

**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): March 12, 2021

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	THRM	Nasdaq

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.

2021 Senior Level Performance Bonus Plan

On March 12, 2021, the Compensation Committee (the “Committee”) of the Board of Directors of Gentherm Incorporated (the “Company”) approved the Company’s Second Amended and Restated Senior Level Performance Bonus Plan (the “Bonus Plan”) applicable to all executive officers and certain other key employees. The Bonus Plan further amends and restates the original plan to, among other things, provide future flexibility in establishing and weighting Company performance goals and performance modifiers and setting performance periods. The Bonus Plan is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

The Committee also approved the 2021 bonus program for executive officers and other senior leaders under the Bonus Plan, consisting of two Company performance goals, revenue and Adjusted EBTIDA, equally weighted, for an annual performance period ending December 31, 2021. President and CEO Phil Eyster’s bonus is based solely on such performance goals. For other executive officers, the 2021 bonus program also includes a performance modifier, based on objective strategic goals of the Company that may increase (but not decrease) earned bonuses. Each executive officer has a maximum bonus opportunity of 200% of target bonus.

2021 Long-Term Incentive Program

On March 12, 2021, the Committee approved an updated form of Restricted Stock Unit (“RSU”) Award Agreement (the “RSU Agreement”) and Performance-Based Restricted Stock Unit (“PSU”) Award Agreement (the “PSU Agreement”) for grants of RSUs and PSUs under the Gentherm Incorporated 2013 Equity Incentive Plan (the “2013 Plan”) to make certain clarifications in connection with the 2021 annual equity awards. The updated forms of RSU Agreement and PSU Agreement are attached hereto as Exhibits 10.2 and 10.3, respectively, and are incorporated herein by reference.

The Committee also approved revisions to the Company’s long-term incentive program for executive officers in 2021 to include PSUs that are earned based on three-year cumulative Adjusted EBITDA. Accordingly, the Company’s 2021 long-term incentive program for executive officers consists of RSUs with three-year ratable vesting (representing 40% of the total grant value) and PSUs (representing 60% of the total grant value) to be earned based on achievement of the following performance metrics: (i) three-year relative total shareholder return based on a comparator group (representing 20% of the PSU grant value); (ii) ROIC in 2023 (representing 40% of the PSU grant value); and (iii) three-year cumulative Adjusted EBITDA (representing 40% of the PSU grant value).

On March 12, 2021, the Committee approved annual grants to the executive officers of the Company under the 2013 Plan. The RSUs and PSUs were granted on March 12, 2021.

Amendments to Executive Officer Agreements and Offer Letters

The information set forth under the heading “Amendments to Executive Officer Agreements and Offer Letters” under Item 8.01 below is incorporated herein by reference.

Item 8.01 Other Events.

Executive Change in Control Severance Plan

In January 2021, the Company adopted a Severance Pay Plan for Eligible Employees of Gentherm Incorporated (the “Severance Plan”) to provide financial assistance to employees to help ease the burden that may result from involuntary termination of employment from the Company or its direct or indirect wholly-owned U.S. subsidiaries. The Severance Plan provides for the payment, as determined by the Company in its sole discretion on a case-by-case basis, of certain benefits to active full-time or part-time employees, including the Company’s executive officers, whose employment with the Company is terminated by the Company without Cause (as defined in the Severance Plan). The Severance Plan supersedes prior severance plans or arrangements, except for employment agreements and offer letters that contain applicable severance provisions. The treatment of equity awards shall continue to be governed by the terms and conditions of such applicable equity plan and award agreements.

Under the Severance Plan, an executive officer would be eligible to receive the following payments and benefits upon termination by the Company without Cause:

- one year of base salary, payable in a lump sum cash payment;
- such executive officer's annual bonus for the year in which the termination occurs, on a pro-rated basis (monthly), determined based on target performance, payable in a lump sum cash payment; and
- one year of the employer portion of the monthly COBRA premium.

Further, if the annual bonus for the year prior to the year in which the termination occurs has been earned but not paid, the Company shall pay the earned bonus at same time it makes this payment to active employees. The right to receive payments and benefits under the Severance Plan also is subject to the executive officer's delivery and, as applicable, non-revocation of a separation agreement that contains a release of claims against the Company and other third parties.

A copy of the Severance Plan is attached hereto as Exhibit 10.4 and is incorporated herein by reference. The above description of the material terms of the Severance Plan is qualified in its entirety by reference to such exhibit.

Amendments to Executive Officer Agreements and Offer Letters

On March 12, 2021, the Company entered into amendments to the employment agreements or offer letters of the Company's executive officers, including the Company's named executive officers, who did not previously have severance benefits or enhanced severance benefits upon termination following a change in control (i.e., a double trigger), in order to provide such benefits (collectively, the "Amendments"). These Amendments include (i) a Second Amendment to Offer Letter Agreement with Matteo Anversa, the Company's Executive Vice President of Finance, Chief Financial Officer and Treasurer (the "Anversa Amendment"), (ii) a Second Amendment to Executive Relocation and Employment Agreement with Paul Giberson, the Company's Senior Vice President, Global Sales (the "Giberson Amendment"), (iii) a First Amendment to Executive Offer Letter with Yijing Brentano, the Company's Senior Vice President, Investor Relations and Global Financial Planning and Analysis (the "Brentano Amendment"), and (iv) a First Amendment to Executive Offer Letter with Barb Runyon, the Company's Senior Vice President and Chief Human Resources Officer (the "Runyon Amendment"). The Company did not amend its terms of employment with Phillip Eyler, its President and Chief Executive Officer, since Mr. Eyler's existing employment terms include severance benefits and enhanced severance benefits upon termination following a change in control (i.e., a double trigger).

Each of the Brentano and Runyon Amendments provide that, upon the Company's termination without Cause (as defined in the Severance Plan) or upon a termination by such person for Good Reason (each as defined in such Amendments), the Company will provide the payments and benefits in accordance with the terms and requirements of the Severance Plan. Each of the Brentano and Runyon Amendments further provide that, upon the termination by the Company or its successor without Cause or by such person for Good Reason at any time from the signing of an agreement to engage in a Change in Control (as defined therein) until twelve months after the occurrence of a Change in Control relating to such agreement (the "Change in Control Period"), the Company or its successor will provide enhanced payments and benefits as follows (the "Enhanced Double Trigger Benefits"):

- two years of base salary, payable in a lump sum cash payment;
- two times such person's annual bonus at target for the year in which the termination occurs, payable in a lump sum cash payment; and
- eighteen months of the employer portion of the monthly COBRA premium.

The existing employment terms with Messrs. Anversa and Giberson include severance benefits but not enhanced severance benefits upon termination following a Change in Control. Accordingly, the Anversa and Giberson

Amendments provide that, upon the termination by the Company or its successor without Cause or by such person for Good Reason during the Change in Control Period, the Company will provide the Enhanced Double Trigger Benefits. Pursuant to their existing employment terms, Messrs. Anversa and Giberson's severance benefits also include outplacement services for one year up to a maximum cost of \$50,000 and immediate vesting of certain unvested equity awards, and the Anversa and Giberson Amendments extend such benefits to foregoing Change in Control termination events.

The right to receive payments and benefits under the Severance Plan also is subject to the executive officer's delivery and, as applicable, non-revocation of a separation agreement that contains a release of claims against the Company and other third parties.

Copies of the Anversa Amendment, the Giberson Amendment and a form of Amendment for the other executive officers are attached hereto as Exhibits 10.5, 10.6 and 10.7, respectively, and is incorporated herein by reference. The above description of the material terms of such Amendments is qualified in its entirety by reference to such exhibits.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Second Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan
10.2	Form of Restricted Stock Unit Award Agreement
10.3	Form of Performance Stock Unit Award Agreement
10.4	Severance Pay Plan for Eligible Employees of Gentherm Incorporated
10.5	Second Amendment to Offer Letter Agreement between Gentherm Incorporated and Matteo Anversa dated as of March 12, 2021
10.6	Second Amendment to Executive Relocation and Employment Agreement between Gentherm Incorporated and Paul Giberson dated as of March 12, 2021
10.7	Form of First Amendment to Executive Offer Letter
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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
Vice President and General Counsel

Date: March 15, 2021

**Second Amended and Restated
Gentherm Incorporated
Senior Level Performance Bonus Plan**

(Effective as of March 12, 2021)

1. Purpose

The purpose of this Second Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan (the “Plan”) is to attract, motivate, reward and retain eligible employees by making a portion of their cash compensation dependent on the performance of Gentherm Incorporated (the “Corporation”) and/or individual performance.

2. Participants

The individuals to whom incentive bonus payments may be made hereunder shall be the executive officers of the Corporation and other employees on the Executive Committee of the Corporation (the “EC Participants”), as determined by the Corporation’s Board of Directors (the “Board”) or Compensation Committee of the Board (the “Committee”), and such other key employees of the Corporation and subsidiaries of the Corporation as the Chief Executive Officer shall determine in his or her sole discretion (the “Other Participants” and, together with the EC Participants, the “Participants”).

3. The Committee

(a) The Committee shall administer and interpret the Plan for the EC Participants. With the oversight of the Committee, the Chief Executive Officer shall administer and interpret the Plan for the Other Participants; provided, however, that the Chief Executive Officer’s administration and interpretation shall not be in direct conflict with the actions taken by the Committee. The Committee and the Chief Executive Officer, in the exercise of the foregoing powers, shall be referred to as the “Administrator.”

(b) Subject to the express provisions and limitations of this Plan, applicable law and the listing standards of the Nasdaq Stock Market (or other national securities exchange, as applicable), the Administrator shall be authorized and empowered to do all things necessary or desirable, in its sole discretion, in connection with the administration of the Plan, including, without limitation, the following:

(i) To prescribe, amend and rescind rules and regulations relating to the Plan and to define terms not otherwise defined herein, and to take or approve such further actions as it determines necessary or appropriate to the administration of the Plan, such as correcting a defect or supplying any omission, or reconciling any inconsistency so that the Plan or any award complies with applicable law, regulations and stock exchange listing requirements and so as to avoid unanticipated consequences or address unanticipated events deemed by the Administrator to be inconsistent with the purposes of the Plan;

(ii) To designate Participants, to establish and to determine the weighting of Performance Goals, the Performance Modifier and the components of the Performance

Modifier, to determine the Performance Period, and to determine the incentive bonus payments, if any, to be made to such Participants based on the achievement of such Performance Goals and Performance Modifier for the applicable Performance Period;

(iii) To prescribe and amend the terms of any agreements or other documents under the Plan;

(iv) To determine whether, and the extent to which, adjustments are required, including any adjustments to Performance Goals, the Performance Modifier and the components of the Performance Modifier pursuant to Section 5 hereof;

(v) To interpret and construe the Plan, any rules and regulations under the Plan, and the terms and conditions of any incentive bonus payment provided hereunder, and to make exceptions to any such provisions in good faith and for the benefit of the Corporation; and

(vi) To make all other determinations deemed necessary or advisable for the administration of the Plan.

(c) All decisions, determinations and interpretations by the Administrator regarding the Plan and incentive bonus payments shall be final and binding on all Participants. The Administrator may consider such factors, as it deems relevant to making such decisions, determinations and interpretations including, without limitation, the recommendations or advice of any director, officer or employee of the Corporation and such attorneys, consultants and accountants as it may select.

4. Target Bonus and Earned Bonus

(a) Each Participant shall have a target incentive bonus for each Performance Period during the term of this Plan stated as a percentage of his or her annual base salary (the "Target Bonus Percentage"). Bonus payments under this Plan, if any, shall be paid based on performance measurements determined at the end of the applicable Performance Period.

(b) A Participant's annual base salary as of the last business day of the applicable Performance Period, as reflected in the Corporation's payroll records, shall be used to calculate the Base Bonus, Modified Bonus and Earned Bonus for such Performance Period; provided, however, (i) for terminations under Sections 6(a)(i) or (iii) hereof prior to last business day of the Performance Period, the annual base salary in effect as of the date of termination shall be used and (ii) for a new hire under Section 7(a) hereof that is hired after the beginning of a Performance Period, the annual base salary in effect on the date of hire shall be used. The annual base salary used to calculate the Earned Bonus shall not be reduced for any contributions made to the Corporation's 401(k) plan or other deferred compensation plans, and shall be exclusive of any awards under the Plan or any other bonus, incentive (including equity incentive) or special pay awards.

