

GENTHERM INCORPORATED
COMPENSATION AND TALENT MANAGEMENT COMMITTEE CHARTER

As amended February 2022

Purpose

The Compensation and Talent Management Committee (the “Committee”) has been formed by the Board of Directors (the “Board”) of Gentherm Incorporated (the “Company”) to discharge the Board’s responsibilities relating to compensation of the Company’s executive officers and directors.

The members of the Committee, as directors fulfilling their responsibilities hereunder, shall be fully covered by the exculpation and indemnification provisions applicable to the Company’s directors set forth in the Company’s Articles of Incorporation and Bylaws, each as amended from time to time.

Committee Membership

The Committee shall consist of no fewer than two members, each of whom qualifies as an independent director under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the listing standards of the Nasdaq Stock Market, Inc. (“Nasdaq”). At least two members of the Committee shall qualify as “non-employee directors” under Rule 16b-3 under the Exchange Act.

The Board shall appoint members of the Committee annually and shall serve for such term or until earlier resignation, removal or death. Such members will serve at the pleasure of the Board and may be removed by the Board at any time with or without cause. The Board shall designate the chair of the Committee. In the absence of the chair, the members present at a meeting may appoint an acting chair for such meeting.

Meetings

The Committee shall hold such regular or special meetings as its members deem necessary or appropriate. The agenda will be established by the chair, with input from management, other members of the Committee and the Board, as appropriate. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate.

The Committee shall invite such members of management to its meetings as it deems appropriate to assist it in carrying out its duties and responsibilities. However, the Committee shall meet regularly without management present, and in all cases the Company’s President and Chief Executive Officer (or other executive officers) shall not be present at the applicable portions of meetings at which their compensation or performance is deliberated or voted upon.

The Committee shall be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee will cause to be kept adequate minutes of its proceedings, and will report

on its actions and activities at the next regular meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent.

Committee Authority

The Committee will have the authority, to the extent it deems necessary or appropriate, to retain a compensation consultant to assist in the evaluation of director, chief executive officer or other executive officer compensation. The Committee shall review any conflicts of interest raised by the work of any compensation consultant having a role in determining or recommending the amount or form of executive or board of director compensation.

The Committee shall have the sole authority to retain and terminate any such consulting firm, including sole authority to approve the firm's fees and other retention terms. The Committee shall also have authority, to the extent it deems necessary or appropriate, to retain other advisors. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consulting firm or other advisors employed by the Committee.

Responsibilities

The Committee shall have the authority and responsibilities set forth below; provided, however, that the Committee may supplement or deviate from such activities as appropriate under the circumstances (except as otherwise required by applicable laws or rules). The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion (except as otherwise required by applicable laws or rules). The Committee also may, in its discretion, make recommendations to the Board and seek Board approval, to the extent permitted under applicable law and Nasdaq rules.

1. Overall Compensation and Total Rewards Responsibility. To oversee the overall compensation and total rewards strategy and policies for the Company, by (among other things):

- a. reviewing and approving corporate performance goals and objectives, which shall support and reinforce the Company's long-term strategic goals, relevant to the compensation of the Company's executive officers, including, without limitation, (i) the attraction and retention of executives, (ii) the motivation of executives to achieve the Company's business objectives and (iii) the alignment of the interests of executives and the long-term interests of the Company's shareholders.
- b. evaluating and approving the compensation plans and programs advisable for the Company, as well as the modification or termination of existing plans and programs, relevant to the compensation of the Company's executive officers, taking into account appropriate mix of performance-based and at-risk compensation for executive officers;
- c. reviewing policies with respect to equity compensation arrangements, with the objective of appropriately balancing the perceived value of equity

compensation and the dilutive and other costs of equity compensation to the Company;

- d. reviewing policies for allocating between long-term and currently paid out compensation, between cash and non-cash compensation and the factors used in deciding between the various forms of compensation, relevant to the compensation of the Company's executive officers;
- e. reviewing peer company and survey compensation practices and trends, from time to time in the Committee's discretion, to assess the propriety, adequacy and competitiveness of the Company's executive compensation programs; provided, however, that the Committee shall exercise independent judgment in determining the appropriate levels and types of compensation to be paid; and
- f. evaluating the efficacy of the Company's compensation policies and strategies in achieving expected benefits to the Company and otherwise furthering the Committee's policies.

