to similarly situated executive officers of Gentherm. Details of the benefits program are attached.
401(k) Retirement Savings Plan	Automatic enrollment at 6% unless opted out. Voluntary participation for amounts above 6%. Current Company discretionary match is dollar for dollar for first 4%.

## CONFIDENTIAL INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

Agreement made\_11/06 / 2024

### RECITALS

As an employee of Gentherm Incorporated, (hereinafter referred to as the "Company"), I have gained or will gain knowledge of the Company's trade secrets or other confidential information or proprietary information, as defined below. The Company would suffer irreparable harm if I were to use such confidential information outside of the Company, and/or on behalf of any competitor of the Company; and the Company is entitled to be protected from any such unauthorized retention or use. Furthermore, because I have extensive knowledge about the Company's business and I possess special knowledge concerning that business, the Company is also entitled to be protected from the possibility that I may seek to become associated with a business that competes with the Company's business.

### DEFINITIONS

For the purposes of this Agreement, the term "**trade secret**" includes, but is not limited to, technical data, non-technical data, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, or a list of actual or potential customers or suppliers lists, graphs, sheets, diskettes for computer storage, and correspondence which (a) derives economic value, actual or potential, from not being generally known outside the Company and not being readily ascertainable; and (b) is subject to efforts to maintain its secrecy. For purposes of this Agreement the term "**other confidential information**" includes any information which is not a trade secret, but which is not generally known to the public, and is received from, or concerns the affairs of, the Company or is received from a third party under obligation of confidentiality.

The following is a list of trade secrets or other confidential information intended to be covered by this Agreement. This list is not inclusive, but intended as an illustration of the types of information protected by this Agreement:

**A. Marketing Information:** Information about the Company's operations, including, but not limited to, identity, number and location of customers, sales, sales volume(s), and marketing and advertising research.

**B. Management Information:** Any and all information relating to employee compensation programs, procedural systems, hiring practices, technical information, sales techniques, quality control, financial information, marketing plans and strategy, operational plans, strategies and goals, contracts, marketing, evaluation procedures and case studies.

**C. Proprietary Information:** Any inventions, source codes, algorithms, schematics, models, discoveries, developments, improvements, methods, processes, know-how, compositions, works, concepts, trade secrets, designs and ideas (whether or not capable of patent, trademark or copyright protection), trademarks, logos, trade names, proprietary materials, copyrights, copyrightable works, non-copyrightable works, patents, domain names, database rights, methodologies, websites, web-pages, search engines, designs, applications, data, programs, phone numbers, fax numbers, cell numbers, email addresses and accounts, and any other proprietary information.

# GENTHERM

**D. Other Information:** Any other information of any kind which gives the Company an opportunity to obtain advantage over competitors.

For the purposes of this Agreement, the “**Company**” shall mean Gentherm Incorporated and any corporation, division, partnership, limited liability company or other person and/or business organization working in connection with Gentherm Incorporated, as well as their respective officers, directors, members, employees, and agents.

## AGREEMENT

In consideration for my employment and/or continued employment with the Company, the disclosure to me of the Company’s trade secrets and/or other confidential information, and other valuable consideration, I agree to the following:

### A. Trade Secrets & Other Confidential Information.

1. I will not at any time, either during or after my employment with the Company, use or disclose to others any trade secrets or other confidential information about the Company’s business or any of its proprietary rights to which I had access or was provided during my employment and any such information reasonably considered confidential and not within my general knowledge or within the scope of my acquired skills from sources other than my employment. I agree to execute any further agreements concerning any trade secrets of the Company as may be required by the Company.
2. Upon termination of my employment, I will deliver to the Company all documents or papers (including any medium for electronic storage of information) relating to the Company’s business or such trade secrets or other confidential information that are in my possession or under my control without making copies or summaries of any such material.
3. To the fullest extent permitted by law, any inventions, source codes, algorithms, schematics, models, discoveries, developments, improvements, methods, processes, know-how, compositions, works, concepts, trade secrets, designs and ideas (whether or not capable of patent, trademark copyright protection), trademarks, logos, trade names, proprietary materials, copyrights, copyrightable works, non-copyrightable works, patents, domain names, database rights, methodologies, websites, web-pages, search engines, designs, applications, data, programs, phone numbers, fax numbers, cell numbers, email address and accounts, and any other proprietary information (collectively “Proprietary Information”) (a) suggested by or resulting from any work I do as an employee (alone or with others) of the Company; (b) resulting from my use of the Company’s time, materials or facilities; or (c) relating to existing or planned activities of the Company (including all affiliates of the Company) are WORKS-FOR-HIRE and shall be promptly disclosed to the Company and shall be its exclusive property. I assign to the Company any rights I may have or acquire in such Proprietary Information and agree to sign and deliver at any time any instruments confirming the exclusive ownership by the Company. In the event that any Proprietary Information is determined not to be WORKS-FOR-HIRE by a court of competent jurisdiction, this Agreement shall operate as an irrevocable assignment by me to the Company of my entire interest in any such Proprietary Information, including, without limitation, any and all rights that I may have or acquire in the Proprietary Information.



# GENTHERM

4. All inventions, proprietary information, or discoveries that belong to me before being employed by the Company, and which I want to exempt from this agreement, are listed on an attached schedule.
5. I agree that during my employment by the Company I will not engage in any other employment or business, unless specifically authorized by the CHRO and/ or the General Counsel.
6. I agree that my obligations under this Section will continue indefinitely until such time as the information ceases to be a trade secret or of any other advantage to the Company.