(c) No incentive bonus payment shall be paid to a Participant unless he or she is an employee of the Corporation as of the payment date for the applicable Performance Period, except as permitted by Section 6 hereof.

(d) Financial results for Performance Goals and, if applicable, the objective components of the Performance Modifier must be finalized as appropriate by the Chief Financial Officer (or person having similar duties) and must be computed using financial results audited by an independent registered public accounting firm before Earned Bonuses can be calculated and paid. Further, no incentive bonus payments will be paid unless and until the Administrator approves payments in accordance with the Plan. The incentive bonus payments hereunder shall be paid in cash in the employee's local currency (the same currency for which the employee receives his or her regular salary).

(e) Notwithstanding Section 4(d) hereof, Earned Bonuses shall, generally, be paid in February or March of the year subsequent to the Performance Period, with the specific date of payment in such applicable period determined by the Administrator; provided, that the Participant is actively employed with the Corporation as of such payment date, except as otherwise provided in Section 6 hereof.

5. **Performance Measures and Earned Bonus**

(a) The Administrator shall determine one or more performance periods in each fiscal year, and each applicable period is referred to herein as a "Performance Period".

(b) A base bonus shall be determined for each Participant for each Performance Period based upon the achievement of certain Performance Goals (as defined below) as determined by the Administrator, in its discretion, for the applicable Performance Period (referred to as the "Base Bonus"). The Base Bonus may be modified by a Performance Modifier (as defined below) as determined by the Administrator, in its discretion, and as so modified or not shall be referred to as the "Modified Bonus". The Modified Bonus may be further modified by the Administrator in its sole discretion, including as set forth in this Plan, and as so further modified or not, shall be referred to as the "Earned Bonus".

(c) Performance Goals and Performance Modifier.

(i) Performance Goals. Performance goals as determined by the Administrator, in its discretion, shall include the achievement of one or more specific financial or non-financial measurements (the "Performance Goals"). The Administrator may also determine, for each Performance Period, the minimum performance achievement of one or more Performance Goals necessary before any bonus may be paid under the Plan.

(ii) Performance Modifier. The "Modified Bonus," if any, shall be calculated as the Base Bonus multiplied by a performance modifier, if any, as determined by the Administrator, in its discretion. The performance modifier, if any, shall be determined by the Administrator, in its discretion, based on the achievement of one or more components consisting of financial or non-financial measurements, each of which may be objective and/or subjective, for the Performance Period (the "Performance Modifier"). The Administrator may also determine, for each Performance Period, the minimum performance achievement of one or more components of the Performance Modifier necessary before the Performance Modifier may be applied under the Plan.

(d) Adjustments to and Weighting of Performance Goals and Performance Modifier in Performance Period.

(i) Adjustments. The Administrator has the discretion to adjust Performance Goals and the components of the Performance Modifier, as appropriate, for the occurrence of unusual, non-recurring or extra-ordinary events or matters, including if such events or matters are not reflective of the Corporation's ongoing operations and related tax effects.

(ii) Weighting. The Administrator shall have the authority to determine the relative weight of (i) the Performance Goals, the Performance Modifier and the components of the Performance Modifier and (ii) the achievement of threshold, target and maximum performance (and the correlation between such achievement levels) that comprise such Performance Goals, the Performance Modifier and the components Performance Modifier.

(e) Extraordinary Adjustments. Notwithstanding the attainment of the Performance Goals or the Performance Modifier, all Earned Bonuses under the Plan are subject to adjustment, reduction or elimination by the Administrator, in its discretion, prior to payment. For example, but not as a limitation of the foregoing general provision, a reduction in any and all Earned Bonuses may be made if performance is achieved in ways that are considered not in the best interests of the Corporation's shareholders or not authorized by the Board or management. Furthermore, the Administrator also may adjust the Base Bonus or Modified Bonus of one or more Participants in order to ensure the Corporation's aggregate Earned Bonus payments under the Plan do not exceed the funding authorized under the Plan.

(f) The Earned Bonus shall be payable at the time set forth in Section 4(e) hereof.

6. Termination of Employment; Change in Control.

(a) Death or Disability During the Performance Period. Except as required otherwise by applicable law or regulation:

(i) If a Participant's employment is terminated due to death, the bonus will be earned and paid (to the estate of the Participant) on a pro rata basis. The pro rata period will be from the beginning of the Performance Period until the date of death.

(ii) A Participant's disability of 30 calendar days or less will not have an impact on the Participant's eligibility to earn a bonus under the Plan.

(iii) If a Participant's disability lasts more than 30 calendar days, then a bonus may be earned only for fiscal quarters in which the Participant works more than 60 calendar days and will be earned on a pro rata basis for days worked in the applicable fiscal quarters.

(b) Voluntary Termination. If a Participant's employment is terminated due to a voluntary termination, excluding a retirement that meets the definition of retirement established by the Committee (if any) or when payment is required for retirement defined under applicable law or regulation (each, a "qualifying retirement"), no bonus will be earned by or paid to the Participant. In the case of qualifying retirement meeting the definition established by the

Committee, the Administrator shall have the discretion, but not the obligation, to pay a pro rata bonus to such Participant for the Performance Period during which the Participant retired in accordance with Section 7 hereof.

(c) Involuntary Termination. If a Participant's employment is terminated for cause (but excluding any other event otherwise described in this Section 6), no bonus will be earned by or paid to the Participant. For purposes of the Plan, a termination for "cause" means a material failure to perform such employee's duties and responsibilities to a satisfactory degree, any violation of laws or regulations or a material violation of Corporation policies and procedures. If a Participant's employment is terminated without cause, the Administrator shall have the discretion, but not the obligation, to approve a pro rata bonus for the applicable Participant for the Performance Period during which the Participant was terminated in accordance with Section 7 hereof.

(d) Change in Control. If there is a Change in Control (as defined under the Corporation's 2013 Equity Incentive Plan, as amended, or any successor equity incentive plan) and a Participant is terminated by the Corporation (or any successor thereof, by merger, acquisition or otherwise) within six months of such Change in Control for any reason other than for intentional acts of material misconduct or omission in carrying out the duties and responsibilities of such Participant's position, such Participant shall earn a cash bonus equal to the Target Bonus Percentage for the applicable Performance Period in which the Change in Control occurred multiplied by the greater of his or her actual base salary in effect on the date of (i) the employment termination and (ii) the Change in Control. Such payments shall be paid in cash to the Participant as soon as administratively possible, but not later than 30 days following such termination.

(e) Section 409A. Notwithstanding anything in this Plan to the contrary, if it is determined that any payment hereunder constitutes "nonqualified deferred compensation" that would be paid upon "separation from service" of a "specified employee" (as such terms are defined in Section 409A of the Internal Revenue Code of 1986, as amended), then such payment that otherwise would have been paid within six months after the Participant's "separation from service" shall be accrued, without interest, and its payment delayed until the first day of the seventh month following the Participant's "separation from service," or if earlier, the Participant's death, at which point the accrued amount will be paid as a single, lump sum cash payment.

(f) Timing of Payments. Except as set forth in Sections (6)(d) and (e) hereof, Earned Bonuses under this Section 6 will be paid to Participants at the same time as Earned Bonuses are paid to other Participants under the Plan for the applicable Performance Period.

7. **Pro Rata Bonuses**.

(a) New Hires. A new employee who becomes a Participant in connection with such hire shall earn a pro rata bonus from the date of hire, but only if the date of hire is on or before September 30 of the Performance Period (or such other date determined by the Administrator if the Performance Period is less than a year).

(b) Transfer; Promotion; Demotion; Retirement; Involuntary Termination Without Cause.

(i) For an existing employee who is transferred to a new position which results in such employee becoming a Participant, the pro rata period shall begin from the date of transfer.

(ii) For an existing employee who was a Participant prior to a promotion and who continues to be a Participant thereafter, and the Target Bonus Percentage is increased, the Earned Bonus will be based on two pro rata periods: (i) from the beginning of the Performance Period through the date immediately preceding such promotion, and (ii) from the date of such promotion until the end of the Performance Period.

(iii) For an existing employee who was a Participant and who is demoted such that the employee is no longer a Participant thereafter, the pro rata period will end on the date immediately preceding such demotion.

(iv) For an existing employee who retires and for whom a pro rata bonus is approved by the Administrator under Section 6(b) hereof, the pro rata period will end on the date immediately preceding such retirement.

(v) For an existing employee who was a Participant and who is involuntary terminated without cause and for whom a pro rata bonus is approved by the Administrator under Section 6(c) hereof, the pro rata period will end on the date immediately preceding such termination.

(c) Achievement of Performance Period. A pro rata bonus shall be earned only if the applicable Performance Goals, as determined by the Administrator, in its discretion, also are satisfied for the full Performance Period.

(d) Pro Rata Application of Performance Modifier. In determining a pro rata bonus, the Performance Modifier earned for the full Performance Period will be utilized to calculate the Modified Bonus, unless the Administrator determines otherwise.

(e) Timing of Pro Rata Payments. Earned Bonuses that are pro rata under this Section 7 will be paid to Participants at the same time as Earned Bonuses are made to other Participants under the Plan for the applicable Performance Period

8. **Bonus Clawback.**

If the Corporation's financial statements are the subject of a restatement due to error or misconduct, to the extent permitted by governing law, the Corporation is authorized under this Plan to seek reimbursement of excess incentive bonus payments under the Plan to EC Participants for the relevant Performance Periods; provided, this Section 8 only shall apply to any bonuses earned for the three completed fiscal years prior to the date the Corporation determines such restatement is required. For purposes of this Plan, an excess incentive bonus payment means the positive difference, if any, between (i) the bonus paid to the EC Participant and (ii) the bonus that would have been made to the EC Participant had the performance been calculated based on the Corporation's financial statements as restated. The Corporation will not be required to award any Participants an additional bonus should the restated financial statements result in a higher bonus.

The Gentherm Incorporated Compensation Clawback Policy also is incorporated herein, pursuant to its terms. The remedies under such policy are in addition, and are in no way limiting, to the remedies of the recoupment provision set forth above.

9. **General**

(a) **Amendment and Termination.** The Corporation reserves the right to amend or terminate this Plan at any time by action of the Board or the Committee with respect to future services of Participants. To comply with local laws, the Corporation (acting through the Administrator) reserves the right to adopt amendments, rules, procedures, guidelines or other documents (collectively "**Addendums**") affecting this Plan at any time that are applicable only to such local jurisdictions; provided, however, that any Addendums that are applicable to any EC Participants must be reflected in a written amendment to this Plan that is approved by the Committee.

(b) **Tax Withholding.** The Participant shall be responsible for all taxes required by law to be withheld by the Corporation or a Subsidiary in respect of the bonus payment. The Corporation shall have the right to make all payments or distributions pursuant to the Plan to any person, net of any applicable federal, state and local payroll or withholding taxes, or the applicable taxes of any foreign jurisdiction (collectively, "**Taxes**"), required to be paid or withheld. The Corporation shall have the right to withhold from wages or other amounts otherwise payable to such Participant such Taxes as may be required by law, or if permitted by law, to otherwise require the Participant to pay such Taxes. If such person shall fail to make such Tax payments as are required, the Corporation shall, to the extent permitted by law, have the right to deduct any such Taxes from any payment of any kind otherwise due to such Participant or to take such other action as may be necessary to satisfy such Tax obligations.

(c) **No Assignment.** Unless the Committee expressly provides otherwise in writing, no Participant nor any other person may sell, assign, convey, gift, pledge or otherwise hypothecate or alienate any bonus payment, except for a transfer under the laws of descent or distribution as a result of the death of the Participant.

(d) **Non-Exclusivity.** The adoption of the Plan by the Board shall not be construed as creating any limitations on the power of the Board or Administrator to adopt such other incentive arrangements as either may deem desirable, including, without limitation, cash or equity-based compensation arrangements, either tied to performance or otherwise, and any such other arrangements as may be either generally applicable or applicable only in specific cases.

(e) **Employment at Will.** Neither the Plan, the selection of a person as a Participant, the payment of any bonus to any Participant, nor any action by the Corporation or the Administrator shall be held or construed to confer upon any person any right to be continued in the employ of the Corporation. The Corporation expressly reserves the right to discharge any Participant whenever in the sole discretion of the Corporation its interest may so require.

