

# **LEAR CORPORATION**

## **CORPORATE GOVERNANCE GUIDELINES**

### **I. PURPOSE**

The Board of Directors (the “Board”) of Lear Corporation (together with its subsidiaries, “Lear” or the “Company”) has adopted these Corporate Governance Guidelines (these “Guidelines”), which reflect the Board’s commitment to monitor the effectiveness of policy and decision-making both at the Board and management level. The Board believes these Guidelines should be an evolving set of corporate governance principles, subject to amendment from time to time as circumstances warrant.

### **II. DUTIES OF THE BOARD**

The primary responsibility of the Board is to oversee and monitor Lear management for the benefit of the Lear stockholders. To that end, some of the duties of the Board (acting through its committees in certain instances) are as follows:

- overseeing the conduct of the Company’s business to evaluate whether it is being properly managed;
- reviewing and, where appropriate, approving the Company’s major financial and business strategies, objectives, plans and actions;
- reviewing and, where appropriate, approving major changes in auditing and accounting principles and practices to be used in the preparation of the Company’s financial statements;
- regularly evaluating the performance and approving the compensation of the Chief Executive Officer (the “CEO”) and, with the advice of the CEO, regularly evaluating the performance of other members of senior management; and
- planning for succession with respect to the position of the CEO and monitoring the Company’s succession plan for other members of senior management.

While not limiting their obligations under applicable law, directors, in their capacity as such, are expected to use their reasonable business judgment in overseeing the management of the Company. However, the Board is not expected to manage the Company on a day-to-day basis nor guarantee in any way the management or operations of the Company.

### **III. VOTING FOR DIRECTORS AND RESIGNATION POLICY RELATING TO MAJORITY VOTING IN DIRECTOR ELECTIONS**

In accordance with the Company’s bylaws, commencing with the 2011 annual meeting of stockholders of the Company, except in the case of a Contested Election (as defined in Section 1.7 of the Company’s bylaws), a director nominee must receive the vote of a majority of votes cast with respect to his or her election in order to be elected or re-elected to the Board. An

incumbent director must tender his or her resignation immediately following the certification of the stockholder vote relating to such director's election if he or she fails to receive the number of votes required for re-election.

Within 90 days following such certification of the stockholder vote, the Governance and Sustainability Committee will determine whether to accept the director's resignation or take other action and will submit such recommendation for prompt consideration by the Board. The Board will act promptly on the Committee's recommendation and will disclose its decision whether to accept the director's tendered resignation (and the reasons for rejecting the resignation, if applicable) in a Form 8-K furnished with the United States Securities and Exchange Commission. The Governance and Sustainability Committee may consider any factors that such committee deems relevant in determining whether to accept a director's resignation. In the event that one or more directors' resignations are accepted by the Board, the Governance and Sustainability Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.

Any incumbent director who fails to receive the votes required for re-election in an election other than a Contested Election and who tenders his or her resignation pursuant to the Company's bylaws shall remain active and engaged in Board activities while the Governance and Sustainability Committee considers his or her resignation; provided, however, it is expected that such incumbent director shall voluntarily recuse himself or herself from participation in any proceedings or consideration by the Governance and Sustainability Committee or the Board regarding whether to accept such director's resignation or to take other action with respect to such director.

#### **IV. EXECUTIVE SELECTION AND SUCCESSION PLANNING**

The Board deems as one of its most critical functions the selection of a Chairman of the Board (the "Chairman"), CEO and senior management team consisting of talented and skilled people who fit in Lear's culture, understand its business strategy and inspire others to follow their lead. To that end, the Board periodically reviews with the CEO a senior executive succession plan tailored to reflect Lear's business strategy and vision. The senior executive succession plan involves reviewing profiles of ideal candidates based on the Board's understanding of Lear's strategy and vision, and identifying successors for senior executive positions. In implementing its executive succession plan, the Board believes that, at its core, succession planning (a) is a Board-driven, collaborative process; (b) is a continuous process; (c) should be driven by corporate strategy; and (d) involves building a talent-rich organization by attracting and developing talented and skilled people.

