

Governance

Disclose the organization's governance around climate-related risks and opportunities.

- a. *Describe the board's oversight of climate-related risks and opportunities.*
 - a. Gentex's Board of Directors meets quarterly. The Nominating and Corporate Governance Committee operates pursuant to the Gentex Corporation Nominating and Corporate Governance Committee Charter (Found here: <https://ir.gentex.com/corporate-governance/documents-and-charters>), which includes oversight of the Company's environmental, social and corporate governance (ESG) and sustainability efforts. The Board has always had oversight of, and remains engaged in the Company's ESG and sustainability efforts, but receives additional support from the Nominating and Corporate Governance Committee in ESG and sustainability. Per its Committee Charter, the Nominating and Corporate Governance Committee regularly reviews the Company's sustainability progress toward goals and targets, and assesses climate-related risks within the Company's business continuity plan and enterprise risk management program.
- b. *Describe management's role in assessing and managing climate-related risks and opportunities.*
 - a. Our management team is directly involved in overseeing and implementing the appropriate responses toward climate related risks and opportunities. Our Sustainability Officer works with our Sustainability Manager to track and report on the advancement and completion of our annual and longer term sustainability targets, and is in regular communication with our executive management team on our progress and opportunities. Within our manufacturing locations, we have dedicated teams focused on ESG targets. Individual engineering, manufacturing, and facilities teams may be tasked with identifying or implementing the projects. The progress is communicated to the Board of Directors and Nominating and Corporate Governance Committee quarterly by our Sustainability Officer, and reported publicly in our annual Sustainability Report.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

- a. *Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.*
 - a. The time horizons utilized reflect our involvement in the automotive industry, which typically operates on longer development scale: Short-term (0-2 years), Medium-term (2-5 years), and Long-term (5-10 years). These timeframes align with the growth plan and are consistent with the Enterprise Risk Management process.

- b. Our Sustainability Officer and Sustainability Manager work alongside various teams and management throughout the company to accurately identify and evaluate physical and transitional climate risks and opportunities. Our Sustainability Officer also meets regularly with the executive management team to assess significant changes in the company’s product lines, supply chain, customer base, and overall business landscape. Benchmarking from companies such as EcoVadis, ISS, Supplier Assurance, and CDP is utilized to inform management of the risks and opportunities our industry peers are responding to. Utilizing a similar approach to the risk types identified by the Task Force on Climate-Related Financial Disclosure, our team reviews risks, their corresponding timing and likely impact on Gentex. Risks and opportunities identified as significant are escalated to the executive management team, and corresponding mitigation or action plans are implemented by the appropriate teams. The following table describes climate-related issues included in our risk assessment:

| | | |
|------------------|------------------|--|
| Transition Risks | Policy and Legal | <p>The Company makes intentional decisions that reflect the desire to be responsible with all resources, including complying with all laws, upholding international human rights conventions, and seeking to ensure the Company’s supply chain operates in a similar fashion.</p> <p>The Company meets or exceeds all relevant legal and customer requirements, which are significant in the Company's primary industries. Doing so necessitates staying current on any related legal requirements and guidelines, as well as continual improvement in minimizing waste and preventing pollution. As such, the Company periodically establishes objectives and targets to minimize pollution and adverse impacts on the environment associated with its business activities.</p> <p>We recognize the likelihood of continuing development of greenhouse gas emission regulations, pollution reduction, and decarbonization efforts, and will continue to monitor and comply with legal guidelines for our associated local, state, federal and international regulation.</p> <p>As we closely monitor our compliance with current and upcoming regulations, we do not currently view any regulations, potential litigation, or legal requirements as having a material risk on our business.</p> |
| | Technology | <p>As more of our OEM customers and end consumers show interest in transitioning from internal combustion to hybrid, battery electric, or alternative fuel sources, Gentex technologies remain a viable way to add technology, safety features, and value to a vehicle, regardless of the powertrain or fuel source. Our product design and purchasing teams continually work to find better optimized components, while also scrutinizing</p> |

