2025 Sustainability Report

Every day, Striving for Better

LEAR

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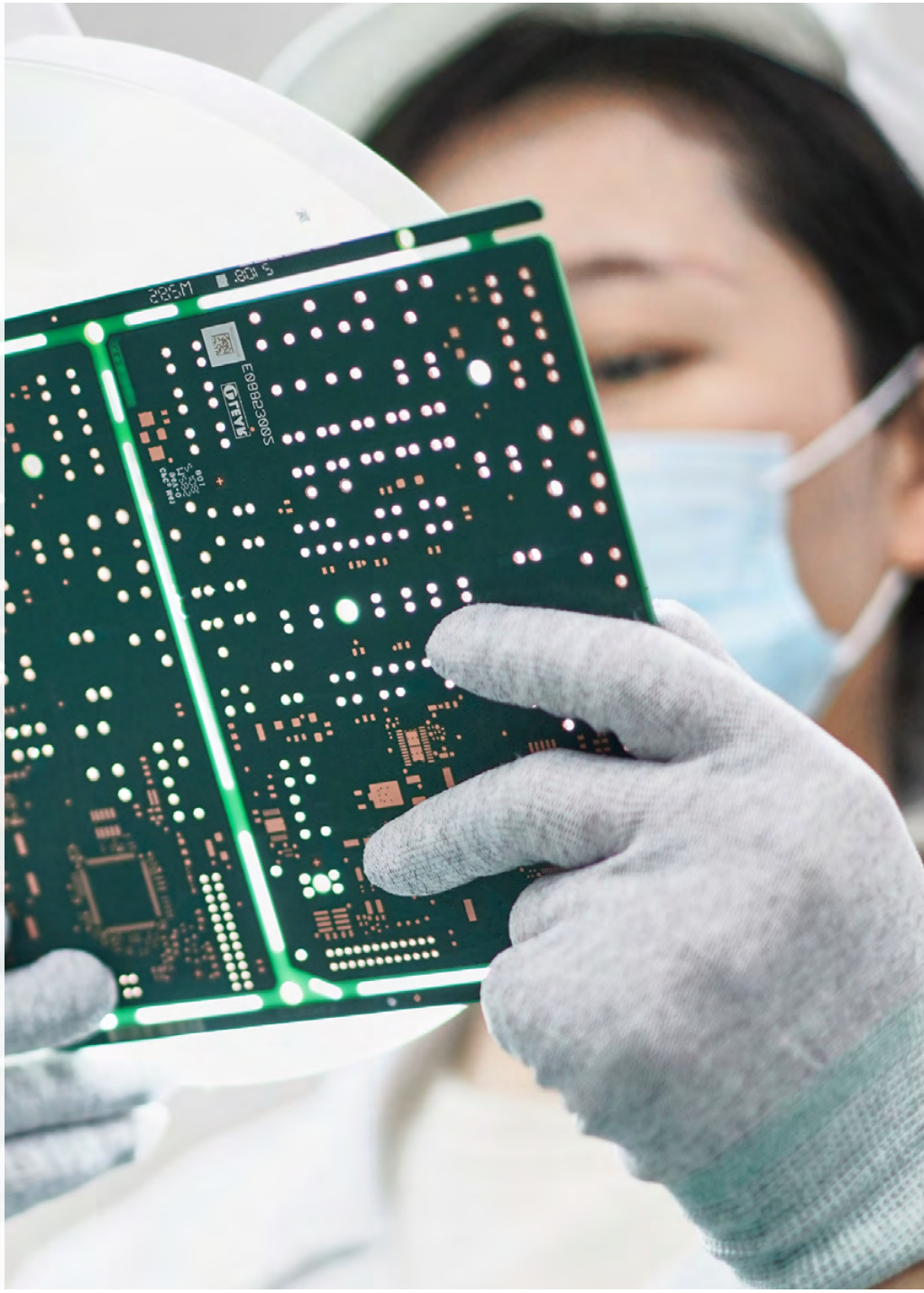
Please refer to the **Supplemental Report** for additional information.



Sustainability at Lear

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2025 Report

The data presented in this report covers all operations and production facilities within Lear's operational control for the calendar year 2025. We have disclosed our material topics with reference to the Global Reporting Initiative (GRI) Standards. Please refer to the Supplemental Report for our GRI, Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals (SDGs) indices, along with additional environmental and workforce data. Lear has historically reported our sustainability strategy and performance on an annual basis. Lear reserves the right to amend data and disclosures as needed. We expect to release refreshed sustainability reporting and disclosures in 2027.

