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## **CODE OF BUSINESS CONDUCT AND ETHICS**

### **Introduction**

Integrity, professionalism, and the honest and ethical conduct of business are core values of Gentherm Incorporated (“Gentherm”). This Code of Business Conduct and Ethics (this “Code”) covers Gentherm and all its subsidiaries and other business entities controlled by Gentherm worldwide (collectively, the “Company”). This Code applies to every person working for or on behalf of the Company, including as a director, officer or employee. We also expect third parties representing the Company, such as a contractor or agent, to abide by this Code. This Code is designed to affirm and promote the standards of ethical conduct described below.

This Code covers a wide spectrum of topics and many basic principles regarding our business practices, but it cannot cover every issue that may arise. Our Company policies and procedures are a further resource for you and act as supplements to this Code. Use good judgment and common sense in everything you do on behalf of the Company. Ask questions of your supervisor, the compliance officer for your work location, or the Company’s General Counsel if you are unsure about any aspect of this Code or its application in any situation.

Each and every one of us is obligated to act in accordance with the requirements and the spirit of this Code in all aspects of our business. This includes not only adherence to the requirements set forth in this Code, but also fostering an environment that supports honesty, trust and decency. Finally, we all share responsibility in reporting any unlawful or unethical conduct that we observe. The Company has established regional telephone “hot lines” and a dedicated e-mail address where possible violations of this Code or any other behavior that causes concern to any of our employees may be reported anonymously. All employees are encouraged to “speak up” if they are aware of any potential issues. To that end, the Company undertakes to ensure that those reporting a possible violation or other concerning behavior with good intentions will not suffer adverse consequences as a result. All reports of possible misconduct will be handled with all seriousness by the Company and corrective and/or disciplinary action will be taken as appropriate.

Together, we carry the responsibility of maintaining the Company’s reputation of uncompromising integrity at all levels of the organization. In order to convey the importance of this responsibility, each director, officer and employee of the Company will be asked to acknowledge receipt of this Code and agree to be bound by this Code and to take such action as necessary to ensure that any employees under their supervision are familiar with, understand and also comply with this Code.

*For purposes of clarity pertaining to applicable U.S. securities laws, this Code expressly applies to the Company’s Chief Executive Officer, principal financial officer, controller, principal accounting officer and other persons performing similar functions.*

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Copies of this Code will be posted on the Company’s website and available through the Company’s Human Resources Department. If this Code is updated or modified, each director, officer and employee of the Company will receive notification and will be expected to comply with the updated or modified version of this Code.

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### 1. Compliance with Laws, Rules and Regulations

Our reputation and business success depend on our knowledge and compliance with all applicable laws and regulations. We each have an obligation to comply with all laws, rules and regulations applicable to the Company. We expect you to read and understand Company policies and procedures, attend training sessions, and ask questions if you are uncertain about applicable laws, rules, and regulations. Use good judgment and common sense and apply the highest standard of conduct in your daily routine.

The Company recognizes the rights of third parties that we do business with. Third party lawsuits and claims for damages can cause considerable damage to the Company’s business reputation. We expect good-faith efforts to comply with contractual legal obligations that the Company has made, unless a deviation is approved by appropriate supervisors. Third parties should also not be encouraged to perform unlawful actions, to participate in such actions or to cover them up.

Because Gentherm Incorporated is a United States corporation, there are many cases where U.S. laws apply to the Company's activities, no matter where in the world they occur. A few examples of these are described further below. However, we must also adhere to applicable laws, rules and regulations in each specific country and locality in which we operate. In some cases the local customs of the country where you work may be in conflict with U.S. laws or the standards set forth in this Code. We must apply the most stringent standard. Where there appears to be a conflict between local law and this Code, the Company's General Counsel should be consulted.

**A. Workplace Safety Laws**

The safety and well-being of our Employees is of utmost importance to the Company. All workplace safety laws, rules and regulations must be adhered to without exception. Employees must, at all times, comply with fire protection, building code and other laws, rules and regulations designed to provide for a safe work environment.