(f) No Vested Interest or Right. Except as specified under Section 6 hereof, at no time before the actual payment of a bonus to any Participant or other person shall any Participant or other person accrue any vested interest or right whatsoever under the Plan, and the Corporation has no obligation to treat Participants identically under the Plan.

(g) Beneficiary Designation. Each Participant may name, from time to time, any beneficiary (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of his or her death before he or she receives any or all of such benefit. Each designation will revoke all prior designations by the same Participant, shall be in a form prescribed by the Corporation, and will be effective only when filed by the Participant in writing with the Corporation during his or her lifetime.

(h) Notices. Notices hereunder shall be mailed or delivered to the Corporation at its principal place of business and shall be mailed or delivered to the Participant at the address on file with the Corporation or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

(i) Severability. The invalidity or unenforceability of any provision of this Plan in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Plan in such jurisdiction or the validity, legality or enforceability of any provision of this Plan in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

(j) Headings. Headings are given to the sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

(k) Governing Law. The Plan and any agreements and documents hereunder shall be governed, construed and administered in accordance with the laws of the State of Michigan (regardless of the laws that might otherwise govern under applicable principles of conflicts of laws of such jurisdiction or any other jurisdiction) and applicable federal law.

(l) Code Section 409A. It is intended that this Plan be exempt from or comply with Code Section 409A, and the Plan shall be interpreted and administered consistent with that intent; provided, however, that under no circumstances whatsoever shall the Corporation be liable for any additional tax, interest or penalty imposed upon a Participant, or any other damage suffered by a Participant, on account of the bonus plan being subject to but not in compliance with Code Section 409A.

**GENTHERM INCORPORATED
2013 EQUITY INCENTIVE PLAN**

RESTRICTED STOCK UNIT AWARD AGREEMENT

TIME-BASED GRANT

Gentherm Incorporated, a Michigan corporation (the “*Corporation*”), as permitted by and pursuant to the terms and conditions of the Gentherm Incorporated 2013 Equity Incentive Plan, as amended (the “*Plan*”), and on behalf of the Participant’s employing legal entity, hereby grants to the individual listed below (the “*Participant*”), a restricted stock unit (“*RSU*”) award as described herein, subject to the terms and conditions of the Plan and this Restricted Stock Unit Award Agreement (“*Agreement*”).

Unless otherwise defined in this Agreement, the terms used in this Agreement have the same meaning as defined in the Plan.

1. NOTICE OF RESTRICTED STOCK UNIT AWARD.

Participant: _____
Grant Date: _____
Number of RSUs in Award: _____

2. GRANT OF RSU AWARD. The Corporation hereby grants to the Participant, as of the Grant Date, the number of RSUs set forth in the table above. By clicking the “ACCEPT” button, the Participant agrees to the following: ***“This electronic contract contains my electronic signature, which I have executed with the intent to sign this Agreement.”***

3. VESTING. Except as otherwise provided in this Agreement, the RSUs shall become vested in the following amounts on the following dates; provided, however, that the portion of the RSUs scheduled to become vested on any such vesting date shall vest on such vesting date only if the Participant remains continuously employed on a full-time basis with the Corporation or its Subsidiaries from the Grant Date until such vesting date:

<u>Anniversary of Grant Date (each, a “Normal Vesting Date”)</u>	<u>RSUs Vested on Normal Vesting Date</u>
First	One-third
Second	One-third
Third	One-third

4. QUALIFYING TERMINATION PRIOR TO ANY NORMAL VESTING DATE. Notwithstanding Section 3 hereof but subject to the notice and release requirements set forth below in this Section 4, if at any time prior to any Normal Vesting Date, there is a “termination of employment” (as defined in the Plan) of the Participant, other than due to the Participant’s death or “Disability” (as defined in Section 6 hereof), or in connection with a “Change in Control” (as defined in Section 6 hereof), any unvested RSUs shall be forfeited. If there is a termination of employment due to the Participant’s death or Disability prior to any Normal Vesting Date, then any unvested RSUs shall become vested as of the date of the Participant’s termination of employment. The vesting of unvested RSUs under this Section 4 is conditioned upon the Participant (or, in the case of the Participant’s death, an executor or administrator of the Participant’s estate) signing and delivering to the Corporation, and there becoming irrevocable, within 30 days after the date of such employment termination, a general release of claims (in form and substance

reasonably acceptable to the Corporation) by which the Participant releases the Corporation and its affiliated entities and individuals from any claim arising from the Participant's employment by, and termination of employment with, the Corporation and its Subsidiaries, in consideration for the receipt and vesting of the RSUs. Any RSUs that would have otherwise vested under this Section 4 shall be forfeited if the general release does not become effective and irrevocable on or before the 30th day following the Participant's termination of employment.

5. CHANGE IN CONTROL. Notwithstanding Section 3 hereof, if there is a Change in Control of the Corporation prior to any Normal Vesting Date, and if within 12 months after the Change in Control, the Participant's employment is terminated by the Corporation or a Subsidiary (or a successor thereof) without "Cause" (as defined in Section 6 hereof) or by the Participant for "Good Reason" (as defined in Section 6 hereof), any unvested RSUs at the time of such termination of employment shall become vested upon such termination of employment.

6. DEFINITIONS. The following definitions shall apply for purposes of this Agreement:

(a) Cause. "Cause" means the Participant's: (i) engaging in any act that constitutes serious misconduct, theft, fraud, material misrepresentation, serious dereliction of fiduciary obligations or duty of loyalty to the Corporation or a Subsidiary; (ii) conviction of a felony, or a plea of guilty or nolo contendere to a felony charge or any criminal act involving moral turpitude or which in the reasonable opinion of the Board brings you, the Board, the Corporation or any affiliate into disrepute; (iii) neglect of or negligent performance of your employment duties; (iv) willful, unauthorized disclosure of material confidential information belonging to the Corporation or a Subsidiary, or entrusted to the Corporation or a Subsidiary by a client, customer, or other third party; (v) repeatedly being under the influence of drugs or alcohol (other than prescription medicine or other medically related drugs to the extent that they are taken in accordance with their directions) during the performance of the Participant's employment duties or, while under the influence of such drugs or alcohol, engaging in grossly inappropriate conduct during the performance of the Participant's employment duties; (vi) repeated failure to comply with the lawful directions of the Participant's superior that are not inconsistent with the terms of the Participant's employment; (vii) any material failure to comply with the Corporation's or a Subsidiary's written policies or rules; or (viii) actual engagement in conduct that violates applicable state or federal laws governing the workplace that could reasonably be expected to bring the Corporation or any affiliate into disrepute. In order for the Corporation or a Subsidiary to terminate the Participant's employment for Cause under any of clauses (iii), (v), (vi) or (vii) in the preceding sentence, the Corporation or a Subsidiary must provide the Participant with written notice of its intention to terminate employment for Cause and describing the acts or omissions upon which such termination for Cause is based, and the Participant will be provided a 30-day period from the date of such notice within which to cure or correct such acts or omissions if they are reasonably susceptible of cure or correction.

(b) Change in Control. "Change in Control" means any transaction or event, or series of related transactions or events, which constitutes both a "Change in Control" as defined in the Plan and a "change in control event" as defined in Treasury Regulation section 1.409A-3(i)(5).

(c) Good Reason. "Good Reason" means in respect of the Corporation and the Subsidiaries and without the Participant's consent: (i) the occurrence of a material diminution in the Participant's authority, duties, or responsibilities (other than temporarily while the Participant is physically or mentally incapacitated or as required by applicable law); (ii) a material adverse change in the reporting structure applicable to the Participant; (iii) a relocation of the Participant's principal place of employment by more than 50 miles; or (iv) a material reduction in the Participant's aggregate base salary and target bonus (other than a general reduction that affects all similarly situated executives in substantially the same proportions); provided, however, that the Participant shall be considered to have terminated employment for Good Reason only if (A) the Participant provides notice to the Corporation of the event or condition

meeting the foregoing definition of Good Reason within 30 days after the initial occurrence of such event or condition, (B) the Corporation or the applicable Subsidiary fails to correct such event or condition within 30 days of receiving notice thereof from the Participant, and (C) the Participant terminates employment with the Corporation and the Subsidiaries within 30 days after the expiration of such correction period.

(d) Disability. “Disability” means the Participant’s inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected either to result in death or to last for an uninterrupted period of not less than 12 months.

7. FORFEITURE. Upon the Participant’s termination of employment with the Corporation and its Subsidiaries for any reason prior to any Normal Vesting Date, any RSUs that do not become vested upon such employment termination in accordance with the terms of this Agreement shall be immediately canceled and forfeited for no consideration as of the Participant’s termination of employment. Any RSUs that are outstanding but do not become vested on the third and final Normal Vesting Date in accordance with the terms of this Agreement shall be cancelled and forfeited for no consideration as of such date.

8. SETTLEMENT OF RSUs.

(a) Subject to the withholding tax provisions of Section 12 hereof, within 45 days after the date upon which an RSU becomes vested in accordance with the terms of this Agreement, the Corporation shall issue or transfer to the vested Participant one share of common stock, no par value, of the Corporation (“**Common Stock**”) per each vested RSU; provided, however, if RSUs vest in accordance with Section 5 hereof, the Corporation (or a successor thereto) shall issue or transfer to the Participant such shares of Common Stock or common stock of the successor having approximately equivalent value (and references herein to Common Stock issued on vesting shall include such successor common stock, if applicable), or the cash equivalent of such shares of Common Stock or common stock if neither security is listed on a U.S. national securities exchange (including Nasdaq or the New York Stock Exchange).

(b) Notwithstanding anything to the contrary herein, in the event that (i) the Participant is subject to the Corporation’s insider trading policy, including any policy permitting specified employees to sell Common Stock only during certain “window periods”, in effect from time to time (collectively, the “**Policy**”) or the Participant is otherwise prohibited from selling Common Stock in the public market (including Nasdaq or other national securities exchange on which the Common Stock is then listed), and any Common Stock underlying the RSUs are scheduled to be delivered on a settlement date (the “**Original Settlement Date**”) that (A) does not occur during an open “window period” applicable to the Participant or on a day on which the Participant, which has a written plan in effect that meets the requirements of Rule 10b5-1 under the Exchange Act relating to such RSUs, is permitted to sell Common Stock underlying the vested RSUs pursuant to such written plan, as determined by the Corporation in accordance with the Policy, as applicable, or (B) does not occur on a date when the Participant is otherwise permitted to sell Common Stock in the public market, and (ii) the Corporation elects not to satisfy the Participant’s tax withholding obligations by withholding Common Stock from the Participant’s distribution, then such Common Stock shall not be delivered on such Original Settlement Date and shall instead be delivered, as applicable, on (x) the first business day of the next occurring open “window period” applicable to the Participant pursuant to the Policy, or (y) the next business day on which the Participant is not otherwise prohibited from selling Common Stock in such public market, but in no event later than March 15th of year following the year in which the RSUs vest.

9. RIGHTS AS SHAREHOLDER. Until and if shares of Common Stock are issued in settlement of vested RSUs, the Participant shall not have any rights of a shareholder (including voting and dividend rights) in respect of the Common Stock underlying the RSUs.

10. ADJUSTMENTS. In the event of any stock dividend, stock split, recapitalization, merger, consolidation or reorganization of or by the Corporation that occurs after the Grant Date and prior to the applicable date of settlement of the RSUs, appropriate adjustments shall be made to the RSUs so that they represent the right to receive upon settlement any and all substituted or additional securities or other property (other than cash dividends) to which the Participant would have been entitled if the Participant had owned, at the time of such stock dividend, stock split, recapitalization, merger, consolidation, or reorganization, the Common Stock that may be issued upon vesting of the RSUs.

11. NON-TRANSFERABILITY OF AWARD. Neither the RSUs nor any interest in the RSUs may be transferred, assigned, pledged, hypothecated or borrowed against, except for a transfer under the laws of descent or distribution as a result of the death of the Participant. The terms of the Plan and this Agreement shall be binding upon the Participant's executors, administrators, heirs, successors and assigns. Any attempt to transfer, assign, pledge, hypothecate or borrow against the RSUs in violation of this Section 11 in any manner shall be null and void and without legal force or effect.