| | | |
|--|------------|--|
| | | <p>the supply chain and raw material sources and companies we purchase from.</p> <p>Gentex re-invests a considerable portion of our revenue into our research and development processes. We consistently evaluate energy sources, energy reduction and efficiency opportunities, and mechanization opportunities within our manufacturing process, and engineering and manufacturing teams implement and support these systems after studying the impacts to the product’s quality, cost, efficiency and environmental impact.</p> <p>We closely monitor our technological advancement, mechanization, and supply chain to minimize obsolescence and maximize efficiency in our manufacturing process. Gentex management works to incorporate as much expected impact into our annual guidance, and we do not currently view any technological trends as having a material risk on our business outside our guidance range.</p> |
| | Market | <p>Our primary driver of market-based risks includes changes in our OEM customer volumes, consumer demand for advanced technology, and the increasing cost of raw materials due to supply chain shortages or ongoing global trade negotiations and tariffs. As vehicle pricing remains near all time highs, consumer demand could wane, reducing vehicle production. Similarly, our customers could focus on reducing costs by removing advanced features from the vehicle or working to utilize lower cost suppliers, which could negatively impact our sales.</p> <p>Gentex proactively works with our customers to facilitate direct communication regarding supply chain issues, and we prioritize our reputation as a world class supplier. This can mean that we deliberately take a slower approach to pushing pricing increases through to our customers. This has had a negative impact on our margin profile in the past, but our focus remains on long term success with our customers, and we have a consistent track record showing that we can work through supply chain shortages and cost increases to recover margins over time.</p> <p>We work to include as many of these impacts into our guidance as possible, however, this is a very fluid policy environment, and the availability and cost of our raw materials may impact our profitability.</p> |
| | Reputation | <p>Currently, approximately 98% of Gentex’s revenues come from the automotive vehicle production market. Gentex has established itself as a well-respected, high-quality supplier within this marketplace, and works with nearly every major auto manufacturer. Our content is available on most vehicles, but typically is more prevalent in higher trim, higher cost vehicles. Shifting consumer preference among vehicle purchasers between</p> |

| | | |
|----------------|------------------------|---|
| | | <p>manufacturers would likely have less direct impact than consumer preference on vehicle type. If consumers demand lower cost vehicles, there would likely be pressure on Gentex revenues.</p> <p>Light vehicle production supports the transportation needs of many consumers, but stigmatization of the sector could unfavorably impact Gentex revenues. If consumers opt to move to cities with mass transportation solutions or opt to find alternative modes of transport, or opt to avoid using vehicles by working remotely, demand for light vehicles could reduce and negatively impact Gentex revenues. The likelihood of this trend dramatically influencing consumer demand in the near-term and mid-term time frames is very unlikely, and we do not expect material impact from these trends.</p> <p>Gentex maintains open, consistent dialog with our shareholders, and actively responds to shareholder concerns and requests. While different shareholders may have different timelines and objectives, we believe that our reputation with stakeholders is positive and we are not at material risk of climate related shareholder campaigns or a reduction in capital availability.</p> |
| Physical Risks | Acute physical risks | <p>With our primary manufacturing footprint in Michigan, Gentex is less directly exposed to extreme weather events than many of our peers. Weather related impacts would typically be felt in our supply chain and customer base, and Gentex actively works to have a distributed supply chain and customer base to avoid overweight dependence and risk from a single supplier or customer shutdown.</p> <p>Our infrastructure and facilities are designed to withstand the majority of weather conditions, and while primarily located in the local Zeeland Michigan area, our manufacturing facilities are dispersed among multiple locations. Our management teams utilize business continuity plans for weather related impacts, including insurance plans in the event of a negative impact. While lower likelihood, an extreme weather event such as a tornado could negatively impact production, increase capital requirements for facility repair, and create a potentially material risk.</p> |
| | Chronic physical risks | <p>Similar to our conclusions regarding our acute physical risk assessment and mitigation plans, our primary manufacturing locations provide an optimal location for avoiding weather related impacts from extreme variation within rainfall, sea level rise, and rising mean temperatures. Our distribution of component sourcing, suppliers and customers also provides a dispersed risk of negative impact from a single location shutdown due to climate.</p> |

