



CORPORATE GOVERNANCE GUIDELINES

[As adopted August 12, 2020]

1. Introduction

These Corporate Governance guidelines, established by the Board of Directors (the "Board") of Gentherm Incorporated ("Gentherm" or the "Company"), provide a structure within which our Directors and management can effectively pursue Gentherm's objectives for the benefit of its shareholders. The Board intends that these guidelines serve as a flexible framework within which the Board may conduct its business, not as a set of binding legal obligations. These guidelines should be interpreted in the context of all applicable laws, Gentherm's charter documents and other governing legal documents and policies.

2. Board Structure and Composition

1. Size of the Board. The Bylaws of the Company provide that the number of Directors of the Company shall be not less than seven nor more than eleven, with the exact number set by a resolution adopted by the Board or the Company's shareholders. The Board will evaluate the appropriate number of Directors from time to time and adopt a resolution establishing such number, unless the shareholders shall have otherwise adopted a resolution setting the number of Directors.
2. Board Membership Criteria. The Nominating and Corporate Governance Committee will, in accordance with its charter, evaluate candidates for membership on the Board, including candidates nominated or recommended by shareholders, in light of criteria established by the Board.

In connection with the Director nomination and appointment process, the Nominating and Corporate Governance Committee shall review the desired experience, mix of skills and other individual and aggregate qualities and attributes to assure appropriate Board composition, taking into account the current Board members, the specific needs of the Company and the Board and the Board's on-going self-evaluations. The Board and Nominating and Corporate Governance Committee desire to include qualified individuals who have (A) the highest ethical character, integrity and shared values with the Company, (B) loyalty to the Company and concern for its success and welfare, (C) sound business judgment, and (D) sufficient commitment and availability to effectively carry out a Director's duties. The pool of candidates considered for new and vacant directorships also shall include highly qualified women, multi-cultural and other diverse candidates in the pool of candidates considered for new or vacant directorships. The process is designed to ensure that the Board includes members with a diversity of

viewpoints, backgrounds, skills and experience, including as to appropriate financial and other expertise relevant to the business of the Company. Generally, the Nominating and Corporate Governance Committee will recommend the re-nomination of incumbent Directors who continue to satisfy its criteria for membership on the Board, who it believes will continue to make important contributions to the Board and who consent to continue their service on the Board.

In determining whether to recommend a Director for re-election, the Nominating and Corporate Governance Committee also considers the Director's past attendance at meetings, participation in and contributions to the activities of the Board and the Company, the results of Board and Committee self-evaluations, any potential or actual conflicts of interest and other qualifications and characteristics set forth in the charter of the Nominating and Corporate Governance Committee.

3. Director Independence. A majority of Directors on the Board will be independent as required by the Nasdaq Stock Market ("Nasdaq"). Each independent Director who experiences a change in circumstances that could affect such Director's independence must deliver a notice of such change to Gentherm's General Counsel, who shall advise the Nominating and Corporate Governance Committee to evaluate such circumstances as appropriate.
4. Director Tenure. Directors are reelected each year and the Board does not believe it should establish term limits because Directors who have developed increasing insight into Gentherm and its operations over time provide an increasing contribution to the Board as a whole. To ensure the Board continues to generate new ideas and to operate effectively, the Nominating and Corporate Governance Committee shall monitor performance and take steps as necessary regarding continuing Director tenure.
5. Change in Principal Occupation. Upon a change of status relating to a Director's principal occupation responsibilities, such Director shall promptly advise the Chair of the Nominating and Corporate Governance Committee in writing of such change, include a description of the change and tender his or her resignation conditioned on Board acceptance. Following receipt of such notice and resignation tender, the Nominating and Corporate Governance Committee shall determine whether the change represents a material adverse change in principal occupation responsibilities and will adversely impact the Director's ability to fulfill his or her obligations as a Director and will make a recommendation to the Board as to whether to accept or decline to accept such resignation. It is the Board's view that any such Director who offers to resign should not necessarily leave the Board.
6. Other Board Service Limitations. The Board limits the number of other public company boards on which a Director may serve as set forth below and exceptions to these limits must be approved by the Board. No Director who is a CEO of a public company may serve as a Director of the Company if he or she serves on more than a total of three public company boards, including the Company's Board. In addition, no Director may serve on more than five public company boards,

including the Company's Board. Directors should advise the Chair of the Board and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on another public company board. For purpose of this requirement, a family of mutual funds will be considered a single public company.