## **B. Non-Solicitation and Non-Compete.**

During my employment, I will not, without the prior written consent of the Board of Directors of the Company (the “**Board**”), either directly or indirectly in any capacity (including without limitation as principal, agent, partner, employee, shareholder, unit holder, joint venturer, director, trustee, beneficiary, manager, consultant, or advisor), carry on, advise, provide services to or be engaged, concerned or interested in, or associated with, any Competitive Business (as defined below), or be engaged or interested in any public or private work or duties which, in the reasonable opinion of the Board, may hinder or otherwise interfere with the performance of my duties. In addition, for a period of twelve months after my employment with the Company ends for any reason, I shall not, either directly or indirectly:

(a) induce or solicit, directly or indirectly, any employee of the Company to terminate his or her employment with the Company or otherwise interfere with the employment relationship of any employee of the Company, excluding employees responding to a general solicitation not targeted in any manner to violate this Section,

(b) on a worldwide basis, in any capacity (including without limitation as principal, agent, partner, employee, shareholder, unit holder, joint venturer, director, trustee, beneficiary, manager, consultant, or advisor), engage in or otherwise provide services to any Competitive Business, or

(c) take any action that will cause the termination of a business relationship between the Company and any business entity who is or was a customer or supplier, or a prospective customer or supplier of the Company within twelve months prior to my employment ending, and with whom I had material dealings or about whom I was provided confidential information.

A “**Competitive Business**” means any business or activity which is involved in the research, development, manufacture, sale, distribution and/or marketing of any of the products that are manufactured, sold or distributed by the Company, or were subject to active R&D projects during your employment with the intent to manufacture, sell or distribute within 3 years after your employment by the Company or any of its subsidiaries

# GENTHERM

Given that the business of the Company is and is expected to continue to be conducted on a worldwide basis, and I will be actively involved with and intimately familiar with the business of the Company on a worldwide basis, I acknowledge and agree that more narrow geographic limitations of any nature on the above covenants are therefore not appropriate and would not adequately protect the Company.

Nothing in this Section prohibits me (whether directly or through nominees) of holding shares listed on a recognized stock exchange, provided that I do not hold more than 2% of the issued capital of a company.

## **C. At Will Employment, Governing Law, Etc.**

I agree that this agreement (a) shall not be construed as an agreement by the Company to employ me for any specific period; (b) cannot be modified except in writing, signed by me and the President of the Company entitled "Employment Contract"; (c) shall inure to the benefit of the Company and its successors and assigns; (d) shall be binding upon my heirs, legal representatives, and assigns; and (e) shall be governed by Michigan Law (regardless of the laws that might otherwise govern under applicable principles of conflicts of laws of such jurisdiction or any other jurisdiction). I further acknowledge and agree that I am an **Employee at Will**.

## **D. Injunctive Relief.**

I acknowledge that: (a) the breach of any provision of this Agreement will result in immediate and irreparable damage to the Company; (b) no adequate remedy at law exists with regard to any such breach; (c) public policy will be furthered by the enforcement of this Agreement by an injunction; (d) injunctive relief will not deprive me of an ability to earn a living because I am qualified for many positions which do not involve the breach of any provision of this Agreement; and (e) the Company will be entitled to enforce this Agreement by injunction or other equitable remedies in the event of such breach, in addition to any other remedies available to the Company (including, without limitation, monetary damages). Accordingly, in the event of a breach (or threatened or attempted breach) of this Agreement, the Company shall, in addition to any other rights and remedies, be entitled to immediate appropriate injunctive relief, or a decree of specific performance of this Agreement, without the necessity of showing any irreparable injury or special damages. If it is judicially determined that I have violated any of my obligations under this Agreement, I shall pay the Company's actual legal fees and costs associated with any such judicial action, including, but not limited to, the Company's actual attorneys' fees.

## **E. Severability.**

If this Agreement shall be held by a court to be invalid or unenforceable because it is too broad in any respect, the Agreement shall be narrowed by the court to the extent required to be enforceable.

## **F. Entire Agreement.**

This Agreement constitutes the entire agreement and understanding between me and the Company concerning the matters contained herein and supersedes any prior understanding, agreement, or negotiations regarding such matters.

# GENTHERM

## **G. Assignment.**

This Agreement shall be assigned by Company in connection with any sale of the Company's business. I acknowledge that my obligations under this Agreement are personal to me and that I cannot assign my obligations in this Agreement to any other person or entity.

## **H. No Legal Restrictions.**

I confirm that there is no legal restriction on my ability to perform the duties and obligations set forth in this Agreement, nor do I have any existing obligation to others which might be inconsistent with any provision contain herein. I have disclosed to the Company that my current employer, Aptiv, PLC ("Aptiv") and I have agreed to certain restrictive covenants. Specifically, I have communicated the contents of the Confidentiality and Noninterference Agreement between me and Aptiv to the Company. I have independently, and with the advice of my own counsel, concluded that nothing in those restrictions would prevent me from performing the duties and obligations set forth in this Agreement or are inconsistent with any provision contained herein.

Dated: 11/06/2024

**I have read and fully understand the terms of this Agreement.**

/s/ William Presley

Employee

Accepted and Agreed:

/s/ Barbara J. Runyon

On behalf of Gentherm

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# GENTHERM

**Optional Attachment:** Excluded Prior Inventions (if any)

## SEPARATION AND CONSULTING AGREEMENT

This Separation and Consulting Agreement (this “**Agreement**”), is entered into as of November 6, 2024 (the “**Effective Date**”) by and between Phillip Eyler (“**Eyler**”) and Gentherm Incorporated, a Michigan corporation (“**Gentherm**” or the “**Company**”).