12. WITHHOLDING OBLIGATIONS. The Participant shall be responsible for all taxes required by law to be withheld by the Corporation or a Subsidiary in respect of the grant, vesting or settlement of the RSUs, and the Corporation may make any arrangements it deems appropriate to ensure payment of any such tax by the Participant. In its Discretion and by way of example and without limitation (i) the Corporation may require the Participant to make a cash payment to the Corporation in an amount equal to any such withholding tax obligation at the time or at any time after such withholding tax obligation is due and payable, (ii) the Corporation may retain and not issue to the Participant that number of shares of Common Stock otherwise issuable upon settlement of vested RSUs which have a then value equal to the amount of any such withholding tax, or (iii) the Corporation or any Subsidiary may collect any such withholding tax by reducing any compensation or other amount otherwise then or thereafter owing by the Corporation or any Subsidiary to the Participant.

13. THE PLAN; AMENDMENT. This Award is subject in all respects to the terms, conditions, limitations and definitions contained in the Plan, which is incorporated herein by reference. In the event of any discrepancy or inconsistency between this Agreement and the Plan, the terms and conditions of the Plan shall control. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Corporation and the Participant. The Corporation shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

14. RIGHTS OF PARTICIPANT; REGULATORY REQUIREMENTS. Without limiting the generality of any other provision of this Agreement or the Plan, Sections 21 and 22 of the Plan pertaining to the limitations on the Participant's rights and certain regulatory requirements are hereby explicitly incorporated into this Agreement.

15. NOTICES. Notices hereunder shall be mailed or delivered to the Corporation at its principal place of business and shall be mailed or delivered to the Participant at the address on file with the Corporation or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

16. GOVERNING LAW. This Agreement shall be legally binding and shall be executed and construed and its provisions enforced and administered in accordance with the laws of the State of Michigan, without regard to its choice of law or conflict of law provisions that would cause the application of the laws of any jurisdiction other than the State of Michigan.

17. DATA PRIVACY NOTICE. Participant hereby acknowledges that the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other RSU grant materials by the Corporation (and its Subsidiaries) is necessary for the purpose of implementing, administering and managing Participant's participation in the Plan. The Participant authorizes, agrees and unambiguously consents to the transmission by the Corporation (and its Subsidiaries) of any personal data information related to this Award for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

Participant understands that the Corporation and its Subsidiaries may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, details of all RSUs or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("**Data**"), for the purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to Merrill Lynch, Pierce, Fenner & Smith Inc., and its related companies ("**Merrill Lynch**") or any stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country of operation (e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Corporation, Merrill Lynch, any stock plan service provider selected by the Corporation and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan may receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan plus any required period thereafter for purposes of complying with data retention policies and procedures. Participant understands that based on where s/he resides, s/he may have additional rights with respect to personal data collected, used or transferred in connection with this Agreement or any other RSU grant materials by the Corporation (and its Subsidiaries), and Participant may contact in writing his or her local human resources representative.

18. BINDING AGREEMENT; ASSIGNMENT. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Corporation and its successors and assigns. The Participant shall not assign (except in accordance with Section 11 hereof) any part of this Agreement without the prior express written consent of the Corporation.

19. HEADINGS. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

20. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

21. SEVERABILITY. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

22. ACQUIRED RIGHTS. The Participant acknowledges and agrees that: (a) the Corporation may terminate or amend the Plan at any time; (b) the award of the RSUs made under this Agreement is completely independent of any other award or grant and is made in the Discretion of the Corporation; (c) no past grants or awards (including, without limitation, the RSUs awarded hereunder) give the Participant any right to any grants or awards in the future whatsoever; and (d) none of the benefits granted under this Agreement are part of the Participant's ordinary salary or compensation, and shall not be considered as part of such salary or compensation in the event of or for purposes of determining the amount of or entitlement to severance, redundancy or resignation or benefits under any employee benefit plan.

23. RESTRICTIVE COVENANTS; COMPENSATION RECOVERY. By signing this Agreement, the Participant acknowledges and agrees that this Award or any Award previously granted to Participant by the Corporation or a Subsidiary shall be subject to forfeiture as a result of the Participant's violation of any agreement with the Corporation regarding non-competition, non-solicitation, confidentiality, inventions and/or other restrictive covenants (the "**Restricted Covenant Agreements**"). For avoidance of doubt, compensation recovery rights to shares of Common Stock (including such shares acquired under previously granted equity awards) shall extend to the proceeds realized by the Participant due to the sale or other transfer of such shares. The Participant's prior execution of the Restricted Covenant Agreements was a material inducement for the Corporation's grant of this Award.

The Gentherm Incorporated Compensation Clawback Policy also is incorporated herein, pursuant to its terms. The remedies under such policy are in addition, and are in no way limiting, to the remedies of the recoupment provision set forth above.

24. CODE SECTION 409A. It is intended that this Award be exempt from or comply with Section 409A of the Code and this Agreement shall be interpreted and administered in a manner which effectuates such intent; provided, however, that in no event shall the Corporation or any Subsidiary be liable for any additional tax, interest or penalty imposed upon or other damage suffered by the Participant on account of this Award being subject to but not in compliance with Section 409A of the Code.

SIGNATURE PAGE FOLLOWS

GENTHERM INCORPORATED

By: _____

Name: []

Title: []

Dated: []

PARTICIPANT ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED STOCK UNIT AWARD AGREEMENT, NOR IN THE CORPORATION'S 2013 EQUITY INCENTIVE PLAN, AS AMENDED, WHICH IS INCORPORATED INTO THIS AGREEMENT BY REFERENCE, CONFERS ON PARTICIPANT ANY RIGHT WITH RESPECT TO CONTINUATION AS AN EMPLOYEE OF THE CORPORATION OR ANY PARENT OR ANY SUBSIDIARY OR AFFILIATE OF THE CORPORATION, NOR INTERFERES IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE CORPORATION'S RIGHT TO TERMINATE PARTICIPANT'S EMPLOYMENT WITH THE CORPORATION OR ANY PARENT OR ANY SUBSIDIARY OR AFFILIATE OF THE CORPORATION AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.

BY ACCEPTING THIS AGREEMENT, PARTICIPANT ACKNOWLEDGES RECEIPT OF A COPY OF THE PLAN AND REPRESENTS THAT THE PARTICIPANT IS FAMILIAR WITH THE TERMS AND PROVISIONS OF THE PLAN. PARTICIPANT ACCEPTS THE RSUs SUBJECT TO ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. PARTICIPANT HAS REVIEWED THE PLAN AND THIS AGREEMENT IN THEIR ENTIRETY. PARTICIPANT AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN OR THIS AGREEMENT.

By: _____

Name: [NAME OF PARTICIPANT]

Dated: _____

**GENTHERM INCORPORATED
2013 EQUITY INCENTIVE PLAN**

RESTRICTED STOCK UNIT AWARD AGREEMENT

PERFORMANCE-BASED GRANT

Gentherm Incorporated, a Michigan corporation (the “**Corporation**”), as permitted by and pursuant to the terms and conditions of the Gentherm Incorporated 2013 Equity Incentive Plan, as amended (the “**Plan**”), and on behalf of the Participant’s employing legal entity, hereby grants to the individual listed below (the “**Participant**”) a performance-based restricted stock unit (“**PSU**”) award as described herein, subject to the terms and conditions of the Plan and this Restricted Stock Unit Award Agreement, Performance-Based Grant (“**Agreement**”).

Unless otherwise defined in this Agreement, the terms used in this Agreement have the same meaning as defined in the Plan.

1. NOTICE OF PSU AWARD.

Participant: [] _____
Grant Date: [] _____
Number of Target PSUs in Award: [] _____

2. GRANT OF PSU AWARD. The Corporation hereby grants to the Participant, as of the Grant Date, the number of target PSUs set forth in the table above. By clicking the “ACCEPT” button, the Participant agrees to the following: “***This electronic contract contains my electronic signature, which I have executed with the intent to sign this Agreement.***”

3. DETERMINATION DATE; VESTING.

(a) Determination Date. Whether and the extent to which PSUs are earned with respect to a specific performance goal shall be determined by the Committee within 45 days following the calculation of the achievement of such performance goal set forth in **Exhibit A** to this Agreement (based on the methodology set forth therein and in the Plan), such calculation to be finalized as appropriate by the Chief Financial Officer (or person having similar duties) using, as applicable, the financial results audited by the Corporation’s independent registered public accounting firm (the “**Determination Date**”); provided, that the Administrator may establish a different Determination Date for each performance goal set forth in **Exhibit A** to this Agreement.

(b) Vesting. Except as otherwise provided in this Agreement, the earned PSUs shall become vested on the later of the Determination Date or the third anniversary of the Grant Date (the “**Normal Vesting Date**”) if the Participant remains continuously employed on a full-time basis with the Corporation or its Subsidiaries from the Grant Date until the Normal Vesting Date.

4. QUALIFYING TERMINATION PRIOR TO NORMAL VESTING DATE. Notwithstanding Section 3 hereof but subject to the notice and release requirements set forth below in this Section 4, if at any time prior to the Normal Vesting Date, there is a “termination of employment” (as

defined in the Plan) of the Participant, other than due to the Participant's death or "Disability" (as defined in Section 6 hereof), or in connection with a "Change in Control" (as defined in Section 6 hereof), any unvested PSUs shall be forfeited. If there is a termination of employment due to the Participant's death or Disability prior to the Normal Vesting Date, the target PSUs shall become vested as of the date of the Participant's termination of employment. The vesting of unvested PSUs under this Section 4 is conditioned upon the Participant (or, in the case of the Participant's death, an executor or administrator of the Participant's estate) signing and delivering to the Corporation, and there becoming irrevocable, within 30 days after the date of such employment termination, a general release of claims (in form and substance reasonably acceptable to the Corporation) by which the Participant releases the Corporation and its affiliated entities and individuals from any claim arising from the Participant's employment by, and termination of employment with, the Corporation and its Subsidiaries, in consideration for the receipt and vesting of the target PSUs. Any PSUs that would have otherwise vested under this Section 4 shall be forfeited if the general release does not become effective and irrevocable on or before the 30th day following the Participant's termination of employment.

5. CHANGE OF CONTROL. Notwithstanding Section 3 hereof, if there is a Change in Control of the Corporation prior to the Normal Vesting Date, the number of PSUs that shall vest will be calculated based on actual performance through the Change in Control for PSUs subject to a stock price or total shareholder return performance measure, and shall be the target PSUs for PSUs subject to any other performance measure, including the financial performance of the Corporation (the "**CIC-Earned Performance PSUs**"). The CIC-Earned Performance PSUs shall become vested on the earlier of (a) third anniversary of the Grant Date and (b) if the Participant's employment is terminated by the Corporation or a Subsidiary (or a successor thereof) without "Cause" (as defined in Section 6 hereof) or by the Participant for "Good Reason" (as defined in Section 6 hereof), the date of termination of employment; provided, however, that the Committee or Board, in its Discretion, may vest such PSUs as of an earlier date.

6. DEFINITIONS. The following definitions shall apply for purposes of this Agreement:

(a) Cause. "Cause" means the Participant's: (i) engaging in any act that constitutes serious misconduct, theft, fraud, material misrepresentation, serious dereliction of fiduciary obligations or duty of loyalty to the Corporation or a Subsidiary; (ii) conviction of a felony, or a plea of guilty or nolo contendere to a felony charge or any criminal act involving moral turpitude or which in the reasonable opinion of the Board brings you, the Board, the Corporation or any affiliate into disrepute; (iii) neglect of or negligent performance of your employment duties; (iv) willful, unauthorized disclosure of material confidential information belonging to the Corporation or a Subsidiary, or entrusted to the Corporation or a Subsidiary by a client, customer, or other third party; (v) repeatedly being under the influence of drugs or alcohol (other than prescription medicine or other medically related drugs to the extent that they are taken in accordance with their directions) during the performance of the Participant's employment duties or, while under the influence of such drugs or alcohol, engaging in grossly inappropriate conduct during the performance of the Participant's employment duties; (vi) repeated failure to comply with the lawful directions of the Participant's superior that are not inconsistent with the terms of the Participant's employment; (vii) any material failure to comply with the Corporation's or a Subsidiary's written policies or rules; or (viii) actual engagement in conduct that violates applicable state or federal laws governing the workplace that could reasonably be expected to bring the Corporation or any affiliate into disrepute. In order for the Corporation or a Subsidiary to terminate the Participant's employment for Cause under any of clauses (iii), (v), (vi) or (vii) in the preceding sentence, the Corporation or a Subsidiary must provide the Participant with written notice of its intention to terminate employment for Cause and describing the acts or omissions upon which such termination for Cause is based, and the Participant will be provided a 30-day period from the date of such notice within which to cure or correct such acts or omissions if they are reasonably susceptible of cure or correction.