**B. Anti-Corruption and Anti-Bribery**

Offering or accepting bribes, kickbacks or preferential treatment in connection with referrals, awards, payments or other business activities is strictly prohibited. Company employees working both in and outside of the U.S. should be aware of the U.S. Foreign Corrupt Practices Act ("FCPA") and applicable local anti-corruption laws. The FCPA regulates interactions with non-U.S. government officials. Under the FCPA, you may not provide, or promise to provide, any money or "anything of value" to a "government official," in order to obtain or retain business, or to secure any improper advantage. The FCPA prohibits such actions whether directly by Company employees or indirectly through third parties, such as agents, consultants, and intermediaries. Violation of the FCPA and similar anti-corruption laws in most other jurisdictions is a crime that can result in severe fines and criminal penalties, as well as disciplinary action by the Company. "Anything of value" includes gifts, entertainment, hospitalities, services, benefits, favors, etc., no matter how small. A "government official" is defined broadly and includes an employee of a government, government agency or instrumentality, an employee of a state-owned enterprise, political parties or members or officials of political parties, party candidates or an employee of an international organization.

If you intend to provide any gift or business entertainment to a government official in any country, it must be in strict compliance with applicable anti-corruption laws and you must first obtain approval from the Company's General Counsel.

**C. Trade Restrictions and Export Control Laws**

The U.S. and other countries have laws imposing restrictions on exports and other dealings with certain countries, entities and individuals. These restrictions apply to:

- Exports to prohibited countries,
- Investments in and other dealings with sanctioned countries or with designated individuals, and
- Export of articles or services designed or adaptable for military application.

An “export” occurs when a product, service, technology, or piece of information is shipped to a person in another country. An export can also occur when technology, technical information or software is provided in any way, including verbally, to a foreign citizen located in either the U.S. or a third country. Before engaging in exporting activity, you must verify the eligibility of both the location of delivery and the recipient. The Company must also obtain all applicable licenses and permits, and pay required duties. The list of prohibited countries and restrictions is always subject to change. Therefore, if you are involved in international trade activities you should contact the Company’s General Counsel whenever you are unsure as to what is permissible and how to appropriately clear products for export.

**D. Antitrust and Fair Competition**

Our business is subject to U.S. antitrust laws and competition laws of the other countries in which we operate. Our policy is to compete vigorously and ethically while complying with all antitrust and competition laws. Antitrust and competition laws are designed to protect consumers and competitors against unfair business practices and to promote and preserve competition. These laws, among other things, prohibit or restrict activities related to fixing, coordinating or controlling prices and allocating or dividing customers, territories or markets. As a result, you should limit communication with competitors to only that which is necessary and you must not communicate with competitors concerning activities that could be deemed to restrict competition, fix or control pricing or otherwise coordinate market actions. Do not make false, misleading, deceptive, or fraudulent statements regarding the Company’s products and services or regarding the products and services of our competitors. Do not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation, or any other unfair practice.

**E. Data Protection and Privacy Laws**

The collection, use, storage, and international transfer of personally identifiable information about individuals is increasingly subject to regulations in the U.S. and other countries. We are committed to complying with all applicable data protection and privacy laws in the countries where we operate. You should carefully protect all personal information you acquire or have access to by virtue of your employment with the Company. This includes personal information about Company employees, customers, vendors, suppliers, partners and other third parties with whom the Company does business.

**F. Environmental Laws**

We are responsible for protecting the environment in which we live and work. We are committed to developing and maintaining sustainable and environmentally responsible business operations. You must comply with local environmental laws and regulations at your work site, as well as follow the Company’s environmental initiatives.

## **2. Conflicts of Interest**

Conflicts of interest occur when your personal interests or activities may influence your ability to act objectively and in the best interests of the Company. Conflicts of interest, or the appearance of conflicts of interest, may sometimes occur without any action on your part. You are expected to act in the best interest of the Company at all times. You must refrain from engaging in any activity or having a personal interest that presents – or even appears to present – a conflict of interest. In this regard, you must not:

- Perform services as a consultant, employee, officer, director, advisor, or in any other capacity for a competitor, customer or supplier of the Company (other than services performed at the request of the Company);
- Have a financial interest in a competitor, customer or supplier of the Company (excluding passive financial interests representing less than 5% of the outstanding shares of any such entity);
- Use your position with the Company to influence a transaction with any third party in which you have any personal interest ; or
- Conduct Company business transactions with your family members or persons you live with or with third parties where your family members or persons you live with hold important positions or have significant financial interests.

Loans to employees may also create a conflict of interest and they should be avoided where possible and only made after consultation with the Company's General Counsel. Certain types of loans to officers and directors are prohibited by U.S. law and will not be made.

Just as important as identifying and avoiding conflicts is disclosing conflicts. Employees must disclose any transaction or relationship that reasonably could be expected to give rise to a conflict of interest to the Company's General Counsel as soon as they first become aware of the conflict or potential conflict.