7. Voting for Directors. Any nominee for Director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote") shall promptly tender his or her resignation, conditioned on Board acceptance, following certification of the shareholder vote; provided, however, this voting policy does not apply when the number of individuals nominated for election exceeds the number of Directors to be elected, including as a result of a proxy contest.

The Nominating and Corporate Governance Committee shall consider the resignation offer and, within 60 days following certification of the shareholder vote, recommend to the Board whether to accept such resignation. The Board will act on the Nominating and Corporate Governance Committee's recommendation within 90 days following certification of the shareholder vote. The Nominating and Corporate Governance Committee in making its recommendation, and the Board in making its decision, may each consider any information that it considers appropriate and relevant. The Board will promptly disclose in reasonable detail its decision and rationale regarding the acceptance or rejection of the resignation, as applicable, in a widely disseminated press release, in a filing with the SEC or by other widely disseminated public announcement.

Any Director who tenders his or her resignation pursuant to this provision shall not participate in the Nominating and Corporate Governance Committee recommendation or Board action regarding whether to accept his or her resignation offer. However, if each member of the Nominating and Corporate Governance Committee received a Majority Withheld Vote at the same election, then the independent Directors who did not receive a Majority Withheld Vote shall appoint a committee of such independent Directors to consider each resignation offer and recommend to the Board whether to accept such resignation. If the Directors who did not receive a Majority Withheld Vote in the same election constitute three or fewer Directors, all Directors may participate in the action regarding whether to accept each resignation offer.

If a Director's resignation is accepted by the Board, the Board either may fill the resulting vacancy or may decrease the size of the Board pursuant to the Company's Bylaws.

3. Principal Duties of the Board of Directors

1. To Oversee Management and Evaluate Strategy. The fundamental responsibility of the Directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of Gentherm and its shareholders. It is the duty of the Board to oversee management's performance to ensure that Gentherm operates in an effective, efficient and ethical manner in order to produce value for Gentherm's shareholders. The Board also evaluates Gentherm's overall strategy and monitors Gentherm's performance against its operating plan and against the performance of its peers. Additionally, the Board has responsibility for risk oversight and succession planning. The Board is responsible for oversight of strategic, financial and execution risks and exposures associated with Gentherm's business strategy, product innovation, material transactions, policy matters, significant litigation, governance and ethical standards, regulatory and compliance exposures, environmental and social responsibility matters, effective internal control over financial reporting, and other current matters that may present material risk to Gentherm's financial performance, operations, infrastructure, plans, prospects or reputation.
2. Director Participation. Directors are expected to invest the time and effort necessary to understand Gentherm's business and financial strategies and challenges. The basic duties of the Directors include attending Board meetings and actively participating in Board discussions. Directors are also expected to make themselves available outside of board meetings for advice and consultation, and to attend the annual meeting of shareholders.
3. Chairman. The Board will select the Chairman of the Board. The Chairman will preside at all meetings of the shareholders and the Board in accordance with the Bylaws. Whenever the Chairman of the Board is also the Chief Executive Officer or is a Director who does not otherwise qualify as an independent Director, the independent Directors will elect from among themselves an independent Lead Director of the Board.
4. Conflicts of Interest. All members of the Board must inform the Audit Committee of the Board of all types of transactions between them (directly or indirectly) and Gentherm as soon as reasonably practicable even if these transactions are in the ordinary course of business. The Audit Committee of the Board will review and approve all related party transactions for which Audit Committee approval is required by applicable law or the rules of Nasdaq. The Board will also ensure that there is no abuse of corporate assets or unlawful related party transactions.
5. Code of Ethics. Gentherm has adopted a Code of Business Conduct and Ethics to provide guidelines for the ethical conduct by Directors, officers and employees. The Code of Business Conduct and Ethics is posted on Gentherm's website.