**Recitals**

- A. Eyler has been President and Chief Executive Officer of the Company, and a director of the Company’s Board of Directors (the “**Board**”) since December 2017.
- B. Eyler and the Company are party to that certain Employment Contract, dated as of September 18, 2017, which was amended as of December 7, 2018 and April 21, 2020 (collectively, the “**Employment Agreement**”).
- C. Eyler’s employment with the Company will conclude effective at 11:59 p.m. on December 31, 2024 (the “**Separation Date**”) due to a separation from service by the Company without Cause (as defined in the Employment Agreement) , following which Eyler will be entitled to the specified severance and related benefits in accordance with, and subject to the specified conditions and obligations in, the Employment Agreement and in this Agreement.
- D. Eyler has agreed to provide consulting services as a Special Advisor to the Company from January 1, 2025 to June 30, 2025, or such earlier date that Eyler’s service is terminated by the Company or Eyler (the “**Consulting Term**”).
- E. In consideration of Eyler’s service as Special Advisor to Gentherm for the Consulting Term, Gentherm has agreed to pay the Fee (as defined herein) to Eyler, subject to the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and other valuable consideration, the parties agree as follows:

- 1. Separation of Employment.** As of the Separation Date, Eyler will cease to be an employee and officer of the Company, as well as an officer or director of any subsidiary or affiliate of the Company, with no further action or notice required. Eyler agrees that he will execute any documents as may be reasonably requested by the Company to confirm the cessation of his service in the above-described roles. Notwithstanding the foregoing, Eyler’s employment with Gentherm may be terminated by the Board at any time prior to the Separation Date for any reason; provided, however, that unless Eyler’s employment with Gentherm is terminated by the Board for Cause, then the date of termination of Eyler’s employment by the Board shall be the Separation Date for purposes of the severance and related benefits accruing to him under the Employment Agreement and this Agreement. If Eyler’s employment with Gentherm is terminated by the Board prior to the Separation Date for Cause, the applicable provisions of the Employment Agreement shall apply and this Agreement shall be null and void. Unused vacation days as of Eyler’s last date of employment will not be paid out in any case.
- 2. Resignation from the Board.** As of the Separation Date, Eyler will resign from the Board, with no further action or notice required. Eyler agrees that he will execute any documents as may be reasonably requested by the Company to confirm the cessation of his Board service.
- 3. Continuation of Compensation and Benefits Prior to Separation Date.** From the Effective Date through and including the Separation Date, Eyler will continue to receive his current compensation and participate in Company benefits and perquisite programs (including employee health and welfare benefits) consistent with the Company’s policies and practices as of the Effective Date.

**4. Separation Benefits.** As of the Separation Date, Eyler will be entitled to the specified severance and related benefits in accordance with, and subject to the specified conditions and obligations in, the Employment Agreement. For purposes of clarity, such severance and related benefits are set forth below (collectively, the “**Separation Benefits**”):

- a. Cash severance, payable in a lump sum within 60 days of the Separation Date:
  - 1) One year base salary (\$1,020,000).
  - 2) One year of target bonus (\$1,275,000).
- b. Any earned annual cash bonus for 2024. Eyler will receive a cash bonus for 2024 based on actual performance of the Company to be paid no later than March 15, 2025 in accordance with the bonus plan in effect, with such bonus payment calculated using the same percentage of earned target bonus received by other executive officers of the Company; provided, that such cash bonus for Eyler will be no less than the target bonus for 2024. Eyler’s target cash bonus (as a percentage of base salary) will remain at 125% of the base salary for the 2024 bonus.
- c. For the avoidance of doubt, to the extent earned, the performance-based portion of the deferred compensation program will be contributed without proration for 2024 in accordance with any applicable deferral election.
- d. Outplacement services for one year, up to \$50,000, provided that Eyler commences such services no later than June 30, 2026.
- e. Acceleration for outstanding and unvested equity awards of the Company scheduled to vest within 12 months of the Separation Date. Specifically:
  - 1) Restricted stock units that vest upon acceleration will be delivered promptly (but in all events no later than 30 days), subject to any applicable delay required by Section 409A (defined below).
  - 2) Performance stock units that vest upon acceleration will still remain subject to being earned based on Company performance through the end of the full performance period, and will be earned and paid out subsequent to the end of the performance period using the same methodology and in the same manner for other executive officers of the Company.
  - 3) Any outstanding and unvested equity awards that vest on or after December 31, 2025 will be forfeited and terminate automatically, without any further action by the Company and at no cost to the Company.
- f. The Company will pay the Company and Employee Portion of Eyler’s COBRA continuation coverage (to the extent that you elect coverage) for a period of the earlier of 12 months and when Eyler becomes entitled to participate in another employer’s health plan.
- g. Eyler will be allowed to retain the Company iPad currently used by him.

Eyler acknowledges and agrees that the consideration referenced in this Section 4 represents the entirety of the amounts Eyler is eligible to receive as severance pay and benefits from the Company or any other affiliate or subsidiary of the Company, notwithstanding any other plan or agreement of the Company. All of the Separation Benefits in this Section 4 to be made to Eyler (including accelerated vesting of equity) will be subject to withholding of taxes and other lawful deduction, as well as reporting on a W-2 under applicable law. Cash payments in this Section 4 may be reduced by withholding tax owing on such payments. Tax withholding on any equity awarded under this Section 4 will be satisfied by having shares withheld, up to the amount of the required withholding.