| | | |
|--|---------------------|--|
| | | As with the acute physical risks, our infrastructure and facilities are designed to withstand the majority of weather conditions, and while primarily located in the local Zeeland Michigan area, our manufacturing facilities are dispersed among multiple locations. Our management teams utilize business continuity plans for weather related impacts, including insurance plans in the event of a negative impact. As such, these chronic physical risks from climate change do not currently represent a direct material risk. |
| | Opportunities | Gentex currently publishes an annual sustainability report which highlights our targets, progress, and performance on resource efficiency. Many of our goals and initiatives are also covered in our annual report. Both reports can be found at https://ir.gentex.com/financials-and-filings/annual-reports-and-proxy-statements Highlights from our programs can be found in the following table: |
| | Resource Efficiency | With respect to sustainability initiatives, the Company has undertaken a number of actions related to energy, waste stewardship, water management, and environmental protection. Regarding energy, the Company: utilizes software-managed and occupancy-sensor controlled lighting in all facilities; has air economizers and energy recovery units in HVAC systems; utilizes energy efficient fluorescent lighting; has certain white material roofs to reflect sunlight; has insulated metal panel systems for exterior walls (for energy efficiency); captures excess heat from compressed air systems and uses it to preheat/temper water used in production; takes excess water from production processes to use in boiler/snow melt water; and installed a centralized water chiller plant to lower energy use. Regarding waste stewardship, the Company improved its cleaning method for certain products to reduce material usage preventing thousands of pounds of additional waste material and uses recycled materials in facility carpets. In terms of waste management, the Company: put in place a water recovery system that significantly reduced overall water usage; collects storm water to reduce discharge into municipal drain systems; implemented irrigation software to monitor weather conditions thereby reducing water consumption; and diligently works to monitor and reduce potential pollutants in its facilities. In terms of environmental protection, the Company has: integrated “green roofs”; adopted a highway to clean waste from public lands; constructed wetland and wildlife habitat areas; and acquired property which includes natural wetlands. In regard to transportation, the Company maintains: 30 electric vehicle charging stations; a bicycle fleet for travel between facilities; a bus shelter to encourage bus ridership; and |

| | | |
|--|-----------------------|--|
| | | Sweed banding choppers at certain facilities to reduce frequency of trips to recycling. |
| | Energy Source | The Company implements efficient alternatives for capital equipment, uses automated building management systems to use less energy, and has put in place extremely efficient lighting and HVAC equipment. The Company also participates in the local Energy Smart Program, which promotes the implementation of progressive energy efficiency projects, including achieving the maximum goal possible for lighting and HVAC improvements, compressed air leak audits, and building control systems. Through a purchase agreement with a local energy company, the Company also has one site utilizing fully renewable energy. The Company's environmental management system is based on ISO 14001 (international environmental standard). This system governs environmental performance by addressing the impact of the Company's activities, products, and services on the environment. At each Company facility, environmental impact is measured and improved upon annually by eliminating waste and emissions, maximizing efficiency of processes and resources, and increasing recycling and reuse. The foregoing has allowed the Company to establish long-term measures for minimizing the negative effects on the environment, while maximizing positive outputs for the communities in which the Company operates. Various metrics are tracked to gauge the environmental performance of the Company's facilities, including: electricity use; process water use; natural gas use; VOC air emissions; and greenhouse gas emissions (both those directly controlled and those from electricity usage). |
| | Products and Services | Gentex does not directly supply products or services used for reducing emissions and climate related industries. That said, many of our technologies can be implemented to aid in the flexibility of designs and vehicle performance, which can improve product performance and reduce energy consumption. For example, our primary electrochromic technology, which can be used to darken glass, can be employed by customers to reduce HVAC load on vehicles. If the automotive market continues to develop toward autonomous vehicles, several of Gentex's cameras, sensors, and technologies can assist in the functionality and performance of the vehicle. These vehicles could potentially have beneficial impact on emission reduction, through fuel consumption reduction, lowered HVAC requirements, and increased aerodynamics. These technologies would likely be adopted and implemented on a longer term time frame, and would be a slower transition. As global trends would have a direct impact on our sales and market potential, our product |