4. Board Procedures

Directors are expected to prepare for, attend, and contribute meaningfully in all Board and applicable Committee meetings in order to discharge their obligations. Consistent with their fiduciary duties, Directors are expected to maintain the confidentiality of the deliberations of the Board and its Committees.

1. Frequency of Board Meetings. Regular meetings of the Board shall be held at such times and places as determined by the Board. There will be at least four regularly scheduled meetings of the Board each year but the Board will meet more often if necessary.
2. Attendance at Board Meetings. To facilitate participation at the Board meetings, Directors may attend in person, via telephone conference or via video-conference. Materials are distributed in advance of meetings.
3. Other Commitments. Each member of the Board is expected to ensure that other existing and future commitments, including employment responsibilities and service on the boards of other entities, do not materially interfere with the member's service as Director.
4. Executive Sessions of Independent Directors. Nasdaq rules require independent Board members to regularly meet in executive session. The independent Board members shall meet in executive session at each regularly scheduled Board meeting, and at other times as necessary. The independent Chairman of the Board or a Lead Director, as applicable, will preside at such executive sessions and, in the event of his or her absence, the independent Directors will designate an independent Director to so preside. Committees of the Board may also meet in executive session as deemed appropriate.
5. Board Access to Management. Members of the Board will have access to Gentherm's management and employees as needed to fulfill their duties. Furthermore, the Board encourages management to, from time to time, bring other employees into meetings of the Board who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are employees with future potential that senior management believes should be given exposure to the Board. The Chief Executive Officer, Chief Financial Officer and Corporate Secretary are generally expected to attend each regularly scheduled Board meeting and present topics for discussion and approval by the Board, as necessary.
6. Engaging Experts. The Board and each Committee of the Board will have the authority to obtain advice, reports or opinions from internal and external counsel and other advisers and will have the power to hire, at the expense of Gentherm, legal, financial and other advisers as they may deem necessary or appropriate, without consulting with, or obtaining approval from, management of Gentherm in advance.

5. Board Committees

1. Number and Composition of Committees. The Board currently has the following standing committees: an Audit Committee, a Compensation Committee, a Technology Committee, a Nominating and Corporate Governance Committee, and a Mergers and Acquisitions Committee. From time to time, the Board may form a new committee or disband a current Committee depending on the circumstances. To the extent applicable, each Committee shall comply with any independence or other requirements established by applicable law and regulations, including SEC and Nasdaq.
2. Committee Appointments. Members of all standing Committees, and the Chairs thereof, are appointed by the Board. The Board determines the exact number of members and can at any time remove or replace a Committee member for any reason.
3. Committee Proceedings. The Chair of each Committee of the Board will, in consultation with appropriate Committee members and members of management, and in accordance with the Committee's charter, determine the frequency and length of committee meetings and develop the Committee's agenda.
4. Committee Charters. In accordance with applicable Nasdaq rules, each Committee charter shall set forth the purposes, goals and responsibilities of such Committee as well as qualifications for Committee membership, procedures for Committee member appointment and removal, Committee structure and operations and Committee reporting to the Board. Each Committee shall annually, and otherwise as appropriate, review and reassess the adequacy of its charter and make recommendations to the Board, who shall make appropriate changes with respect to such charters.

6. Director Continuing Education

The Board believes that ongoing education is important for maintaining a current and effective Board. Accordingly, the Board encourages Directors to participate in ongoing education, as well as participation in accredited Director education programs.