**5. Other Separation Date Matters.** On or before the Separation Date, Eyler will deliver to Gentherm all Gentherm-owned property in his possession or in his control, including but not limited to any documents, data, property and other materials (including notes or compilations therefrom), in whatever form (including electronic), that he received, created or compiled during his employment with Gentherm (the “**Gentherm Owned Property**”) and he hereby confirms that he (or anyone on his behalf) has not and will not retain any copies thereof; provided, however, Eyler may retain Gentherm Owned Property to the extent necessary and related to his continued service as a Special Advisor to the Company, and he will return such remaining Gentherm Owned Property (and any other Gentherm-owned property accumulated during such consulting service) promptly following the end of the Consulting Term. Eyler will submit to Gentherm a request for reimbursement of all business expenses relating to his employment no later than 30 days after the Separation Date; such expenses will subject to and paid in accordance with Gentherm’s business expense reimbursement policy.

**6. Release Condition.** Eyler acknowledges and agrees that Company has paid Eyler all wages, salary, benefits and other compensation to which Eyler is entitled and owed as of the Effective Date. It is a condition of Gentherm’s obligations to provide the Separation Benefits that Eyler sign, deliver to Gentherm, and not revoke: (a) the Release attached to this Agreement as Exhibit A attached hereto (the “**Release**”), which Eyler must return on or within 45 days after the Separation Date; and (b) the second Release attached to this Agreement as Exhibit A attached hereto (the “**Second Release**”) on or within 7 days of the end of his term as a Special Advisor to the Company. Eyler understands and agrees that Gentherm has expressly informed him that Gentherm would not have agreed to provide any of the Separation Benefits absent Eyler’s execution of both this Agreement and the Release. If Eyler fails to sign and deliver the Release to Gentherm as indicated above, or revokes the Release, then none of the Separation Benefits shall have been earned by Eyler and, in the event any of the Separation Benefits have already paid to him at such time, Eyler shall be obligated to promptly refund or reimburse Gentherm for such Separation Benefits (including the repayment of pre-tax gross proceeds from any sale of Gentherm common stock that vested or otherwise remained outstanding in accordance with Section 4 herein) and Gentherm shall be authorized to immediately terminate any outstanding equity awards of the Company and to take any reasonably related actions to effectuate its rights hereunder. Eyler understands and agrees that Gentherm has expressly informed him that Gentherm would not have agreed to provide any of the Fee (as defined below) absent Eyler’s execution of this Agreement, the Release and the Second Release. If Eyler fails to sign and deliver the Release and the Second Release to Gentherm as indicated above, or revokes the Release or the Second Release, then none of the Fee shall have been earned by Eyler and, in the event any of the Fee has already paid to him at such time, Eyler shall be obligated to promptly refund or reimburse Gentherm for such Fee.

#### **7. Consulting Services.**

- a. During the Consulting Term, Eyler will provide services to the Company as reasonably determined by the Board and/or the then-current Chief Executive Officer of the Company (the “**New CEO**”). Eyler shall use reasonable best efforts to perform the consulting services within reasonable deadlines established by the Board and New CEO and consistent with the professional capabilities of Eyler that Eyler applied during his employment with the Company. Eyler will be available for reasonable periods of time to provide transitional assistance or to work on special projects not to exceed 24 hours per week on average. Potential items include:
- 1) Providing counsel to the New CEO on a variety of historic, strategic, investor communications and policy issues.
  - 2) Supporting the transition of corporate responsibilities to the New CEO by facilitating introductions and establishing relationships with customers, investors, and other stakeholders.
  - 3) Assisting the New CEO, as requested by the New CEO or the Board, in the development and execution of the Company’s strategic direction and significant business transactions.

- b. During the Consulting Term, Eyler will be reimbursed for any expenses incurred in connection with the performance of consulting services hereunder in accordance with the Company's travel and expense policies applicable to Eyler on the date hereof; provided that any business travel and any expenses in excess of \$250.00 must be approved in advance by the Chairman of the Board or the New CEO.
- c. For the avoidance of doubt, as of the Separation Date, Eyler shall no longer represent the Company in any manner and shall not hold himself out as a representative of the Company.
- d. Eyler and the Company acknowledge and agree that a significant portion of the consulting services are expected to be provided remotely by Eyler and that Eyler will not be provided a designated office or administrative support (and any work space and/or administrative support for Eyler will be provided only on an "as-needed" basis as determined by the New CEO).
- e. During the Consulting Term, Eyler will be subject to all policies of the Company applicable to consultants of the Company in the ordinary course as of the date hereof, which were previously provided or made available to Eyler, provided, for clarity, Eyler agrees he will remain a Restricted Person (as defined therein) under the Company's Securities Trading Policy during the Consulting Term. Eyler further agrees that Confidential Information and Invention Assignment Agreement (the "**Confidentiality Agreement**") between him and the Company shall apply with respect to the services he provides as Special Advisor to the Company.