| | | |
|--|------------|---|
| | | and service portfolio could be materially impacted by material changes in the market. |
| | Markets | <p>While they are a smaller contribution of revenue, Gentex currently participates in sales into developing markets globally, but typically does so through existing OEM customers as they grow into new regions. Continuing development of OEM sales from local manufacturers in these markets could provide additional revenue streams.</p> <p>Gentex will continue to participate in governmentally subsidized programs and public-sector incentives as available and applicable.</p> |
| | Resilience | <p>In our existing manufacturing environment, Gentex implements efficient alternatives for capital equipment, uses automated building management systems to use less energy, and has put in place extremely efficient lighting and HVAC equipment. The Company also participates in the local Energy Smart Program, which promotes the implementation of progressive energy efficiency projects, including achieving the maximum goal possible for lighting and HVAC improvements, compressed air leak audits, and building control systems. Through a purchase agreement with a local energy company, the Company also has one site utilizing fully renewable energy. As part of our commitment to sustainability, we have significantly expanded the solar power system on the roof of our European headquarters in Erlenbach, Germany.</p> <p>Previously, we operated a smaller 34 kWp system. 100% of the electricity produced was fed into the public grid and was not used internally. This system remains in place and in use while the new system, which is also equipped with battery storage, allows us to cover a significant portion of our own energy needs. With a capacity of 337 kWp and 822 PV modules, the new system generates approximately 319 MWh of electricity per year. Thanks to the battery storage with a capacity of 300 kWh, we can optimize our own consumption and reduce our dependence on external energy sources. The battery pack can provide temporary backup power for our offices and warehouses in Erlenbach. Any overflow is fed back into the grid, contributing to a more sustainable energy supply for the region. This investment significantly reduces our carbon footprint, saving approximately 107 tons of CO₂ per year. By increasing our use of renewable energy, we are actively supporting the transition to a greener future.</p> <p>Gentex will continue to transition to alternative energy utilization where viable, participate in governmentally subsidized programs as available and applicable.</p> |

b. *Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.*

a. Gentex technologies continue to be utilized primarily in the automotive industry, and can indirectly improve the performance and efficiency of many of these vehicles by improving design and styling optionality, which can improve HVAC utilization and fuel efficiency. Over the last decade, Gentex has diversified and improved our supply chain to source local components where available, and use ocean and rail shipping when possible to reduce fuel consumption. In our manufacturing and office environments, Gentex has sought to improve the efficiency of our buildings, manufacturing environment, adopted alternative energy sources and deployed automation throughout our facilities when viable. With data provided by our manufacturing and engineering teams, our executive management team continually evaluates our manufacturing footprint, energy utilization, and product portfolio. Our Sustainability Manager works with our facilities team to track environmental impacts and energy use, and we track and report this information in our annual sustainability report, which can be found here: <https://ir.gentex.com/financials-and-filings/annual-reports-and-proxy-statements>. This includes our greenhouse gas emission reduction targets, and our path to get to carbon neutrality by 2049. Our teams work to incorporate climate-related risks as we consider direct and indirect costs associated with addressing environmental decisions. Our capital structure allows us to remain agile and deploy efficient solutions across our facilities, while also focusing on and investing in new technologies to improve our product portfolio and drive potential revenue in the future. As we acquire new technologies or companies, we will assess their existing portfolio and environmental performance, and work to bring them alongside our structural guidelines for environmental impact and reporting.

c. *Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.*

a. Gentex works to remain agile and responsive in a continually developing marketplace. We evaluate and utilize energy efficient systems within our manufacturing environment. Our primary manufacturing location is less likely to be directly impacted in the event of a 2°C degree or lower scenario, and we believe the company will continue to find viable operational improvements to remain competitive with our markets. That said, the automotive market could be negatively impacted by increasing component costs and rising fuel costs, and could create a material impact on our financial performance. Conversely, such scenarios could also reshape the automotive marketplace, and create new opportunities for our products and services to add value for our customers. We believe the company would be able to provide guidance several years ahead of such scenarios, and react

accordingly to provide shareholders with a reasonable expectation around any impact, whether positive or negative.