(b) Change in Control. “Change in Control” means any transaction or event, or series of related transactions or events, which constitutes both a “Change in Control” as defined in the Plan and a “change in control event” as defined in Treasury Regulation section 1.409A-3(i)(5).

(c) Good Reason. “Good Reason” means in respect of the Corporation and the Subsidiaries and without the Participant’s consent: (i) the occurrence of a material diminution in the Participant’s authority, duties, or responsibilities (other than temporarily while the Participant is physically or mentally incapacitated or as required by applicable law); (ii) a material adverse change in the reporting structure applicable to the Participant; (iii) a relocation of the Participant’s principal place of employment by more than 50 miles; or (iv) a material reduction in the Participant’s aggregate base salary and target bonus (other than a general reduction that affects all similarly situated executives in substantially the same proportions); provided, however, that the Participant shall be considered to have terminated employment for Good Reason only if (A) the Participant provides notice to the Corporation of the event or condition meeting the foregoing definition of Good Reason within 30 days after the initial occurrence of such event or condition, (B) the Corporation or the applicable Subsidiary fails to correct such event or condition within 30 days of receiving notice thereof from the Participant, and (C) the Participant terminates employment with the Corporation and the Subsidiaries within 30 days after the expiration of such correction period.

(d) Disability. “Disability” means the Participant’s inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected either to result in death or to last for an uninterrupted period of not less than 12 months.

7. FORFEITURE. Upon the Participant’s termination of employment with the Corporation and its Subsidiaries for any reason prior to the Normal Vesting Date, any PSUs that do not become vested upon or after such employment termination in accordance with the terms of this Agreement shall be immediately canceled and forfeited for no consideration as of the Participant’s termination of employment. Any PSUs that are outstanding but do not become vested on the Normal Vesting Date in accordance with the terms of this Agreement shall be cancelled and forfeited for no consideration as of the Normal Vesting Date.

8. SETTLEMENT OF PSUs.

(a) Subject to the withholding tax provisions of Section 12 hereof, within 45 days after the date upon which an PSU becomes vested in accordance with the terms of this Agreement, the Corporation shall issue or transfer to the vested Participant one share of common stock, no par value, of the Corporation (“**Common Stock**”) per each vested PSU; provided, however, if PSUs vest in accordance with Section 5 hereof, the Corporation (or a successor thereto) shall issue or transfer to the Participant such shares of Common Stock or common stock of the successor having approximately equivalent value (and references herein to Common Stock issued on vesting shall include such successor common stock, if applicable), or the cash equivalent of such shares of Common Stock or common stock if neither security is listed on a U.S. national securities exchange (including Nasdaq or the New York Stock Exchange).

(b) Notwithstanding anything to the contrary herein, in the event that (i) the Participant is subject to the Corporation’s insider trading policy, including any policy permitting specified employees to sell Common Stock only during certain “window periods”, in effect from time to time (collectively, the “**Policy**”) or the Participant is otherwise prohibited from selling Common Stock in the public market (including Nasdaq or other national securities exchange on which the Common Stock is then listed), and any Common Stock underlying the PSUs are scheduled to be delivered on a settlement date (the “**Original Settlement Date**”) that (A) does not occur during an open “window period” applicable to the Participant or on a day on which the Participant, which has a written plan in effect that meets the

requirements of Rule 10b5-1 under the Exchange Act relating to such PSUs, is permitted to sell Common Stock underlying the vested PSUs pursuant to such written plan, as determined by the Corporation in accordance with the Policy, as applicable, or (B) does not occur on a date when the Participant is otherwise permitted to sell Common Stock in the public market, and (ii) the Corporation elects not to satisfy the Participant's tax withholding obligations by withholding Common Stock from the Participant's distribution, then such Common Stock shall not be delivered on such Original Settlement Date and shall instead be delivered, as applicable, on (x) the first business day of the next occurring open "window period" applicable to the Participant pursuant to the Policy, or (y) the next business day on which the Participant is not otherwise prohibited from selling Common Stock in such public market, but in no event later than March 15th of year following the year in which the PSUs vest.

9. RIGHTS AS SHAREHOLDER. Until and if shares of Common Stock are issued in settlement of vested PSUs, the Participant shall not have any rights of a shareholder (including voting and dividend rights) in respect of the Common Stock underlying the PSUs.

10. ADJUSTMENTS.

(a) In the event of any stock dividend, stock split, recapitalization, merger, consolidation or reorganization of or by the Corporation that occurs after the Grant Date and prior to the date of settlement of the PSUs, appropriate adjustments shall be made to the PSUs so that they represent the right to receive upon settlement any and all substituted or additional securities or other property (other than cash dividends) to which the Participant would have been entitled if the Participant had owned, at the time of such stock dividend, stock split, recapitalization, merger, consolidation, or reorganization, the Common Stock that may be issued upon vesting of the PSUs.

(b) Notwithstanding the achievement of performance goals underlying the PSUs, all PSUs are subject to reduction or elimination by the Committee prior to settlement if such performance goals are achieved in ways that are considered not in the best interests of the Corporation's shareholders or not authorized by the Board or management.

11. NON-TRANSFERABILITY OF AWARD. Neither the PSUs nor any interest in the PSUs may be transferred, assigned, pledged, hypothecated or borrowed against, except for a transfer under the laws of descent or distribution as a result of the death of the Participant. The terms of the Plan and this Agreement shall be binding upon the Participant's executors, administrators, heirs, successors and assigns. Any attempt to transfer, assign, pledge, hypothecate or borrow against the PSUs in violation of this Section 11 in any manner shall be null and void and without legal force or effect.

12. WITHHOLDING OBLIGATIONS. The Participant shall be responsible for all taxes required by law to be withheld by the Corporation or a Subsidiary in respect of the grant, vesting or settlement of the PSUs, and the Corporation may make any arrangements it deems appropriate to ensure payment of any such tax by the Participant. In its Discretion and by way of example and without limitation (i) the Corporation may require the Participant to make a cash payment to the Corporation in an amount equal to any such withholding tax obligation at the time or at any time after such withholding tax obligation is due and payable, (ii) the Corporation may retain and not issue to the Participant that number of shares of Common Stock otherwise issuable upon settlement of vested PSUs which have a then value equal to the amount of any such withholding tax, or (iii) the Corporation or any Subsidiary may collect any such withholding tax by reducing any compensation or other amount otherwise then or thereafter owing by the Corporation or any Subsidiary to the Participant.

13. THE PLAN; AMENDMENT. This Award is subject in all respects to the terms, conditions, limitations and definitions contained in the Plan, which is incorporated herein by reference. In

the event of any discrepancy or inconsistency between this Agreement and the Plan, the terms and conditions of the Plan shall control. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Corporation and the Participant. The Corporation shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

14. RIGHTS OF PARTICIPANT; REGULATORY REQUIREMENTS. Without limiting the generality of any other provision of this Agreement or the Plan, Sections 21 and 22 of the Plan pertaining to the limitations on the Participant's rights and certain regulatory requirements are hereby explicitly incorporated into this Agreement.

15. NOTICES. Notices hereunder shall be mailed or delivered to the Corporation at its principal place of business and shall be mailed or delivered to the Participant at the address on file with the Corporation or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

16. GOVERNING LAW. This Agreement shall be legally binding and shall be executed and construed and its provisions enforced and administered in accordance with the laws of the State of Michigan, without regard to its choice of law or conflict of law provisions that would cause the application of the laws of any jurisdiction other than the State of Michigan.

17. DATA PRIVACY NOTICE. Participant hereby acknowledges that the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other PSU grant materials by the Corporation (and its Subsidiaries) is necessary for the purpose of implementing, administering and managing Participant's participation in the Plan. The Participant authorizes, agrees and unambiguously consents to the transmission by the Corporation (and its Subsidiaries) of any personal data information related to this Award for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

Participant understands that the Corporation and its Subsidiaries may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, email address, date of birth, social insurance, passport or other identification number (e.g., resident registration number), salary, nationality, job title, details of all PSUs or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("**Data**"), for the purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to Merrill Lynch, Pierce, Fenner & Smith Inc., and its related companies ("**Merrill Lynch**") or any stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country of operation (e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Corporation, Merrill Lynch, any stock plan service provider selected by the Corporation and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan may receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement,

administer and manage Participant's participation in the Plan plus any required period thereafter for purposes of complying with data retention policies and procedures. Participant understands that based on where s/he resides, s/he may have additional rights with respect to personal data collected, used or transferred in connection with this Agreement or any other PSU grant materials by the Corporation (and its Subsidiaries), and Participant may contact in writing his or her local human resources representative.

18. BINDING AGREEMENT; ASSIGNMENT. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Corporation and its successors and assigns. The Participant shall not assign (except in accordance with Section 11 hereof) any part of this Agreement without the prior express written consent of the Corporation.

19. HEADINGS. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

20. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

21. SEVERABILITY. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

22. ACQUIRED RIGHTS. The Participant acknowledges and agrees that: (a) the Corporation may terminate or amend the Plan at any time; (b) the award of the PSUs made under this Agreement is completely independent of any other award or grant and is made in the Discretion of the Corporation; (c) no past grants or awards (including, without limitation, the PSUs awarded hereunder) give the Participant any right to any grants or awards in the future whatsoever; and (d) none of the benefits granted under this Agreement are part of the Participant's ordinary salary or compensation, and shall not be considered as part of such salary or compensation in the event of or for purposes of determining the amount of or entitlement to severance, redundancy or resignation or benefits under any employee benefit plan.

23. RESTRICTIVE COVENANTS; COMPENSATION RECOVERY. By signing this Agreement, the Participant acknowledges and agrees that this Award or any Award previously granted to Participant by the Corporation or a Subsidiary shall be subject to forfeiture as a result of the Participant's violation of any agreement with the Corporation regarding non-competition, non-solicitation, confidentiality, inventions and/or other restrictive covenants (the "**Restricted Covenant Agreements**"). For avoidance of doubt, compensation recovery rights to shares of Common Stock (including such shares acquired under previously granted equity awards) shall extend to the proceeds realized by the Participant due to the sale or other transfer of such shares. The Participant's prior execution of the Restricted Covenant Agreements was a material inducement for the Corporation's grant of this Award.

The Gentherm Incorporated Compensation Clawback Policy also is incorporated herein, pursuant to its terms. The remedies under such policy are in addition, and are in no way limiting, to the remedies of the recoupment provision set forth above.

24. CODE SECTION 409A. It is intended that this Award be exempt from or comply with Section 409A of the Code and this Agreement shall be interpreted and administered in a manner which effectuates such intent; provided, however, that in no event shall the Corporation or any Subsidiary be liable for any additional tax, interest or penalty imposed upon or other damage suffered by the Participant on account of this Award being subject to but not in compliance with Section 409A of the Code.

By: _____
Name: []
Title: []
Dated: []

PARTICIPANT ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (PERFORMANCE-BASED GRANT), NOR IN THE CORPORATION'S 2013 EQUITY INCENTIVE PLAN, AS AMENDED, WHICH IS INCORPORATED INTO THIS AGREEMENT BY REFERENCE, CONFERS ON PARTICIPANT ANY RIGHT WITH RESPECT TO CONTINUATION AS AN EMPLOYEE OF THE CORPORATION OR ANY PARENT OR ANY SUBSIDIARY OR AFFILIATE OF THE CORPORATION, NOR INTERFERES IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE CORPORATION'S RIGHT TO TERMINATE PARTICIPANT'S EMPLOYMENT WITH THE CORPORATION OR ANY PARENT OR ANY SUBSIDIARY OR AFFILIATE OF THE CORPORATION AT ANY TIME, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT PRIOR NOTICE.

BY ACCEPTING THIS AGREEMENT, PARTICIPANT ACKNOWLEDGES RECEIPT OF A COPY OF THE PLAN AND REPRESENTS THAT THE PARTICIPANT IS FAMILIAR WITH THE TERMS AND PROVISIONS OF THE PLAN. PARTICIPANT ACCEPTS THE PSUs SUBJECT TO ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. PARTICIPANT HAS REVIEWED THE PLAN AND THIS AGREEMENT IN THEIR ENTIRETY. PARTICIPANT AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN OR THIS AGREEMENT.