## **3. Insider Trading**

Insider trading means entering into a transaction to buy or sell securities, such as shares of stock, while in possession of material information that is not known to the public. Information is "material" if a reasonable investor would attach importance to the information in deciding whether to buy, sell or hold the securities or if the information could cause a change in its market price. Examples of information that is generally considered "material", include financial results and pending corporate transactions. The trading of securities while in possession of material, nonpublic information is illegal and, if the trades are made in the Company's stock, it is a violation of the Company's Insider Trading Policy. Material, nonpublic information obtained concerning other companies, including our suppliers and customers, as a result of your employment with the Company, also may not be used by you under law to trade in such other company's securities. You are also prohibited from communicating (called "tipping") any such information to others who might trade on the basis of that information. If you have regular access to material, nonpublic information concerning the Company or another company, you need to take special care when planning your stock trades. To help ensure that you do not engage in prohibited insider trading and

avoid even the appearance of an improper transaction, the Company has adopted an Insider Trading Policy and is available on the Company's Intranet. The laws against insider trading are complex. If you are uncertain about the constraints on your purchase or sale of Company securities or the securities of any other company that you are familiar with by virtue of your relationship with the Company, you should consult with the Company's General Counsel before making such purchase or sale. Certain employees are subject to "blackout" periods where they are strictly prohibited from trading. These generally coincide with the announcement of the Company's quarterly financial reporting and are set forth in our Insider Trading Policy.

#### **4. Protection and Proper Use of Corporate Assets; Corporate Opportunities**

Our Company's vitality depends on our protection and proper use of the assets we develop and maintain. You must follow procedures and practices designed to protect the value of all the Company's assets, including physical assets, intangible assets such as intellectual property, confidential information, brands, and our reputation. You may only use the Company's assets and resources for legitimate business purposes of the Company and not for your personal benefit. Theft, carelessness, and waste have a direct impact on the Company's financial performance.

Company employees, officers, and directors are prohibited from appropriating opportunities or potential opportunities that properly belong to the Company or are discovered in the course of their employment or directorship, without first obtaining the Company's consent. Company employees shall not use corporate property, information (including but not limited to customer lists and customer information and other confidential or proprietary information), or position for personal gain, or to compete or to prepare to compete with the Company.

#### **5. Confidential and Proprietary Information**

Confidential and proprietary information includes all non-public information. This information might be of use to competitors or harmful to the Company if disclosed, including third party information entrusted to the Company. Confidential and proprietary information is a key asset of our Company. Always maintain the confidentiality of confidential or proprietary information entrusted to you by the Company or other companies, including our suppliers and customers. Unauthorized disclosure of any confidential or proprietary information is prohibited and could result in legal liability to you and the Company. Take appropriate precautions to safeguard confidential information and ensure that it is not communicated within the Company except to employees who have a need to know such information to perform their duties for the Company.

Third parties from the media, market analysts or investors may ask you for information concerning the Company. Do not share confidential or proprietary information with anyone outside the Company unless you are authorized to do so and an appropriate confidentiality agreement is in place as determined by the Company's General Counsel. All responses to inquiries on behalf of the Company must be made only by the Company's authorized spokespersons.

All employees must follow any lawful obligations to their former employers concerning restrictions on the use and disclosure of confidential information, restrictions on the solicitation of former colleagues to work at the Company and non-competition obligations.



## **6. Working environment, Anti-Discrimination and Harassment**

The Company is committed to a productive, safe and open working environment. We respect the personal dignity of each individual. We will not tolerate discriminating behavior, including all forms of sexual, physical or verbal harassment. New applicants and current employees shall be evaluated in accordance with their qualifications and work performance and shall not be discriminated based on personal characteristics such as race, ethnicity, color, religion, sex, national origin, ancestry, age, disability, family status, veteran status, gender identity, sexual orientation or political opinion. The Company does not tolerate child labor and will not tolerate it in any of our business partners.

## **7. Gifts and Gratuities**

Employees must not allow themselves to be influenced by customers or suppliers in a manner detrimental to the Company. Conversely, customers or suppliers must not have gifts or other items of value offered to them as a regular practice or if their own operating guidelines should prevent them from accepting such gifts. However, the Company recognizes that exchanging gifts and gratuities can be part of building business relationships when done in accordance with the law and our Company policies. The use of Company funds or assets for gifts, gratuities or other favors to develop or enhance business relationships is subject to a standard of reasonableness. Any such gifts, gratuities or favors must never be in cash, should be generally infrequent and must follow all guidelines established by the applicable work location. See anti-corruption section above for more information on gifts to government officials.