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

- a. *Describe the organization's processes for identifying and assessing climate related risks.*
 - a. Our Sustainability Officer coordinates with the key members of the organization and the executive management team to identify, assess the potential size and scope of identified climate-related risks, and implement strategies to resolve climate risks and opportunities. Individual groups and teams are often tasked with project-specific items, such as installing components and infrastructure for improved efficiency and reduced waste. Our Sustainability Manager tracks progress on key items, and provides regular updates to our Sustainability Officer, who reports on progress to the board. Gentex also reports this progress in our annual sustainability report which can be found here: <https://ir.gentex.com/financials-and-filings/annual-reports-and-proxy-statements>.
- b. *Describe the organization's processes for managing climate-related risks.*
 - a. Gentex tracks and reports on a variety of key risk types, primarily focused on customer and governmentally requested data, similar in scope to the Task Force on Climate-Related Financial Disclosure. Our Sustainability Officer reviews risks, potential impacts to Gentex, timing of expected impacts, and likelihood and scope of impact. Significant risks and opportunities are communicated with the executive management team, and necessary mitigation or action plans are undertaken.
- c. *Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.*
 - a. Gentex has a "best idea wins" culture that encourages employees to submit ideas and concerns to team leaders. In addition to the metrics requested or encouraged from customers and governmental entities, our Sustainability Officer and executive management team meet regularly to discuss risks, potential impacts to Gentex, timing of expected impacts, and likelihood and scope of impact. Significant risks and opportunities are assigned to teams for resolution based on area of impact (facilities, engineering, manufacturing, etc.), and progress is reported back through the Sustainability Officer. Each quarter, the Sustainability Officer reviews progress and targets with our board as needed.

Gentex is a global supplier, and we remain focused on providing parts to our customers regardless of acute physical climate events like tornadoes, hurricanes,

heavy snow, temperature variation, and precipitation. Our manufacturing facilities have comprehensive business continuity plans to protect against the majority of these challenges. These strategies are reviewed regularly, and evaluated to assess the company's performance to key metrics.

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

- a. *Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.*
 - a. In 2024, Gentex tracked the following metrics relevant to climate-related risks and opportunities and reported them in our annual sustainability report which can be found here: <https://ir.gentex.com/financials-and-filings/annual-reports-and-proxy-statements>:
 - a. Scope 1 GHG emissions (stationary combustion, company vehicles, and fugitive emissions)
 - b. Scope 2 GHG emissions (Emissions from electricity and steam we purchase)
 - c. Electricity Use (per kWh and kWh/dollar revenue)
 - d. Process Water Use (gallons and gallons per dollar revenue)
 - e. Natural Gas Use (cubic feet and cubic feet per dollar revenue)
 - f. VOC Air Emissions (pounds and pounds per dollar revenue)
 - g. Solid Waste to Landfill (pounds and pounds per dollar revenue)
 - h. Solid Waste Recycled (pounds and pounds per dollar revenue)
 - i. Regulated Waste (pounds and pounds per dollar revenue)
- b. *Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.*
 - a. See details on the metrics above in Gentex's 2024 Sustainability Report [here](#).
 - a. Pages 11, 12, 13, & 15
- c. *Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.*
 - a. Gentex has established the following performance goals for carbon reduction and neutrality goals. The baseline year is 2021.
 - a. 2026 - 15% below 2021 levels
 - b. 2031 - 40% below 2021 levels
 - c. 2041 - 70% below 2021 levels
 - d. 2049 - Carbon Neutral
 - b. Gentex has established the following performance goals for carbon reduction and neutrality goals. The baseline year is 2021.



- a. 2026 - 20% below 2021 levels – Already achieved in 2025
- b. 2031 - 60% below 2021 levels
- c. 2041 - 90% below 2021 levels
- d. 2045 - 100% recyclable, Zero landfill waste