In the event of the death, resignation or incapacity of the Chairman and/or the CEO, the Board shall immediately call a meeting to address the selection of a temporary or permanent replacement for either or both positions. The Board may delegate the responsibilities with respect to the foregoing process to the Governance and Sustainability Committee or another committee established by the Board for such purpose.

When the CEO or the Chairman resigns or retires, the status of such individual as a continuing member of the Board (to the extent such individual is a member of the Board) will be addressed by the Board at the time of such resignation or retirement.

## **V. BOARD COMMITTEES**

Subject to applicable law, the Board has the authority to establish committees for any purpose it deems appropriate. The Board currently has the following standing committees: Audit, People and Compensation and Governance and Sustainability.

The Audit Committee is responsible for assisting the Board in monitoring the integrity of the financial statements; monitoring compliance with legal and regulatory financial accounting requirements; monitoring the independent auditor's qualifications, performance and independence; and monitoring the performance of the Company's internal audit function and internal auditors. The Audit Committee is responsible for reviewing and recommending to the Board any proposed changes to the Company's Code of Conduct and Business Ethics. The Audit Committee shall also have any other responsibilities required to be performed by the Audit Committee pursuant to applicable law and the listing requirements of the New York Stock Exchange (as amended from time to time, the "NYSE Listing Requirements"). The Audit Committee will also prepare the report required by the Securities and Exchange Commission to be included in the Company's annual proxy statement and provide an avenue of communication among the Board, independent auditors, senior management and internal auditors.

The People and Compensation Committee is responsible for discharging the Board's responsibilities relating to compensation of Lear's directors and executive officers. The People and Compensation Committee has overall responsibility for approving and evaluating the Company's director and executive officer compensation plans, policies and programs. The People and Compensation Committee will also prepare the report required by the Securities and Exchange Commission to be included in the Company's annual proxy statement.

The Governance and Sustainability Committee is responsible for identifying individuals qualified to become members of the Board; recommending to the Board director nominees for election at the next annual meeting of the stockholders of the Company; in the event of a vacancy on or increase in the size of the Board, recommending to the Board a director nominee to fill such vacancy or newly established Board seat; and recommending to the Board director nominees for each committee of the Board. The Governance and Sustainability Committee is also responsible for reviewing and recommending to the Board any proposed changes to these Guidelines, reviewing potential conflicts of interest involving executive officers of the Company (other than the Chief Executive Officer), and reviewing the Company's sustainability matters and the implementation and monitoring thereof. The Governance and Sustainability Committee is also responsible for periodically reviewing the Company's shareholder rights plan policy, which is attached as Exhibit A hereto, and recommending any proposed changes to the Board for approval.

The Board shall approve committee assignments, including committee chairs. In so doing, the Board shall consider the desires of individual directors and the recommendations of the Governance and Sustainability Committee. The Board, in its discretion, may periodically

rotate committee membership. Such rotation is not required, however, since there may be reasons to maintain an individual director's committee membership for a longer period.

The committee chairs shall determine the frequency of meetings of their respective committees consistent with any requirements contained in each such committee's charter, and, in consultation with management, shall set meeting times and develop committee agendas.

When required by the NYSE Listing Requirements, only directors who are independent (as defined in the NYSE Listing Requirements) may serve on the Audit, People and Compensation, and Governance and Sustainability Committees. Under the NYSE Listing Requirements, a director only qualifies as "independent" if the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company).

Committees of the Board shall have access to outside legal counsel, accountants, compensation consultants, investment bankers, or other independent consultants or advisors (at the Company's expense), whose expertise is deemed essential to carrying out the committees' respective missions.

## **VI. BOARD MEETINGS**

The Chairman shall establish the agenda for the Board's meetings. Any member of the Board may, however, recommend the inclusion of specific agenda items. Such recommendations shall be accommodated unless it is not practicable to do so.