By: []
Name: []
Dated: []

Exhibit A

Determination of Performance Goals and Earned PSUs

**SEVERANCE PAY PLAN FOR ELIGIBLE EMPLOYEES OF
GENTHERM INCORPORATED**

(Effective January 29, 2021)

This document serves as both the summary plan description and the plan document for the Severance Pay Plan for Eligible Employees of Gentherm Incorporated (the "Plan").

TERMS AND CONDITIONS

Introduction

This document sets forth the terms and conditions of the Severance Pay Plan for Eligible Employees of Gentherm Incorporated (the "Company"). This Plan is effective as of January 29, 2021, and supersedes any and all prior severance plans or arrangements (except for any employment agreements, offer letters or similar type of agreement, in effect now or in the future, to the extent they contain currently applicable severance provisions or such other severance plan to the extent such other plan specifically provides that it is not superseded) maintained for the benefit of the Company, and all such prior plans or arrangements (other than the excepted employment agreements, offer letters, similar type of agreements and other severance plans) are null and void as of January 29, 2021. For the avoidance of doubt, the treatment of equity awards shall be governed by the terms and conditions of such applicable equity plan and award agreements.

The purpose of this Plan is to provide financial assistance to Employees to help ease the burden that may result from involuntary termination of employment from the Company. The Plan is a severance pay plan within the meaning of the United States Department of Labor regulations Section 2510.3-2(b) and is intended to be an unfunded welfare benefit plan under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and shall be interpreted and administered accordingly.

1. **Definitions.** The following terms when capitalized shall have the following meaning:

- a. "Base Pay" means an Employee's regular salary, not counting overtime, bonuses, commissions, shift differential, adders or any other premium pay consideration.
- b. "Cause" means the Company's good faith determination that one or more of the following has occurred with respect to an Employee:
 - (i) the commission or conviction of (including upon a plea of no contest or nolo contendere) a felony, a crime involving moral turpitude, or any other crime the conviction of which will likely result in incarceration, except to the extent applicable law restricts the Company from making an employment decision based on such a conviction;
 - (ii) the commission of any act or omission involving dishonesty, disloyalty or fraud with respect to the Company;
 - (iii) reporting to work under the influence of alcohol, the use of illegal drugs, or the abuse of prescription drugs;
 - (iv) conduct or publicity, not otherwise protected by law, having the potential to cause the Company public disgrace, disrepute or economic harm;
 - (v) insubordination and/or the failure to timely perform duties reasonably directed by the Company;
 - (vi) a breach of fiduciary duty, gross negligence or willful misconduct with respect to the Company;
 - (vii) any material breach of any agreement between Employee and the Company; or
 - (viii) Employee's material violation of a material Company policy.

- c. "Employee" means an individual employed by the Company and who is designated by the Company as a common law employee of the Company and paid by Company payroll. Employee shall not include any leased employee, independent contractor, or any other individual who provides services to the Company and who is not classified as an employee by the Company, even if a court, administrative agency, or other entity determines that such individual is a common-law employee.
 - d. "Full-Time Employee" means an Employee who is normally scheduled to work at least 30 hours per week.
 - e. "Part-Time Employee" means an Employee who is normally scheduled to work 20 or more hours per week, but less than 30 hours per week.
 - f. "Plan Administrator" means the Company.
 - g. "Separation Agreement" means a separation agreement which contains a release of claims and other terms in consideration of receipt of a Severance Benefit.
 - h. "Severance Benefits" means the benefits provided under Section 3 of the Plan.
 - i. "Termination Date" is the date the Employee's employment with the Company is terminated, which is determined by the Company in its sole discretion.
 - j. "Year of Service" or "Years of Service" means each completed year of employment with the Company which is credited in accordance with the method of crediting service used by the Company since the Employee's most recent hire date. Years of Service shall include service with any predecessor entity, as may be determined by the Company. Certain approved leaves of absence may be credited towards an Employee's Years of Service.
2. Eligibility. An active Full-Time Employee or active Part-Time Employee of the Company whose employment with the Company is involuntarily terminated without Cause may be considered for Severance Benefits under the Plan. Employees who are designated as student employees/interns or co-op employees, as determined by the Company, in its sole discretion, are not eligible for Severance Benefits under the Plan. The Company, in its sole discretion, shall determine on a case by case basis whether to pay benefits. There is no legal obligation to pay benefits under the Plan to any Employee.

Employees are not eligible to receive benefits under this Plan unless the Employee is involuntarily terminated without Cause and the Company, in its sole discretion, decides to pay benefits to the Employee. Employees who receive Severance Benefits under this Plan are not eligible to receive benefits under any other voluntary or involuntary severance plan, and/or retention bonus plan, program, or policy offered by the Company, unless entitled to such benefits in writing signed by an officer of the Company. Participation in the Plan will be at the discretion of the Company.

Except as determined by the Company, in its sole discretion, an Employee who terminates employment in any of the following circumstances will be ineligible for benefits under the Plan:

- a. The Employee voluntarily terminates employment with the Company. This shall include an Employee who fails to return from a leave of absence upon its expiration (with no job restoration rights), resigns or retires, dies, fails to return from a temporary layoff after being recalled, or fails to accept a transfer or reassignment within the Company.
- b. The Employee is not actively employed due to disability (as defined in the applicable disability plan of the Company) or other approved leave of absence for a period of more than six (6) months.
- c. The Employee is on layoff with the expectation of recall when business improves.
- d. The Employee does not remain at work until the Termination Date.
- e. The Employee does not execute a confidentiality agreement on a form acceptable to the Company, in its sole discretion.
- f. The Employee engages in conduct during any pre-termination notice period that would constitute Cause or is terminated for any other reason determined by the Company to be an ineligible circumstance under this Plan.
- g. The Employee and the Company enter into an agreement (including any offer letter) providing for separation or severance benefits other than those provided by this Plan.
- h. The Employee's job is eliminated in conjunction with a sale, part of a sale, merger or transfer to a purchaser of any portion of the Company or its assets.
- i. The Employee is covered by a collective bargaining agreement, unless such collective bargaining agreement specifically provides for coverage under this Plan.
- j. The Employee is covered by an authorized written employment agreement, offer letter or similar type of agreement containing a severance provision or an authorized written severance, resignation, or settlement agreement.
- k. The Employee terminates employment with the Company as a result of the outsourcing of Employee's position, if the Employee is offered employment by the outsourcing company at a comparable rate of pay. For purposes of this section, "outsourcing company" includes the entity with which the Company enters into an outsourcing agreement and any related entity or subcontractor thereof. An Employee is offered employment at a "comparable rate of pay" if the base pay (exclusive of benefits) of the offer of employment is at least 90% of the Employee's Base Pay (exclusive of benefits).

l. The Employee is not on the Company's U.S. payroll or is not an expatriate from the U.S.

An Employee must execute and not revoke a Separation Agreement within the time period specified by the Company in order to receive a Severance Benefit under the Plan. If an Employee fails to validly execute a Separation Agreement (or revokes such Separation Agreement within the prescribed revocation period), Severance Benefits will not be paid to such Employee. Additional information regarding the Separation Agreement is provided in Appendix B.

3. Severance Benefits. Severance Benefits under the Plan shall be determined in accordance with Appendix A, attached hereto.

Severance Benefits shall be paid to each Employee who works through his/her employment Termination Date as set forth in Appendix A, as soon as practicable after the Employee signs and returns the Separation Agreement and after the seven (7) day revocation period has passed (if applicable), as explained in Appendix B.

Severance Benefits shall not be considered pensionable earnings for purposes of determining a pension benefit, if any, shall not be eligible for inclusion for purposes of determining 401(k) deferrals and match, if any, and shall not be eligible for inclusion for purposes of determining overtime, if any, or for any other purposes as may be determined by the Company.

4. Reemployment. Employees who are (i) rehired after January 29, 2021, (ii) subsequently involuntarily terminated by the Company and (iii) are determined to be eligible to receive Severance Benefits as determined by the Company, in its sole discretion, shall have Severance Benefits determined under the chart described in Section 3 based on Years of Service performed before and after his or her rehire date, provided (a) that such rehired Employee did not receive any prior severance benefits pursuant to this Plan or any other plan, arrangement or agreement of the Company, (b) that the period between the prior termination and the date of rehire is greater than one year, but less than five years, and (c) that in the case of rehired Employees that previously voluntarily terminated employment with the Company, such rehired Employee is employed with the Company for at least one year after his or her rehire date. If a rehired Employee does not meet all of these conditions, then Severance Benefits, if any, will be based only on the Years of Service performed after the rehire date.

An Employee may not receive wages or other compensation for working at the Company and Severance Benefits for the same time period. If an Employee signed and did not revoke a Separation Agreement and received Severance Benefits and is subsequently rehired or returns to work at the Company during the period for which the aggregate Severance Benefit was calculated in any capacity (whether as an employee, independent contractor, third party contract employee, consultant, etc.), the Employee must repay the portion of the Severance Benefits applicable to the period which begins on the date the Employee is rehired. In the alternative, the Employee may authorize a wage or salary reduction for such repayment. If the Company in its sole discretion determines that the Employee's services address a critical business need, then it may be determined that no such repayment is required.

5. Offset and Non-Duplication. The Plan and the benefits provided pursuant to the Plan are being made available on a voluntary basis by the Company and are not required by any legal obligation. Benefits under the Plan are not intended to duplicate other benefits. Any Severance Benefit under this Plan may be in lieu of any severance pay, notice period or benefits required or provided under any federal, state, or local law or ordinance, including without limitation the Worker Adjustment and Retraining Notification Act or any similar state law. The Plan Administrator shall determine how to apply this provision, and may override other provisions of the Plan in doing so.
6. Plan Administration. The Plan shall be administered by the Company. The Company shall have the absolute and sole discretionary authority to (a) construe and interpret the provisions of the Plan, Plan documents, summary plan description, as well as any communications related to the Plan, (b) make factual determinations thereunder, including determining the rights or eligibility of Employees, and the amounts of their benefits under the Plan, and (c) remedy ambiguities, inconsistencies, or omissions. Such determinations shall be binding on all parties. Benefits will only be paid if the Company, in its sole discretion, determines that an Employee is entitled to them.

The Company has the authority to delegate any of its powers under this Plan (including, without limitation, its power to administer claims and appeals, however, excluding the power to amend, modify or terminate the Plan) to any other person, persons, or committee in the administration of this Plan. This person, persons, or committee may further delegate its reserved powers to another person, persons, or committee as they see fit. Any delegation or subsequent delegation shall include the same sole discretionary and final authority that the Company has listed herein, and any decisions, actions, or interpretations made by any delegate shall have the same ultimate binding effect as if made by the Company.

The Company hereby delegates its authority as Plan Administrator (a) to the Compensation Committee of the Board with respect to any Employee who has been designated by the Board as a member of the Executive Committee and (b) to the Company's Chief Human Resources Officer with respect to any Employee who is not a member of the "Executive Committee" as designated by the Board from time to time; provided, however, that the Board may at any time determine, in its sole discretion, to act as the Plan Administrator with respect to the Plan.

7. Amendment and Termination. Severance Benefits provided under the Plan are at the discretion of the Company and are not a contractual obligation. Nothing in this Plan shall give an Employee the vested right to any benefit under the Plan. The Company, as Plan Sponsor, reserves the right to amend, modify or terminate the Plan, from time to time, in its sole discretion. Such amendment or termination may be accomplished by a written action of the Company's Chief Human Resources Officer or such other officer delegated the authority to take such actions. Plan amendments may include, but are not limited to, elimination or reduction in the level or type of benefits provided to an Employee and may be retroactive or prospective in nature. As a matter of prudent business planning, the Company, as the sponsor of this Plan, is continually reviewing and evaluating various proposals for changes in the Plan.

When the Company is acting in this manner, it is not acting in the capacity of a plan administrator, but as the sponsor of the Plan. When acting in its capacity as plan sponsor, the Company does not have a fiduciary duty to the Plan or participants.

Because of the need for confidentiality, decisions regarding changes in the Plan are not discussed or evaluated below the highest levels of management. Until a Plan amendment is actually adopted by the Company, the Plan Administrator and lower level managers and other employees of the Company do not know whether the Company will change the Plan and are not in any position to advise any employee about possible changes. Any speculation or statements about future changes should be disregarded and may not be relied upon by any Employee. Unless and until changes in the Plan are formally announced by the Company, no one is authorized to give assurances that a change will or will not occur.