#### **8. Consulting Fee.**

- a. Eyler will receive a fee of \$59,000 per month during the Consulting Term (the "**Fee**"). During the Consulting Term, Eyler is not eligible to participate in the Company's cash bonus plan, equity incentive plan or any health and welfare programs. As an independent contractor, no income or other taxes shall be withheld from the amounts paid to Eyler pursuant to this Section 8a.
- b. If Eyler terminates his engagement before the end of the Consulting Term, he will only be entitled to receive the Fee accrued through his last date of service; provided that, upon a termination by death, Eyler's heirs or assigns will receive the Fee through June 30, 2025.
- c. If Eyler's engagement is terminated by the Company for any reason (except fraud, willful misconduct or failure to provide reasonable services in good faith (in the latter case only, after notice by the Company and a reasonable opportunity to cure)), he will be entitled to receive continuation of the Fee through June 30, 2025. If Eyler is terminated by the Company due to fraud, willful misconduct or failure to provide reasonable services in good faith (in the latter case only, after notice by the Company and a reasonable opportunity to cure), then he will only be entitled to receive the Fee accrued through his last date of service.

**9. Proprietary Information.** Eyler will remain subject to Section 12 of the Employment Agreement following the Separation Date, including the Confidentiality Agreement referenced therein. Eyler acknowledges and agrees that nothing in this Agreement prohibits Eyler from reporting possible violations of law to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal, state or local laws or regulations.

**10. Restrictive Covenants.** Eyler will remain subject to Sections 9, 10 and 11 of the Employment Agreement, as well as the enforcement thereof provided in Section 13 of the Employment Agreement; provided that in consideration of the Fee and other valuable consideration, the 12-month restriction period referred to in Sections 9 and 10 is hereby extended to an 18-month restriction period, i.e. June 30, 2026 (collectively, the "**Restrictive Covenants**"). The Company will remain subject to Section 11 of the Employment Agreement. Except as otherwise expressly set forth in this Section 10, nothing in this Agreement shall otherwise amend, modify, or supersede the Continued Employment Agreement Provisions (as defined below), which shall remain in effect in accordance with their terms.



**11. Standstill Agreement.** Eyler agrees that, unless approved in advance in writing by the Board, neither Eyler nor any of his affiliates, and none of such persons' respective directors, officers, employees, managing members, general partners, agents and consultants, as applicable (including attorneys, financial advisors and accountants) (collectively, "**Representatives**"), acting on behalf of or in concert with Eyler (or any of Eyler's Representatives) will, for a period of 18 months after the Separation Date, directly or indirectly:

- a. Make any statement or proposal to the Board, any of the Company's Representatives or any of the Company's shareholders regarding, or make any public announcement, proposal or offer (including any "solicitation" of "proxies" as such terms are defined or used in Regulation 14A of the Securities Exchange Act of 1934, as amended) with respect to, or otherwise solicit, seek or offer to effect (including, for the avoidance of doubt, indirectly by means of communication with the press or media) (A) any business combination, merger, tender offer, exchange offer or similar transaction involving the Company or any of its subsidiaries, (B) any restructuring, recapitalization, liquidation or similar transaction involving the Company or any of its subsidiaries, (C) any acquisition of any of the Company's loans, debt securities, equity securities or assets, or rights or options to acquire interests in any of the Company's loans, debt securities, equity securities or assets (other than as a retail investor in an amount not to exceed 4% of the Company's outstanding capital), (D) any proposal to seek representation on the Board or otherwise seek to control or influence the management, Board or any policies of the Company, (E) any request or proposal to waive, terminate or amend the provisions of this Agreement, or (F) any proposal, arrangement or other statement that is inconsistent with the terms of this Agreement; provided, that for clauses (E) and (F) herein, the prohibition will not apply to making any statement or proposal to the Board;
- b. Instigate, encourage or assist any third party (including forming a "group" with any such third party) to do, or enter into any discussions or agreements with any third party with respect to, any of the actions set forth in clause a. above;
- c. Take any action which would reasonably be expected to require the Company or any of its affiliates or subsidiaries to make a public announcement regarding any of the actions set forth in clause a. above; or
- d. Acquire (or propose or agree to acquire), of record or beneficially, by purchase or otherwise, any loans, debt securities, equity securities or assets of the Company or any of its subsidiaries, or rights or options to acquire interests in any of the Company's loans, debt securities, equity securities or assets.

**12. Termination for Cause or Voluntarily.** If Eyler's employment with Gentherm is terminated for Cause by the Board prior to the Separation Date, or if Eyler voluntarily resigns from his employment with Gentherm prior to the Separation Date, Eyler will not receive the Separation Benefits; provided, he will receive the benefits specified in Section 7(g) of the Employment Agreement and the Restrictive Covenants will remain in full force and effect.

**13. Clawback Policy.** Notwithstanding anything to the contrary herein, Eyler acknowledges and agrees that some of the payments required to be made to him under the Employment Agreement are subject to the terms and conditions of the Company's clawback policies, and Eyler has previously signed an acknowledgement of the terms of such policies.

**14. Voluntary Agreement.** Eyler acknowledges that he has been advised in writing to consult with an attorney before he signs this Agreement. Eyler understands that he has at least 21 days within which to decide whether to sign this Agreement, although Eyler may sign this Agreement at any time within the 21 day period. If Eyler does sign this Agreement, Eyler also understands that he will have 7 days after he signs to change Eyler's mind and revoke this Agreement, in which case a written notice of revocation must be delivered to General Counsel, Gentherm Incorporated, 21680 Haggerty Rd., Northville, MI 48167, on or before the 7 after Eyler's execution of this Agreement. Eyler knowingly and voluntarily agrees to all of the terms set forth in this Agreement and intends to be bound legally by them.