7. Board Compensation

1. General. The Compensation Committee of the Board has the responsibility to review and recommend to the Board compensation programs for non-employee Directors. Non-employee Directors shall receive reasonable compensation for their services, as shall be determined on an annual basis by the Board upon recommendation of the Compensation Committee. Compensation for non-employee Directors shall be consistent with the market practices of other similarly situated companies but shall not be at a level or in a form that would call into question the Board's objectivity.

Directors who are employees receive no additional pay for serving as Directors. Directors who are members of the Audit Committee shall not receive any compensation from the Company other than the fees they receive for serving as Directors and Committee members. Directors who are members of the Compensation Committee generally should not receive any compensation from the Company other than the fees they receive for serving as Directors and Committee members.

2. Minimum Stock Ownership Requirement. In an effort to more closely align the interests of Gentherm's Directors with those of its shareholders, each Director is required to meet minimum stock ownership requirements as established by the Board.

8. Communication from Shareholders

Shareholders wishing to send communications directly to the Board or to a specific member of the Board are asked to send such communications to the attention of the Corporate Secretary of Gentherm. Shareholders sending such communications must clearly mark the item as intended for delivery to the Board or to a specific member of the Board. The Corporate Secretary has been instructed by the Board to screen each communication received only for the limited purposes of ascertaining (1) whether such communication is indeed from a shareholder and (2) whether such communication relates to Gentherm. The Corporate Secretary will promptly forward copies of all such communications that pass such limited screening to each member of the Board, in the case of communications to the entire Board, or to the particular member addressee. Delivery by the Corporate Secretary will be completed by mail, facsimile or e-mail, as the Corporate Secretary determines appropriate.

If a shareholder's communication to the Board involves or concerns the Corporate Secretary, or if a shareholder has another appropriate reason for communicating to the Board through a means other than through the Corporate Secretary, such shareholders are asked to send such communications to the attention of either the President or Chairman of the Board. Any such communication should clearly state that it is a shareholder communication and should clearly state the reason it was not delivered to the Corporate Secretary for further delivery to the Board.

The Board agrees that the Chief Executive Officer, the Chief Financial Officer, the lead investor relations officer, and their designees, are the authorized spokespersons for the Company with respect to the media, market professionals (such as securities analysts, institutional investors, investment advisers, brokers, and dealers), and shareholders, as well as third parties doing business with the Company. Individual Directors may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that Directors would do this with the knowledge of the Company's authorized spokespersons and, absent unusual circumstances or as contemplated by the Committee charters, only at the request of the Company's authorized spokespersons.

The Board will give appropriate attention to written communications that are submitted by shareholders and other interested parties to the Board, and will respond if and as appropriate. Absent unusual circumstances or as contemplated by an applicable Committee charter, the Chairman of the Board (if an independent Director), or the Lead Director (if applicable), or otherwise the Chair of the applicable Committee shall, subject to advice and assistance from the General Counsel (1) be primarily responsible for monitoring communications from shareholders and other interested parties to the Board, and (2) provide copies or summaries of such communications to the other Directors as he or she considers appropriate.

9. Management Succession

The independent directors of the Board will review and discuss plans for the succession to the position of President and Chief Executive Officer, and the Compensation Committee or Board will review and discuss plans for the succession of the other executive officers, including in the event of an emergency or the retirement of such persons.

10. Annual Self-Evaluation

An annual evaluation of the performance of the Board and, to the extent desired, each of its standing committees shall be conducted by the Nominating and Corporate Governance Committee or such other Committee as the Board shall determine. Evaluation results are reported to the full Board. The evaluations should include identification of areas in which the Board and its Committees could improve performance.

11. Periodic Review of the Corporate Governance Guidelines

These guidelines shall be reviewed periodically by the Nominating and Corporate Governance Committee and the Board will make changes when appropriate based on recommendations from the Nominating and Corporate Governance Committee.