8. Withholding. The Company shall withhold from any amounts payable under the Plan, all federal, state, city and local taxes as shall be legally required.
9. Severability. In the event that any provision of the Plan shall be held to be illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if such illegal or invalid provision had never been contained in the Plan.
10. Internal Revenue Code Section 409A. It is intended that the Plan (and any payments) will be exempt from or in compliance with Internal Revenue Code Section 409A ("Section 409A"), and the Plan (and any payments) shall be interpreted and construed on a basis consistent with such intent. The term "termination of employment" and similar terms relating to an Employee's termination of employment mean a "separation from service" as that term is defined under Section 409A. Each payment made under the Plan shall be treated as a separate payment for purposes of Section 409A. If any benefits payable under the Plan constitute non-qualified deferred compensation under Section 409A, such benefit shall commence on the first payroll scheduled after the expiration of the sixty (60) day period immediately following the Employee's Termination Date, provided that the Separation Agreement becomes effective and irrevocable during such sixty (60) day period. If an Employee is a "specified employee" (as that term is used in Section 409A) on the date his/her separation from service becomes effective, any benefits payable under the Plan that constitute non-qualified deferred compensation under Section 409A shall be delayed until the earlier of (A) the business day following the six-month anniversary of the date his/her separation from service becomes effective, and (B) the date of the Executive's death, but only to the extent necessary to avoid such penalties under Section 409A. On the earlier of (X) the business day following the six-month anniversary of the date his/her separation from service becomes effective, and (Y) the Executive's death, the Company shall pay the Employee in a lump sum the aggregate value of the non-qualified deferred compensation that the Company otherwise would have paid the Employee prior to that date. The Plan (and any payments) may be amended (in accordance with Section 7 of the Plan) in any respect deemed necessary or desirable (including retroactively) by the Company with the intent to preserve exemption from or compliance with Section 409A. The preceding shall not be construed as a guarantee of any particular tax effect for Plan payments. A participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on such person in connection with the Plan (including any taxes and penalties under Section 409A), and the Company shall not have any obligation to indemnify or otherwise hold a participant harmless from any or all of such taxes or penalties.

11. **Claims Procedures.** To make a claim for payment under the Plan, an Employee must submit a detailed, written explanation of his or her claim to the Plan Administrator within 90 days after his or her employment is involuntarily terminated without Cause. To dispute the amount of any payment, an Employee must submit a detailed, written explanation of his or her claim to the Plan Administrator within 90 days after payment is made.

If a claim is denied, in whole or in part, the Employee will receive a full written explanation from the Plan Administrator within 90 days of the date his or her claim is received. If special circumstances exist, the 90-day period may be extended an additional 90 days by the Plan Administrator. If an extension is necessary, the Plan Administrator will provide written notice to the Employee of the extension within the original 90-day period. This explanation will include: (i) the reason(s) for denial, (ii) references to any applicable Plan provisions on which the denial is based, (iii) a description of any additional information the Employee may need to submit and the reason the additional information is necessary and (iv) information on how to appeal the claim denial with the Plan Administrator. The Employee will be provided, upon request and free of charge, reasonable access to and copies of any information relevant to his or her claim.

To appeal a claim denial, the Employee should send a written appeal to the Plan Administrator with any relevant materials in support of his or her appeal within 60 days of receiving the denial of the claim. The Plan Administrator will respond to the appeal in writing within 60 days. The 60-day period may be extended up to another 60 days if the Plan Administrator determines that special circumstances require an extension of time, but if there is an extension, the Employee will be notified in writing before the original time period ends. If the appeal is denied, in whole or in part, the Plan Administrator's response will include: (i) the reason(s) for denial, (ii) references to any applicable Plan provisions on which the denial is based, and (iii) a statement that the Employee is entitled to receive, upon request and free of charge, reasonable access to and copies of any information relevant to the claim.

No Employee shall be permitted to bring legal action, including a lawsuit, either in law or equity, until after such Employee has exhausted and complied with the claims and appeals provisions described above. If an Employee does not receive a response to his or her claim or appeal within any of the applicable deadlines, his or her request will be deemed denied and the Employee will be treated as having exhausted his or her administrative remedies under the Plan. An Employee may not bring legal action, including a lawsuit, either in law or equity, more than one year after a final decision is rendered on a claim. In order to raise an issue in any legal action related to the claim, an Employee must have clearly raised such issue during the claims and appeals procedure described above.

PLAN INFORMATION

Plan Sponsor/Plan Administrator

Gentherm Incorporated
21680 Haggerty Road
Northville, MI 48167
248-504-0500

Plan Name

Severance Pay Plan for Eligible Employees of Gentherm Incorporated

Plan Number

[506]

Plan Sponsor's Employer Identification Number

95-4318554

Agent for Service of Process

Gentherm Incorporated
21680 Haggerty Road
Northville, MI 48167
248-504-0500

Plan Funding

Funds for the Plan are paid out of the general assets of the Company.

Plan Year

The calendar year beginning January 1 and ending December 31.

No Employment Rights

The Plan shall not confer employment or re-employment rights upon any person. No person shall be entitled, by virtue of the Plan, to remain in the employment of the Company and nothing shall restrict the right of the Company to terminate the employment of any Employee.

No Assignments

An employee's benefits from the Plan cannot be assigned, transferred, or sold to anyone else. An employee's benefits also cannot be used as collateral for loans or pledged in payment of debts, contracts or any other liability.

Laws Governing

Except to the extent preempted by federal law, the laws of the state of Michigan shall be controlling on all matters relating to this Plan regardless of the laws that might otherwise govern under applicable principles of conflicts of laws of such jurisdiction or any other jurisdiction.

Your Rights Under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites, all documents governing the plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "Fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court, **but only after you have exhausted the plan's claims and appeals procedure.** If plan Fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if the court finds that your claim is frivolous).

Assistance With Your Questions

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor. The EBSA can be reached at:

Employee Benefits Security Administration
U.S. Department of Labor
Public Disclosure Room,
Suite N-1513
200 Constitution Avenue N.W.
Washington, D.C. 20210
1-202-693-8673

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the EBSA publications hotline.

APPENDIX A

Severance Benefits

**Executive Committee Member
(Designated by the Board of Directors as an Officer of the Company)**

Severance Benefits	One (1) year of Base Pay, payable in a single lump sum payment.
COBRA Subsidy	One (1) year of COBRA Subsidy. The COBRA Subsidy shall be equal to the employer portion of the monthly premium for active employee coverage, based on the Employee's coverage selection. The Employee shall be responsible for the remaining portion of the any applicable COBRA premium.
Annual Bonus	The annual bonus for the year in which the termination occurs shall payable on a pro-rated basis based on the number of months (including partial months) of active employment during such fiscal year divided by 12 months and will be determined based on target performance. Such annual bonus shall be payable in a lump sum at the time severance benefits are 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 active employees. 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.

APPENDIX A

Severance Benefits

Severance Benefits	Two (2) weeks of Base Pay for every one year of completed service with a minimum of eight (8) weeks of Base Pay and a maximum of 26 weeks of Base Pay, payable in a single lump sum payment.
COBRA Subsidy	One (1) month of COBRA Subsidy for every two (2) years of completed service with a minimum of two (2) months of COBRA Subsidy and a maximum of six (6) months of COBRA Subsidy. The COBRA Subsidy shall be equal to the employer portion of the monthly premium for active employee coverage, based on the Employee's coverage selection. The Employee shall be responsible for the remaining portion of the any applicable COBRA premium.
Annual Bonus	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 active employees. 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.

APPENDIX B

SEPARATION AGREEMENT AND GENERAL RELEASE

In order to receive full benefits under the Plan, you have to sign a Separation Agreement and, if applicable, **not** later revoke it. The Separation Agreement is a legal document which provides a release of certain claims against the Company and others. In addition to your revocation of the release during the applicable period, any additions, deletions, and/or revisions to your Separation Agreement that are not made by an authorized representative of the Company prior to submission will invalidate it and you will not receive benefits under the Plan. Information regarding a particular action shall be provided in accordance with the Older Workers Benefit Protection Act ("OWBPA"), if applicable. That information is contained in an OWBPA Supplement, which is part of this Plan by reference.

Timing to sign the Separation Agreement and General Release:

- If you are 40 years old or older, you may sign the Separation Agreement and General Release no earlier than your Termination Date and no later than 45 days (for group separations) or 21 days (for individual separations) from receipt of your Separation Agreement. You are not permitted to sign the Agreement prior to your Termination Date unless you also re-sign and date the Agreement on your Termination Date.
- Further, if you are 40 years old or older, you have 7 days after signing the Separation Agreement to revoke your decision (to sign the release). This revocation must be made in writing. See the Separation Agreement for further details on how to revoke the Separation Agreement.
- If you are under 40 years old, you may sign the Separation Agreement and General Release no earlier than your Termination Date and no later than 21 days from receipt of your Separation Agreement. You are not permitted to sign the Agreement prior to your Termination Date unless you also re-sign and date the Agreement on your Termination Date. Employees under 40 years old do not have any revocation rights.

The Separation Agreement is a legal contract, and you should consult with legal counsel about your decision to sign it. By signing the Separation Agreement, among other things, you will be releasing all potential claims against the Company, all of its past and present affiliate(s), division(s), parent(s), successor(s), predecessor(s), assign(s), and subsidiary(ies), and all of its and their past and present directors, officers, managers, employees, agents, attorneys, shareholders, members, plans, plan administrators, trustees, and others acting by, through or in connection with any of them. In addition, the Separation Agreement may impose certain restrictions and obligations on you, including covenants regarding confidentiality, return of property, cooperation assistance, and non-disparagement. The Separation Agreement will also have other standard terms and provisions. The foregoing is not intended as a complete recitation of all of the terms of the Separation Agreement.

If you choose to sign the Separation Agreement, sign the original and return it to the Company within the time limits described above. Faxes will not be accepted. See the Separation Agreement for more details on how to submit the Separation Agreement.

The earliest that you may sign and return your Separation Agreement is on your Termination Date. If you do sign and return the Separation Agreement before your Termination Date, your Separation Agreement will not be valid and you will have to sign and return another Separation Agreement during the proper time period.

If you have any questions about the timing for signing and returning your Separation Agreement, please contact the Chief Human Resources Officer.

If Death Occurs During the Severance Process

If an employee is selected to participate in the Plan, and the Employee signs and submits a Separation Agreement on or after the Employee's Termination Date, but the Employee dies prior to payment of benefits under the Plan, payment will be made to the Employee's surviving spouse or if the Employee does not have a spouse, the Employee's estate. If an Employee is selected to participate in the Plan, but dies prior to the Employee's Termination Date, the Employee will not be eligible for benefits under the Plan. If an Employee is selected for the Plan and dies after his Termination Date, but before submission of the Separation Agreement, the Employee's personal representative or the executor or administrator of the Employee's estate may sign the Separation Agreement on the Employee's behalf and submit the Separation Agreement to the Company, and benefits will be paid under the Plan thereafter.

SECOND AMENDMENT TO OFFER LETTER AGREEMENT

This SECOND AMENDMENT TO OFFER LETTER AGREEMENT (this “**Amendment**”) is made and entered into as of March 12, 2021, by and between Matteo Anversa (“**Executive**” or “**you**”) and Gentherm Incorporated (“**Gentherm**” or the “**Company**”). Executive and Gentherm are referred to herein each as a “**Party**” and, collectively, as the “**Parties**.”

RECITALS

A. Executive and Gentherm executed an offer letter dated October 22, 2018 that was amended on April 21, 2020 (including the Compensation Term Sheet attached thereto, the “**Offer Letter**”).