Materials important to the Board's understanding of agenda items shall be distributed to the members of the Board, in a timely manner, before the Board meets. These materials shall be informative but concise. Each member of the Board shall review distributed materials prior to each meeting of the Board. Members of the Board are also encouraged to keep themselves informed of the Company's affairs between Board meetings through direct contact with members of senior management of the Company.

Members of the Board are expected to attend each meeting of the Board, either in person or telephonically.

Members of senior management or other persons who are not members of the Board may attend and participate in the Board's meetings at the invitation of the Chairman.

## **VII. BOARD ACCESS TO SENIOR MANAGEMENT AND INDEPENDENT ADVISORS**

Members of the Board shall have complete access to senior management of the Company and, as appropriate, independent advisors. The Board's contact with such individuals shall be handled in a manner that would not be disruptive to the Company's business operations. It is encouraged that any non-routine written communications emanating from such contact should be copied to the CEO. However, the Board recognizes that Board members may, and in some circumstances should, respect the privacy of the persons communicating with the Board and treat such communications confidentially.

The Board encourages the CEO to invite members of senior management or other key personnel of the Company to Board and committee meetings: (a) to provide additional insight on items being discussed because of their personal involvement in such areas; and/or (b) to provide Board exposure to individuals with outstanding management potential.

## **VIII. COMPENSATION FOR DIRECTORS**

Any compensation of members of the Board shall be established in accordance with applicable legal and regulatory requirements, as well as the NYSE Listing Requirements. Compensation of independent directors on the Board shall be comparable to that offered by other companies of similar size and scope. Except as permitted under the NYSE Listing Requirements, independent directors shall receive no additional remuneration from the Company beyond that provided to such individuals for their service as directors on the Board and as members of any committee of the Board. Directors who are officers of the Company shall receive no remuneration from the Company for serving as a director on the Board.

Senior management of the Company shall periodically review with the People and Compensation Committee the status of independent director compensation relative to comparable companies. The People and Compensation Committee shall periodically review the Company's principles for determining the form and amount of independent director compensation, as appropriate. Any changes to Board compensation shall arise from recommendations of the People and Compensation Committee, with full discussion and concurrence by the Board.

The Board is committed to fostering compensation programs designed to encourage stock ownership by the directors and senior management of the Company over the long-term. Such programs, in the view of the Board, shall further align the interests of the directors and senior management of the Company with the interests of the stockholders.

## **IX. BOARD COMPOSITION AND QUALIFICATIONS**

The Board believes that it should generally have no less than the minimum and no more than the maximum number of directors provided for in the Company's bylaws to allow for a diversity of experience without hindering effective discussion or diminishing individual accountability.

Directors should possess high personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the stockholders. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the Board for an extended period of time. In the event a Director experiences a change in his or her principal employment responsibilities, such Director shall promptly notify the Company of such change and provide a description thereof. Following receipt of such notice, the Governance and Sustainability Committee shall determine whether the change constitutes a material adverse change in principal employment responsibilities. If the Governance and Sustainability Committee makes such a determination, it shall request that such Director tender his or her resignation from the Board. The Governance and Sustainability

Committee shall then make a recommendation to the Board regarding whether the Board should accept such resignation.

The Governance and Sustainability Committee shall solicit and receive recommendations, and review qualifications of, potential candidates to serve on the Board. The Governance and Sustainability Committee shall recommend to the full Board candidates for election to the Board.

The Board believes that board diversity is important to serving the long-term interests of the Company and its stockholders. In the event that the Governance and Sustainability Committee determines to recruit candidates as potential nominees to join the Board, the candidate pool will include qualified female and racially and/or ethnically diverse candidates and any third-party recruitment utilized in connection with such search will be instructed to include such individuals in the list of candidates they provide the Governance and Sustainability Committee.

The Governance and Sustainability Committee, after consultation with the Chairman and other members of the Board, shall review periodically the particular attributes that would be most beneficial to the Company in future Board nominees considering the Company's strategy and its regulatory, geographic and market environments. This assessment shall include, but not be limited to, issues such as integrity, competence, experience, commitment, diversity and collegiality.