**15. No Representation.** Eyler represents and acknowledges that, in executing this Agreement, Eyler does not rely and has not relied on any representation or statement by Gentherm or any agents or representatives of Gentherm with regard to the subject matter, basis or effect of this Agreement.

**16. Binding Agreement.** Eyler represents and warrants that the execution, delivery and performance of this Agreement will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which he is a party or is otherwise bound. This Agreement shall be binding upon Eyler and Eyler's heirs, administrators, representatives, executors, successors and assigns, and shall inure to the benefit of Gentherm and its directors, officers, representatives, successors and assigns.

**17. Governing Law and Interpretation.** This Agreement is made and entered into in the State of Michigan, and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan without regard to its choice of law or conflict of laws provision or rule (whether the State of Michigan or any other jurisdiction). The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. In the event of a breach of any provision of this Agreement, either party may institute an action specifically to enforce any term or terms of this Agreement and/or to seek any damages for breach.

**18. Amendment; Waiver.** This Agreement may not be modified, altered, waived or changed except in writing and signed by both Eyler and Gentherm (with express approval of the Board) wherein specific reference is made to this Agreement. The waiver by a party of any breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision hereof by that party.

**19. Notices.** Any notice or other communication required or permitted to be given under this agreement will be sufficient if it is in writing, sent to the applicable address set forth below (or as otherwise specified by a party by notice to the other party in accordance with this Section 16) and delivered personally, by certified or registered mail or by recognized overnight courier, or delivered by e-mail coupled with confirmation of actual receipt:

If to Gentherm, to the address set forth below:

Gentherm Incorporated  
Attention: General Counsel  
21680 Haggerty Rd.  
Northville, MI 48167

If to Eyler, at the last known address in Gentherm's payroll records.

**20. Entire Agreement.** This Agreement, specified sections of the Employment Agreement (specifically, Sections 7, 8, 9, 10, 11, 12, 13, 14, 19, 20, 21, and 25, which are incorporated herein by reference (the "**Continued Employment Agreement Provisions**")), and the Release and Second Release, sets forth the entire agreement between the parties, and fully supersedes any and all prior agreements or understandings between the parties pertaining to the subject matter of this Agreement; provided that, Eyler will remain subject to any confidentiality, non-disclosure, non-solicitation and/or non-competition agreement that the Company entered into with a third party that would continue to be binding on Eyler as a representative (which applies during his service as a Special Advisor) or former representative (which applies following the termination of his service as a Special Advisor) of the Company.

**21. Additional Representation.** Eyler warrants and agrees that he will not, directly or indirectly, challenge and/or dispute the enforceability and/or validity of this Agreement, or any portion thereof. Eyler agrees and warrants that he has not, directly or indirectly, instigate(d), incite(d), encourage(d) and/or otherwise cause(d) or aid(ed) any person and/or entity to bring any claim and/or action which challenges and/or disputes the enforceability and/or validity of this Agreement, including any portion thereof.

**22. Cooperation.** Eyler agrees that he will, during the one year period following the Separation Date, respond to reasonable requests for information from the Company (such requests shall not require Eyler to provide services to the Company regarding matters that may arise in the Company's business). Eyler also will cooperate with Gentherm with respect to any claim or matter and shall make himself reasonably available, taking into account Eyler's personal and professional commitments, to consult with counsel or serve as a witness in any action, investigation or other proceeding before any court, governmental agency, arbitrator or mediator, in which he may be called to appear by Gentherm, regarding any business, property or operations of Gentherm or any of its affiliates or subsidiaries, and he shall truthfully testify in any such action, proceeding or deposition in which he also appears. Such cooperation will include Eyler being available at reasonable times and places for interviews, reviewing documents, testifying in a deposition or a legal or administrative proceeding, and providing advice to the Company in preparing defenses to any pending or potential future claims against the Company. Gentherm shall reimburse Eyler for all expenses incurred by Eyler in connection with any appearance in which Eyler is so called to appear. Any cooperation requested by the Company following the first anniversary of the Separation Date shall be compensated at the rate of \$500 per hour.

**23. Review of Agreement; Tax Matters.** This Agreement is important. Eyler is advised to review it carefully and consult an attorney before signing it, as well as any other professional whose advice Eyler values, such as an accountant or financial advisor. By signing this Agreement, Eyler acknowledges that he will be responsible for any taxes which may be imposed on him as a result of the Separation Benefits or the provisions of this Agreement, that all amounts payable to Eyler under or in connection with this Agreement will be subject to applicable tax withholding by the Company or its subsidiaries or affiliates, and that the Company has not made any representations or guarantees regarding the tax result for Eyler with respect to any income recognized by Eyler in connection with this Agreement or the Separation Benefits.

**24. Section 409A.** The intent of the parties is that payments and benefits under hereunder be exempt from, or comply with, Section 409A of the Internal Revenue Code and the regulations and guidance promulgated thereunder (collectively "**Section 409A**"). To the maximum extent permitted, the benefits and payments will be interpreted accordingly. To the extent that any provision hereof is modified in order to comply with Section 409A, such modification will be made in good faith and will, to the maximum extent reasonably possible, maintain the original intent and economic benefit to Eyler and the Company of the applicable provision without violating the provisions of Section 409A. A termination of employment will not be deemed to have occurred for purposes of any provision providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A, and for purposes of any such provision, references to a "termination," "termination of employment" or like terms will mean "separation from service." In no event shall the Company be liable for any additional tax, interest or penalty that may be imposed upon or other detriment suffered by Eyler under Section 409A or for any damages suffered by or that may be imposed on Eyler for any failure of any provision to be exempt from or to comply with Section 409A. For purposes of Section 409A, Eyler's right to receive any installment payments is treated as a right to receive a series of separate and distinct payments. Whenever a payment specifies a payment period with reference to a number of days, the actual date of payment within the specified period is within the sole discretion of the Company. Notwithstanding any provision hereunder to the contrary, in no event will any payment that constitutes "nonqualified deferred compensation" for purposes of Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A. Notwithstanding the terms of any plan, agreement or policy, to the contrary, if at the time of Eyler's "separation from service" (within the meaning of Section 409A) Eyler is a "specified employee" as defined under Section 409A, any payment of any "nonqualified deferred compensation" amounts (within the meaning of Section 409A