B. The Parties have agreed to further amend the Offer Letter as set forth in this Amendment.

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

TERMS AND CONDITIONS

1. **Severance.** The Company agrees to provide enhanced severance benefits under certain circumstances by amending and restating Section (a) of the section of the Offer Letter titled “Separation / Change in Control” in its entirety as follows:

(a) If your employment is terminated by the Company or successor (or if the Company revokes this Offer Letter Agreement after you sign and return it) without “Cause” (as defined below) or by you for “Good Reason” (as defined below), subject to the notice and release requirements described below, the Company will pay (i) your base salary for a period of 12 months, paid in a lump sum no later than 45 days after your termination date (the “**Severance Payment**”); (ii) one full year’s Bonus at target level, paid in a lump sum no later than 45 days after your termination date (the “**Bonus Payment**”); and (iii) a pro rated Bonus (i.e., the product of (A) the number of weeks you were employed by the Company in the year in which your employment terminated and (B) your target Bonus amount divided by 52) (the “**Pro Rated Bonus**”); in addition, you will be entitled to (x) immediate vesting of (I) all unvested equity awards that were scheduled to vest during the first 12 months following your termination (including performance-based restricted stock unit awards scheduled to vest during such period, which shall vest at target) and (II) all unvested portions of the Make Whole Equity Grant, regardless of when such unvested portions of the Make Whole Equity Grant were scheduled to vest (including the Make Whole Equity Grant consisting of performance-based restricted stock unit awards, calculated as provided in the applicable award agreement) (collectively, the “**Accelerated Equity Vesting**”); (y) outplacement services for one year up to a maximum cost of \$50,000 (the “**Outplacement Services**”); and (z) an amount equal to 12 months of premiums for COBRA continuation coverage of your health insurance should you elect such coverage, including the portion that was paid by the Company (the employer portion) and the portion paid by you (the employee portion) during your employment (the “**COBRA Subsidy**”).

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 (as defined below) until 12 months after the Change in

Control, subject to the notice and release requirements described below, then the Severance Payment shall be increased to 24 months, the Bonus Payment shall consist of two full year's Bonus at target level and you will not be entitled to the Pro Rated Bonus, the COBRA Subsidy shall be increased to 18 months, and the Accelerated Equity Vesting and Outplacement Services shall remain the same (except that, for performance-based restricted stock unit awards scheduled to vest during such period, the number of shares that shall vest will be calculated as provided in the applicable award agreement).

2. **Effect on Other Agreements.** The Offer Letter (as amended by this Amendment) sets forth the Parties' entire agreement regarding severance benefits available to Executive and supersedes any severance opportunity provided in the Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan or any other agreement. For clarity, except as set forth herein, this Amendment does not supersede or modify any provision governing the treatment of Executive's equity interests or rights to acquire equity interests following the termination of Executive's employment and the Accelerated Equity Vesting shall in no way limit any terms providing for accelerated vesting in any applicable award agreement. Except as expressly set forth in this Amendment, the Offer Letter remains unmodified, in full force and effect.

3. **Sections 280G and 4999 of the Internal Revenue Code (the "Code").** If any payment or benefit that Executive would otherwise receive pursuant to this Amendment (when considered together with any payment or benefit Executive would otherwise receive under any other agreement or practice) (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 Executive's receipt, on an after-tax basis, of the greatest amount of the Payment to Executive. If a reduced Payment is made, Executive shall have no rights to any additional payments and/or benefits constituting the Payment.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to Offer Letter Agreement to be executed as of the date first written above.

GENTHERM INCORPORATED

By: /s/ Barbara J. Runyon
Barbara J. Runyon
Senior Vice President and
Chief Human Resources Officer

/s/ Matteo Anversa
Matteo Anversa

SIGNATURE PAGE TO
SECOND AMENDMENT TO OFFER LETTER AGREEMENT

**SECOND AMENDMENT TO
EXECUTIVE RELOCATION AND EMPLOYMENT AGREEMENT**

This SECOND AMENDMENT TO EXECUTIVE RELOCATION AND EMPLOYMENT AGREEMENT (this “**Amendment**”) is made and entered into as of March 12, 2021, by and between Paul Giberson (“**Executive**”) and Gentherm Incorporated (“**Gentherm**” or the “**Company**”). Executive and Gentherm are referred to herein each as a “**Party**” and, collectively, as the “**Parties**.”

RECITALS

A. Executive and Gentherm executed an Executive Relocation and Employment Agreement dated June 6, 2019 that was amended on April 21, 2020 (the “**Employment Agreement**”).

B. The Parties have agreed to further amend the Employment Agreement as set forth in this Amendment.

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

TERMS AND CONDITIONS

1. **Severance.** The Company agrees to provide enhanced severance benefits under certain circumstances by amending and restating Section (a) of Exhibit A of the Employment Agreement in its entirety as follows:

(a) If Executive’s employment is terminated by the Company or successor without “Cause” (as defined below) or by Executive for “Good Reason” (as defined below), subject to the notice and release requirements described below, the Company will pay (i) Executive’s base salary for a period of 12 months, paid in a lump sum no later than 30 days after the termination date (the “**Severance Payment**”); (ii) one full year’s Bonus at target level, paid in a lump no later than 45 days after the termination date (the “**Bonus Payment**”); and (iii) a pro rated Bonus (i.e., the product of (A) the number of weeks Executive was employed by the Company in the year in which Executive’s employment terminates and (B) Executive’s target Bonus amount divided by 52) (the “**Pro Rated Bonus**”); in addition, Executive will be entitled to (x) immediate vesting of all unvested equity awards that were scheduled to vest during the first 12 months following Executive’s termination (including performance-based restricted stock unit awards scheduled to vest during such period, which shall vest at target) (the “**Accelerated Equity Vesting**”); (y) outplacement services for one year up to a maximum cost of \$50,000 (the “**Outplacement Services**”); and (z) an amount equal to 12 months of premiums for COBRA continuation coverage of Executive’s health insurance should Executive elect such coverage, including the portion that was paid by the Company (the employer portion) and the portion paid by Executive (the employee portion) during Executive’s employment (the “**COBRA Subsidy**”).

If Executive’s employment is terminated by the Company or its successor without Cause or by Executive for Good Reason during the window period starting with the signing of an agreement to engage in a Change in Control (as defined below) until 12 months after the Change in Control, subject to the notice and release requirements described below, then the Severance Payment shall be increased to 24 months, the Bonus Payment shall consist of two full year’s Bonus at target level and Executive shall not be entitled to the Pro Rated Bonus, the COBRA Subsidy shall be increased to 18 months, and the Accelerated Equity Vesting and Outplacement Services shall remain the same (except that, for performance-based restricted stock unit awards scheduled to vest during such period, the number of shares that shall vest will be calculated as provided in the applicable award agreement).

2. **Effect on Other Agreements.** The Employment Agreement (as amended by this Amendment) sets forth the Parties' entire agreement regarding severance benefits available to Executive and supersedes any severance opportunity provided in the Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan or any other agreement. For clarity, except as set forth herein, this Amendment does not supersede or modify any provision governing the treatment of Executive's equity interests or rights to acquire equity interests following the termination of Executive's employment and the Accelerated Equity Vesting shall in no way limit any terms providing for accelerated vesting in any applicable award agreement. Except as expressly set forth in this Amendment, the Employment Agreement remains unmodified, in full force and effect.

3. **Sections 280G and 4999 of the Internal Revenue Code (the "Code").** If any payment or benefit that Executive would otherwise receive pursuant to this Amendment (when considered together with any payment or benefit Executive would otherwise receive under any other agreement or practice) (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 Executive's receipt, on an after-tax basis, of the greatest amount of the Payment to Executive. If a reduced Payment is made, Executive shall have no rights to any additional payments and/or benefits constituting the Payment.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to Executive Relocation and Employment Agreement to be executed as of the date first written above.

GENTHERM INCORPORATED

By: /s/ Barbara J. Runyon
Barbara J. Runyon
Senior Vice President and
Chief Human Resources Officer

/s/ Paul Giberson
Paul Giberson

SIGNATURE PAGE TO
SECOND AMENDMENT TO EXECUTIVE RELOCATION AND EMPLOYMENT AGREEMENT

FIRST AMENDMENT TO EXECUTIVE OFFER LETTER

This FIRST AMENDMENT TO EXECUTIVE OFFER LETTER (this “**Amendment**”) is made and entered into as of March 12, 2021, by and between (“**Executive**”) and Gentherm Incorporated (“**Gentherm**” or the “**Company**”). Executive and Gentherm are referred to herein each as a “**Party**” and, collectively, as the “**Parties**.”

RECITALS

- A. Executive and Gentherm executed an offer letter dated _____ (the “**Offer Letter**”).
- B. The Parties have agreed to amend the Offer Letter by adding the terms set forth in this Amendment.

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

TERMS AND CONDITIONS

1. **Severance Opportunity**. The Company agrees to provide Executive with a severance opportunity, as follows:
 - (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 “**Plan**”), which provides for Severance Benefits (as defined in the Plan) to be provided in the Company’s discretion to eligible employees whose employment is involuntarily terminated without Cause (as defined in the Plan) in accordance with the terms of the Plan;
 - (b) The Parties agree that, if Executive is eligible for Severance Benefits in the event of an involuntary termination without Cause, the Company will provide such benefits to Executive notwithstanding its discretionary authority not to do so under the Plan, with such benefits to be provided in accordance with the other terms and requirements of the Plan, including but not limited to the release requirement set forth in Appendix B of the Plan; and
 - (c) The Parties further agree that, if Executive resigns his employment with the Company for Good Reason (as defined below), then Executive will be eligible to receive the Severance Benefits under the Plan as if Executive had been involuntarily terminated without Cause, notwithstanding Gentherm’s discretionary authority not to provide benefits under the Plan in that circumstance, with such benefits to be provided in accordance with the other terms and requirements of the Plan, including but not limited to the release requirement set forth in Appendix B of the Plan.
 - (d) For purposes of this Amendment, “**Good Reason**” means the occurrence of any of the following without Executive’s consent: (i) a material breach of the Offer Letter; (ii) a material diminution in Executive’s then-current compensation or benefits, authority, duties, or responsibilities, including following a Change in Control; (iii) a change in Executive’s primary work location to a location that is more than 50 miles away from Executive’s primary work location as of the date of this Amendment; (iv) any successor’s failure to assume the Company’s duties and obligations under the terms of the Offer Letter

and this Amendment; or (v) the Company's termination of the Plan or an amendment thereof that results in a material diminution of the available Severance Benefits for Executive. Notwithstanding the above, no "Good Reason" will exist unless (x) Executive notifies 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) Executive terminates employment by no later than 45 days after the providing the notice.

2. **Change in Control Severance.** The Company agrees to provide enhanced severance benefits under certain circumstances, as follows:

(a) If Executive's employment is terminated by the Company or its successor without Cause or by Executive for Good Reason during the window period starting with the signing of an agreement to engage in a Change in Control (as defined below) until twelve (12) months after the Change in Control, then the Severance Benefits otherwise payable to Executive in accordance with Section 1 and the Plan will be increased as follows:

Severance Benefits	Two (2) years of Base Pay (as defined in the Plan), payable in a single lump sum payment within thirty (30) days of the effective date of the release required under the Plan, as set forth in Appendix B of the Plan.
COBRA Subsidy	Eighteen (18) months of COBRA Subsidy. The COBRA Subsidy shall be equal to the employer portion of the monthly premium for active employee coverage, based on Executive's coverage selection. Executive shall be responsible for the remaining portion of the any applicable COBRA premium.
Annual Bonus	The annual bonus for the year in which the termination occurs shall be payable at two (2) times Executive's 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 active employees. 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) For purposes of this Amendment, 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 Gentherm's Board of Directors (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) For purposes of this Amendment, 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.

3. **Effect on Other Agreements.** This Amendment sets forth the Parties' entire agreement regarding severance benefits available to Executive and supersedes any severance opportunity provided in the Offer Letter, the Amended and Restated Gentherm Incorporated Senior Level Performance Bonus Plan or any other agreement. For clarity, this Amendment does not supersede or modify any provision governing the treatment of Executive's equity interests or rights to acquire equity interests following the termination of Executive's employment. Except as expressly set forth in this Amendment, the Offer Letter remains unmodified, in full force and effect.

4. **Sections 280G and 4999 of the Internal Revenue Code (the "Code").** If any payment or benefit that Executive would otherwise receive pursuant to this Amendment (when considered together with any payment or benefit Executive would otherwise receive under any other agreement or practice) (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 Executive's receipt, on an after-tax basis, of the greatest amount of the Payment to Executive. If a reduced Payment is made, Executive shall have no rights to any additional payments and/or benefits constituting the Payment.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to Executive Offer Letter to be executed as of the date first written above.

GENTHERM INCORPORATED

By:

Barbara J. Runyon
Senior Vice President and
Chief Human Resources Officer

[INSERT]

SIGNATURE PAGE TO
FIRST AMENDMENT TO EXECUTIVE OFFER LETTER