The Governance and Sustainability Committee, after consultation with the Chairman and other members of the Board, shall conduct periodic succession planning reviews with respect to Board members. These reviews will take into account, among other considerations, the Company's mandatory retirement age policy as well as the desired attributes as identified by the Governance and Sustainability Committee for future Board nominees.

When required by the NYSE Listing Requirements, a majority of the Board must be composed of directors who are independent (as defined in the NYSE Listing Requirements). Each director shall cooperate with the Board during the Board's process of determining the independence of each director. Under the NYSE Listing Requirements, a director only qualifies as "independent" if the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company).

The Board recognizes that it is valuable to the Company that members of the Board have experience in the industry in which the Company operates. Accordingly, subject to the NYSE Listing Requirements and applicable law, a member of the Board may serve as a member of a board of directors, a board of managers, or an advisory committee of, or as an officer of, or other stakeholder in, another entity (other than a direct competitor of the Company) operating in the same industry as the Company and, absent an express determination by the Board to the contrary, be deemed an independent director of the Company.

Any officer (other than the CEO or the Chairman) of the Company who also serves as a director shall tender such officer's resignation to the Board upon any termination of such officer's employment by the Company. The Board will decide at such time whether the resignation from the Board is accepted.

#### **X. DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

In order to promote director effectiveness, senior management shall conduct an informal orientation process for new directors that includes information on the Board's policies and procedures, written materials concerning the Company and its operations, meetings with senior management, and visits to Lear's offices and facilities. Recently appointed directors are encouraged to advise the Secretary of the Company as to the effectiveness of these materials and suggest any changes.

Senior management shall periodically distribute materials to the Board regarding developments of the Company and the industry in which the Company does business in order to continue each director's education with respect to such director's service on the Board.

Directors are encouraged to participate, at the Company's expense, in continuing director education programs, subject to and in accordance with any continuing director education / training policy implemented by the Company.

#### **XI. TERMINATION OF BOARD MEMBERSHIP**

The Board does not believe limits on the number of terms that a director may serve are appropriate at Lear. While mandatory turnover could provide fresh viewpoints to the Board, term limits have the disadvantage of losing the contribution of directors who have a unique insight into the business of Lear and its operations. The Board believes it would be unwise to discard such value through the automatic termination of a director's Board membership. However, the Board does believe that a mandatory retirement age for directors is appropriate and has adopted the policy that, absent a waiver, an individual may not stand for election or reelection to the Board if such individual has reached 72 years of age.

#### **XII. EVALUATION OF THE CEO**

The CEO shall be expected to report annually to the People and Compensation Committee on the CEO's goals and objectives for the ensuing year, and also to report annually on the level of achievement of the preceding year's goals and objectives. All independent members of the Board shall be invited to those particular People and Compensation Committee meetings, and all shall have the opportunity to participate in any appropriate follow-up meetings or discussions.

The full Board shall participate in the evaluation of the CEO. Both objective and subjective criteria shall be used, including but not limited to: (a) the Company's financial performance; (b) accomplishment of Lear's long-term strategic objectives; (c) succession planning; (d) the development of senior management of the Company; and (e) other criteria as determined by the Board from time to time.

### **XIII. BOARD EVALUATION**

The Board shall engage in a self-evaluation annually to determine whether it and its committees are functioning effectively. This evaluation shall be of the Board as a collective body. The evaluation of the Board shall be administered by the Governance and Sustainability Committee and evaluation results shared with the full Board for their discussion and deliberation following the end of each fiscal year. In addition, the Chairman shall contact each director to obtain evaluations of other directors' performances on the Board, on an individual basis.

### **XIV. BOARD MEMBER COMMITMENTS**

Lear recognizes that members of the Board benefit from service on the boards of other companies. We encourage that service but also believe it is critical that directors have the opportunity to dedicate sufficient time to their service on the Board. To that end, the CEO and any other director who is an employee of Lear shall serve on no more than two (2) public company boards in addition to the Board. No officer of Lear shall serve on the compensation committee of any other public company board. It is recommended that directors other than the CEO and any other director who is an employee of Lear shall serve on no more than four (4) public company boards in addition to the Board. In addition, without the approval of the Board, independent directors on Lear's Audit Committee shall serve on no more than two (2) public company board audit committees in addition to the Lear Audit Committee. For purposes of this section, "public company board" shall mean a board of directors of a company with equity securities registered pursuant to Section 12(b) or Section 12(g) of the Securities Exchange Act of 1934, as amended.