2. Executive Officer Compensation. To periodically review and approve the individual and corporate goals and objectives relevant to the compensation of the Company's executive officers; to establish the compensation structure and programs for executive officers; and to determine and approve the compensation of each executive officer (including, without limitation, base salary, bonus, equity, and any material perquisites), taking into account, among other things, such executive officer's performance in light of those goals and objectives and the policies of the Committee.

3. Management of Equity and Incentive Compensation Plans and Programs. The Committee shall have full power and authority to administer the Company's incentive compensation and equity-based plans, establish guidelines, interpret plan documents, select participants, approve grants and awards, and exercise such other power and authority as may be delegated, permitted or required under such plans or as otherwise delegated by the Board. The Committee may delegate to management the power and authority to select non-executive officer participants and approve grants and awards to such persons under such plans, and management shall regularly update the Committee regarding the exercise of any such delegated authority.

4. Non-Employee Director Compensation. At least annually, to establish the compensation structure and programs for non-employee directors and to approve or recommend to the Board for approval the compensation to be paid or awarded to the Company's non-employee directors, including consulting, retainer, Board meeting, committee and committee chairperson fees and equity-based awards, as well as any changes considered appropriate. In making such determinations, the Committee shall review peer company and survey compensation practices and trends, from time to time in the Committee's discretion, to assess the propriety, adequacy and competitiveness of the Company's non-employee director compensation programs, and adhere to any principles set forth in the Company's Corporate Governance Guidelines.

5. Stock Ownership Guidelines. To establish, and monitor compliance with, stock ownership guidelines for the officers and directors.

6. Committee Report and Public Filings. To review and discuss with management the Company’s Compensation Discussion and Analysis (the “CD&A”) and recommend that the CD&A be included in the Company’s annual report on Form 10-K and proxy statement; to produce the compensation committee report on executive compensation required to be included in such filings; and to review the disclosures regarding executive officer and director compensation and other matters related to the Committee’s activities to be included in the Company’s filings with the Securities and Exchange Commission (the “SEC”).

7. Say on Pay and Other Compensation-related Shareholder Proposals. To review the results of the most recent shareholder advisory vote on executive compensation required by Section 14A of the Exchange Act (“Say on Pay Vote”), if applicable, and to consider such results (as well as the result of any other compensation-related shareholder proposal) in making compensation determinations for the executive officers. If applicable, the Committee also shall review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent shareholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and to review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company’s proxy statement; and to review other compensation-related shareholder proposals, whether required or otherwise, made for consideration at a shareholders’ meeting, and make recommendations to the Board as appropriate, provided that any shareholder proposal was made in accordance with the Company’s Articles of Incorporation and Bylaws, as amended from time to time, and applicable law.

8. Compensation Policies and Voting Recommendations of Proxy Advisory Firms and Significant Shareholders. To review the compensation ratings and voting recommendations for shareholder meetings by key proxy advisory firms, and to review the underlying voting policies of such firms as well as significant shareholders. The Committee chair or members shall be available from time to time for shareholder engagement on compensation matters.

9. Executive Succession Planning. To review succession matters applicable to executive officers, including to develop and evaluate potential candidates for such positions, and make recommendations to the Board as appropriate.

10. Risk Assessment. The Committee shall consider incentives, risks and risk mitigation efforts related to the Company’s compensation plans and programs and review, at least annually, the Company’s compensation policies and practices for all employees regarding risk-taking incentives and risk management policies and practices.

11. Human Capital Management. The Committee shall oversee the development, implementation and effectiveness of the Company’s practices, policies, and strategies regarding human capital management, including talent acquisition, succession planning, talent development and training, employee engagement, corporate culture and diversity, equity, inclusion and belonging.

12. Outside Advisors. Prior to selecting any compensation consultant, legal counsel or other advisor with respect to compensation matters, the Committee shall review, discuss and

consider the independence of such compensation consultant, legal counsel or other advisor as required by rules and regulations of the SEC promulgated under Section 10C of the Exchange Act, as well as any other factors identified by Nasdaq. For the avoidance of doubt, the Committee may retain, or receive advice from, any compensation consultant, legal counsel or other advisor the Committee deems appropriate, including advisors that are determined not to be independent, after considering the specified factors in such rules, regulations and listing standards (unless otherwise stated therein). In addition, the Committee shall review and consider any conflicts of interest raised by the work of any compensation consultant in accordance with Item 407 of Regulation S-K of the Exchange Act.

13. Committee Evaluation and Charter Review. To conduct an annual evaluation of the performance of the Committee, and to review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

14. General Authority. To perform such other functions and to have such powers as may be necessary or appropriate in the efficient and lawful discharge of the foregoing.