and after taking into account all exclusions applicable to such payments under Section 409A) required to be made to Eyler upon or as a result of Eyler's separation from service (as defined in Section 409A) shall be delayed until the earlier of the six-month anniversary of the separation from service and Eyler's death, to the extent necessary to comply with and avoid the imposition of taxes, interest and penalties under Section 409A. Any such payments to which Eyler would otherwise be entitled during the first six months following Eyler's separation from service will be accumulated and paid without interest on the first payroll date after the six-month anniversary of the separation from service. These provisions will only apply if and to the extent required to avoid the accelerated taxation and additional taxes, interest and penalties imposed under Section 409A.

**25. Public Statements.** Except as otherwise required by applicable law, regulation, or listing exchange on which the Company's securities are traded, from and after the date hereof, the Company shall (i) issue the agreed upon disclosure contained in the communication message set forth in Exhibit B attached hereto, in all material respects, and (ii) consult with each other before issuing, and give each other the opportunity to review, comment upon and approve (such approval not to be unreasonably withheld, conditioned or delayed), the portion of any press release or other public statement that relates to the matters contemplated by this Agreement that are not materially consistent with Exhibit B attached hereto.

**26. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

**[Signatures appear on the following page]**

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

GENTHERM INCORPORATED

/s/ Barbara Runyon

By: Barbara Runyon

/s/ Phillip Eyer

By: Phillip Eyer

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**EXHIBIT A**

**RELEASE AND SECOND RELEASE**

(See attached)

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**EXHIBIT B**

**COMMUNICATIONS**

**(See attached Press Release and Form 8-K)**

**Gentherm Announces CEO Succession in 2025**

*Bill Presley, Vice-Chairman and COO of Aptiv PLC  
to become President and CEO, and Board Director, as of January 1, 2025*

*Phil Eyler to Remain as an Advisor to Gentherm through June 30, 2025*

NORTHVILLE, Michigan, November 8, 2024 /Global Newswire/ — Gentherm (NASDAQ:THRM), the global market leader of innovative thermal management and pneumatic comfort technologies for the automotive industry and a leader in medical patient temperature management systems, today announced its planned CEO succession, effective January 1, 2025.

Gentherm's current President and Chief Executive Officer, Phillip Eyler, will be succeeded by William ("Bill") Presley, who currently serves as Vice Chairman and Chief Operating Officer of Aptiv PLC, and will become the next President and CEO of Gentherm. Mr. Presley will also be appointed by the Board to fill the vacancy following Mr. Eyler's resignation from the Board. Mr. Eyler has agreed to remain as an advisor to Mr. Presley and the company through June 30, 2025.

Phil Eyler said, "As part of a planful succession process initiated approximately a year ago, the Board of Directors and I agreed to a transition plan that would allow me to pursue new professional interests and opportunities and serve the best interest of the company for the next phase of growth for Gentherm. Over the past year, I supported the Board and its committees as well as its advisors in its process to identify and select an industry professional uniquely qualified to lead Gentherm in its next phase of growth. I look forward to working closely with Bill as he transitions into his new role beginning in January."

Ronald Hundzinski, Non-Executive Chairman of the Board, said, "On behalf of the Board of Directors and the entire global Gentherm team, I would like to personally thank Phil for his seven years of extraordinary leadership and contributions to the company. Over that timeframe, Phil implemented the company's Focused Growth strategy and led the repositioning of the company's business lines. He nourished innovation and expanded the business through acquisitions, positioning the company to set records for new business awards and revenue as well as expand operating margins through Fit for Growth programs and return capital to shareholders. We appreciate Phil's willingness to continue to serve the company through the transition period."

Mr. Hundzinski continued, "We are pleased to welcome Bill Presley as the new President and CEO of Gentherm, as well as to appoint him to the Board. Bill has over 30 years of experience in roles of increasing responsibilities at Chrysler Corporation, Lear Corporation and, currently, as Vice-Chairman and Chief Operating Officer of Aptiv PLC. Aptiv is a designer, developer and manufacturer of software and hardware solutions for automotive safety features, electrified architectures, and intelligent connectivity with revenue of over \$20 billion. As a recognized leader in the industry and an engineer by training, as well as a holder of multiple patents in the automotive industry, Bill possesses exceptionally deep automotive general management, engineering and manufacturing expertise. Bill has a proven track record of driving growth in core and adjacent markets both organically and inorganically. Furthermore, his operational knowledge enables him to help teams create cultures that expand margins through efficient execution in every phase of product creation, manufacturing and delivery. Importantly, Bill was the unanimous choice by our Board to be the next leader for Gentherm."