### **XV. EXECUTIVE SESSIONS**

In order to enable non-management directors of the Company to be a more effective check on management of the Company, the non-management directors of the Company shall meet regularly in executive session of the Board without management present ("Non-Management Sessions"). Such Non-Management Sessions shall be conducted in accordance with any NYSE Listing Requirements then in effect, and the identification of non-management directors shall be made in accordance with the NYSE Listing Requirements. Not later than the date required under the NYSE Listing Requirements, the non-management directors as a group, acting through a resolution approved by a majority plus one of all non-management directors, shall determine which one of its members shall serve as the Non-Executive Chairman or Presiding Director at such Non-Management Sessions or shall adopt a procedure to determine which non-management director will preside at each such Non-Management Session. The non-management directors may meet without management present at such other times as determined by the Non-Executive Chairman or Presiding Director, as applicable.

If the group of non-management directors of the Company includes directors who are not independent under the NYSE Listing Requirements, the Company will also schedule an executive session, at least once a year, including only independent directors.



## **XVI. COMMUNICATIONS WITH THE BOARD, NON-MANAGEMENT DIRECTORS AND AUDIT COMMITTEE**

The Board believes it would be useful to make these Guidelines available to stockholders and other constituents and requests that management do so in whatever manner is most feasible.

Lear's stockholders and interested parties may send communications to the Board by writing to the Board at Lear Corporation, 21557 Telegraph Road, Southfield, MI 48033, U.S.A., Attention: General Counsel.

If any Lear stockholder or interested party wishes to communicate directly with Lear's non-management directors or the chairman of the Audit Committee regarding any matter, including any accounting, internal accounting or auditing matter, such party can communicate his or her concerns confidentially to the Audit Committee, Non-Executive Chairman, or Presiding Director (if one has been selected). Any submissions to the Audit Committee, Non-Executive Chairman or Presiding Director should be marked confidential and addressed to Chairman of the Audit Committee, Non-Executive Chairman or Presiding Director, as the case may be, c/o Lear Corporation, P.O. Box 604, Southfield, MI 48037, U.S.A. In addition, confidential communications may be submitted in accordance with other procedures set forth from time to time on the Company's website. The submission should contain, to the extent possible, a full and complete description of the matter, the parties involved, the date of the occurrence or, if the matter is ongoing, the date the matter was initiated and any other information that the reporting party believes would assist the Audit Committee, Non-Executive Chairman or Presiding Director in the investigation of such matter.

Directors are encouraged to attend all annual and special meetings of Lear stockholders.

## **XVII. REVIEW AND CHANGES TO THE GUIDELINES**

The Governance and Sustainability Committee shall be responsible for reviewing these Guidelines not less than annually and recommending any proposed changes to the Board for approval.

## **XVIII. DISCLOSURE OF THESE GUIDELINES, CODE OF BUSINESS CONDUCT AND ETHICS AND COMMITTEE CHARTERS**

These Guidelines, the Code of Business Conduct and Ethics and the charters of the following committees: Audit, People and Compensation, and Governance and Sustainability will be available on the Company's website or otherwise be made publicly available. Each annual report of Lear shall indicate that the foregoing information is available on the Company's website or that the information is available in print to any stockholder who requests such information.

**Amended as of November 15, 2022**

## **EXHIBIT A**

### **Policy on Shareholder Rights Plans**

Lear does not currently have a shareholder rights plan and has no present intention to adopt one. Subject to the Board's continuing fiduciary duties, which may dictate otherwise depending upon the circumstances, the Board shall submit the adoption or extension of any future rights plan to a vote of the stockholders. Any shareholder rights plan adopted or extended without stockholder approval must be approved by a majority of the independent members of the Board.