You must not accept, or permit any member of your immediate family to accept, any gifts, gratuities or other favors from any customer, supplier or other person doing or seeking to do business with the Company, other than items of insignificant value and received for a legitimate business purpose. Any gifts that are not of insignificant value should be returned immediately and reported to your supervisor or the compliance officer for your work location. If immediate return is not practical, they should be given to the Company for charitable disposition or such other disposition as the Company, in its sole discretion, believes appropriate. Use common sense and moderation when you engage in business entertainment on behalf of the Company. Any business entertainment provided to or accepted from anyone doing business with the Company must be limited to entertainment that is infrequent, modest, and intended to serve legitimate business goals and should never be based on reciprocal action.

## **8. Accuracy of Books and Records and Public Reports**

The accuracy of our books, records, and public reports is essential to the Company's ability to meet legal and regulatory obligations. Our records are the basis of our earnings statements, financial reports, and other disclosures to the public and guide our business decision-making and strategic planning. It is the policy of the Company to provide full, fair, accurate, timely, and understandable disclosure in reports and documents filed with, or submitted to, the U.S. Securities and Exchange Commission (SEC) and in other public communications. You must honestly report all business transactions and maintain accurate records. You must not knowingly make a false or misleading statement to an accountant in connection with any audit, review or examination of the Company's financial statements or the preparation or filing of any document or report with the SEC.

If you suspect that any of the company's books, records or public reports is inaccurate, you should discuss the matter with your supervisor, the compliance officer for your work location or, if you prefer, utilize the regional telephone "hot lines" or dedicated e-mail address and report the matter promptly.

## **9. Waiver of this Code of Business Conduct and Ethics**

If you believe that an exception to any of the policies contained in this Code is appropriate in your case, you must contact the Company's General Counsel to request a waiver. Any waiver of this Code will be disclosed to the public as required by applicable laws and regulations.

## **10. Reporting Violations of this Code**

You have the responsibility to ask questions, seek guidance, report suspected violations, and express concerns regarding compliance with this Code. If you know or believe that any employee or representative of the Company has engaged or is engaging in conduct that violates applicable law or this Code, you should report such information to your supervisor, to the compliance officer for your work location, to the Company's General Counsel or using the regional telephone "hot lines" or dedicated e-mail address, as described below. Any supervisor or compliance officer who receives a report of a violation of this Code must immediately inform the Company's General Counsel and not begin any investigation without the General Counsel's approval.

You may also leave a recorded anonymous message at any of the regional hot lines listed on the Company's Intranet, send an e-mail to the dedicated e-mail address listed on the Company's Intranet or you may report violations of this Code, on a confidential or anonymous basis, by contacting the Company's General Counsel as follows:

- 1) by mail: Gentherm Incorporated  
Office of General Counsel  
21680 Haggerty Rd., Suite 101  
Northville, MI 48167
- 2) by e-mail: [general.counsel@gentherm.com](mailto:general.counsel@gentherm.com)

The Company prohibits retaliation against employees who report violations in good faith or cooperate in any investigation regarding improper conduct. Company personnel shall not discharge, demote, suspend, threaten, harass, or any other manner discriminate against an employee who, in good faith, reported a suspected violation or cooperated in an investigation.

## **11. Questions Concerning this Code**

Employees are encouraged to present any question regarding this Code or its application to their supervisor, the compliance officer for their work location, the local management team or the Company's General Counsel. In some cases, what may appear to be a minor issue could result in significant liability and loss to the Company if not dealt with properly. In other cases, something seemingly prohibited may be permitted under certain circumstances by virtue of disclosure and/or agreement. No regulatory system can replace human judgment.



**12. Failure to Comply with the Code**

Failure to comply with this Code will, subject to applicable law, result in disciplinary action including, but not limited to, reprimands, warnings, probation or suspension, demotions, reductions in salary, and dismissal. Certain violations of this Code may require the Company to refer the matter to law enforcement authorities for investigation or prosecution. Any supervisor, compliance officer or member of management who directs, approves, or ignores any conduct in violation of this Code, or who has knowledge of such conduct and does not immediately report it, also will be subject to disciplinary action as permitted by applicable law.

**13. Amendment; Miscellaneous**

The Company reserves the right to amend, alter, or terminate this Code at any time for any reason. The most current version of this Code can be found on the Company's Intranet. This Code is intended solely to describe the Company's general principles and policies. Nothing in this Code is intended to create a cause of action in favor of any third party, including any employee, officer, director, customer, supplier, or stockholder of the Company. Nothing in this Code is a guarantee or promise of employment.

As Adopted: August 2013