Incoming CEO Bill Presley said, “I am honored to have been selected as the new President and CEO of Gentherm, and look forward to serving on the Board. As the clear global leader in thermal management, pneumatic systems and comfort solutions in the automotive industry and a leader in medical patient temperature management systems, Gentherm is exceptionally well positioned for continued growth. In fact, I believe that the company is just at the cusp of a new growth wave, driven by strong business wins in core products and several new innovations, such as ClimateSense®, Puls.A™ and ComfortScale™, as well as new program launches. Gentherm has an amazing culture of innovation backed by a workforce that proudly believes in the value that Gentherm offers to users of Gentherm technology. I look forward to working with the Board and the global Gentherm team to drive shareholder value.”

Mr. Eyler concluded, “I would like to take this opportunity to thank the Board of Directors for working closely and collaboratively with me over my time at Gentherm. I would also like to extend my heartfelt appreciation to everyone at Gentherm who have all worked tirelessly to drive innovation, support our customers, win new business, enhance our profitability and create a thriving culture. It has been an extraordinary journey for me, for which I am deeply thankful.”

The company also noted that the Board, Mr. Eyler and Mr. Presley are partnering to select the company’s new Chief Financial Officer. The selection process for the next CFO is proceeding effectively, and the company anticipates naming a new CFO in the near future.

## **Investor Contact**

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## **About Gentherm**

Gentherm (NASDAQ: THRM) is the global market leader of innovative thermal management and pneumatic comfort technologies for the automotive industry and a leader in medical patient temperature management systems. Automotive products include variable temperature Climate Control Seats, heated automotive interior systems (including heated seats, steering wheels, armrests and other components), battery performance solutions, cable systems, lumbar and massage comfort solutions, valve system technologies, and other electronic devices. Medical products include patient temperature management systems. The Company is also developing a number of new technologies and products that will help enable improvements to existing products and to create new product applications for existing and new markets. Gentherm has more than 14,000 employees in facilities in the United States, Germany, China, Czech Republic, Hungary, Japan, Malta, Mexico, Morocco, North Macedonia, South Korea, United Kingdom, Ukraine, and Vietnam. For more information, go to [www.gentherm.com](http://www.gentherm.com).

**Forward-Looking Statements**

Except for historical information contained herein, statements in this release are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent Gentherm Incorporated's goals, beliefs, plans and expectations about its prospects for the future and other future events. The forward-looking statements included in this release are made as of the date hereof or as of the date specified herein and are based on management's reasonable expectations and beliefs. In making these statements we rely on assumptions and analysis based on our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we consider appropriate under the circumstances. Such statements are subject to a number of important assumptions, significant risks and uncertainties (some of which are beyond our control) and other factors that may cause actual results or performance to differ materially from that described in or indicated by the forward-looking statements, including but not limited to:

- macroeconomic, geopolitical and similar global factors in the cyclical Automotive industry;
- increasing U.S. and global competition, including with non-traditional entrants;
- our ability to effectively manage new product launches and research and development, and the market acceptance of such products and technologies;
- the evolution and recent challenges of the automotive industry towards electric vehicles, autonomous vehicles and mobility on demand services, and related consumer behaviors and preferences;
- our ability to convert automotive new business awards into product revenues;
- the recent supply-constrained environment, and inflationary and other cost pressures;
- the production levels of our major customers and OEMs in our key markets and sudden fluctuations in such production levels;
- our business in China, which is subject to unique operational, competitive, regulatory and economic risks;
- our ability to attract and retain highly skilled employees, including executives, and wage inflation;
- a tightening labor market, labor shortages or work stoppages impacting us, our customers or our suppliers, such as recent labor strikes among certain OEMs and suppliers;
- our achievement of product cost reductions to offset customer-imposed price reductions or other pricing pressures;
- our product quality and safety and impact of product safety recalls and alleged defects in products;
- our ability to integrate our recent acquisitions and realize synergies, as well as to consummate additional strategic acquisitions, investments and exits, and achieve planned benefits;
- any security breaches and other disruptions to our information technology networks and systems, as well as privacy, data security and data protection risks;
- the impact of our global operations, including our global supply chain, operations within Ukraine, economic and trade policies, and foreign currency and exchange risk;
- any loss or insolvency of our key customers and OEMs, or key suppliers;

- our efforts to optimize our global supply chain and manufacturing footprint, including near-term expense headwinds from new facilities;
- our ability to project future sales volume based on third-party information, based on which we manage our business;
- the protection of our intellectual property in certain jurisdictions;
- our compliance with anti-corruption laws and regulations;
- legal and regulatory proceedings and claims involving us or one of our major customers;
- the extensive regulation of our patient temperature management business;
- risks associated with our manufacturing processes;
- the effects of climate change and catastrophic events, as well as regulatory and stakeholder-imposed requirements to address climate change and other sustainability issues;
- our product quality and safety;
- our borrowing availability under our revolving credit facility, as well ability to access the capital markets, to support our planned growth; and
- our indebtedness and compliance with our debt covenants.

The foregoing risks should be read in conjunction with the Company's reports filed with or furnished to the Securities and Exchange Commission (the "SEC"), including "Risk Factors," in its most recent Annual Report on Form 10-K and subsequent SEC filings, for a discussion of these and other risks and uncertainties. In addition, with reasonable frequency, we have entered into business combinations, acquisitions, divestitures, strategic investments and other significant transactions. Such forward-looking statements do not include the potential impact of any such transactions that may be completed after the date hereof, each of which may present material risks to the Company's future business and financial results.

Except as required by law, the Company expressly disclaims any obligation or undertaking to update any forward-looking statements to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.