Lear is continuing its commitment as a participant in the United Nations (UN) Global Compact, **the largest corporate sustainability initiative in the world.**

WE SUPPORT UN GLOBAL COMPACT

A Message from Our CEO

In today's automotive industry, the "new normal" has become a constant series of challenges and opportunities. In 2025, despite geopolitical shifts and other issues that affected vehicle production volumes, I am very proud of how the Lear team worked together to transform obstacles into opportunities, embrace innovation, create automated systems and use artificial intelligence (AI) to improve efficiency throughout the company. These efforts are driving Lear toward a smarter, more sustainable future.

We are not only making progress… We are gaining momentum.

Our strategy to drive growth and improve profitability, while advancing sustainability priorities, is anchored in IDEA by Lear™ — Innovative, Digital, Engineered and Automated solutions. It reinforces our strong track record of operational excellence by empowering employees to challenge norms, act with agility and take ownership. As a foundation, we expanded AI platforms and automation, delivering more than $70 million in savings in 2025.

At our new Advanced Manufacturing Integration Center in Rochester Hills, Michigan, our customers can walk through our fully automated facility to see how Seating product innovations – such as our FlexAir™, ComfortFlex by Lear™ and ComfortMax Seat by Lear™ – combine with manufacturing innovations, including 2D and 3D vision systems, ultrasonic cutting, advanced robotics and AI solutions. Together, these product and manufacturing innovations are offering recycled, recyclable and low-weight solutions for our customers while improving quality and efficiency in our plants.

These innovations did not happen overnight. During the past decade, Lear acquired eight companies to strengthen our vertical integration capabilities and improve efficiency. In addition, our product innovations continue to earn accolades. In 2025, Lear earned its fourth Automotive News PACE Award in the last five years for our Zone Control Module with Algorithmic Circuit Protection.

At the same time, we are making measurable progress toward our environmental goals — increasing efficiency, lowering costs and reducing our footprint. About 180 Lear sites conducted energy treasure hunts in 2025, identifying potential savings of more than 23 million kWh. Nearly 40% of the electricity used at our global manufacturing plants comes from renewable sources.

To strengthen human rights and environmental stewardship across our global supply chain, we implemented an AI-driven platform to proactively identify, assess and address risks across all suppliers, supporting our ambition to build a more responsible, transparent and resilient value chain.

People are the core of our success. To continue to differentiate Lear through our culture, we are focusing our engagement efforts on the entire Employee Experience (EX) – from hire to retire. EX gives Lear a competitive advantage by prioritizing listening and communication, promoting our strong sense of community, focusing on employee well-being, and encouraging development and advancement. It will become a cornerstone for retention and drive our long-term success.

These are exciting times. Our team is proud of the efforts we have made to create a sustainable organization built around innovative technologies, efficient manufacturing and investment in our employees. I am confident that we have the people and the plan to make our company even more sustainable so that we can continue to Make every drive better™.

Sincerely,

Ray Scott

Ray Scott
President, Chief Executive Officer and Director

IDEA by Lear™

The pace of change in the automotive industry is accelerating. Technological innovation, automation, AI and digital tools are transforming the world with amazing speed. We are witnessing dramatic shifts in labor force demographics and attitudes toward manufacturing careers. Inflation around the globe is impacting labor and commodity costs. And geopolitical changes are raising questions about trade, tariffs, nearshoring and energy — impacting what we produce and where we produce it.

In uncertain times, winners are those who anticipate challenges and implement strategies, not just to survive but to emerge stronger than ever. Lear has a plan for the future and is already executing it.

IDEA by Lear™ aligns our businesses around Innovative, Digital, Engineered and Automated solutions. It builds on our outstanding reputation for operational excellence, helping employees throughout our businesses think differently, move quickly and take ownership. By combining innovation, modularity and automation with advanced technology and manufacturing, we are creating a competitive advantage.

See how IDEA by Lear™ is transforming our plants around the globe.

20K+ Lear employees use AI platforms in their job duties, such as managing tariff exposure, streamlining administrative work and balancing manufacturing lines

$70M+ estimated savings from IDEA initiatives and automation in 2025

2025 Key Sustainability Metrics

		2024	2025
Greenhouse Gas (GHG) Emissions	Total Global Emissions	**9,229,051** metric tons CO2e	**8,778,842** metric tons CO2e
	Scope 1	**75,850** metric tons CO2e	**80,385** metric tons CO2e
	Scope 2	**288,574** metric tons CO2e	**248,474** metric tons CO2e
	Scope 3	**8,864,627** metric tons CO2e	**8,449,983** metric tons CO2e
	Scope 1 & 2 Reduction since 2019	**22%**	**30%**
Energy Use	Total Global Energy Use	**1,203,218** MWh	**1,183,593** MWh
	Reduction in Energy Use since 2019	**20%**	**21%**
	Global Energy Treasure Hunts	**150**	**~180**
Renewable Energy	Total Electric Energy from Renewable Sources	**29%**	**38%**
	On-Site Solar Arrays	**17** in 7 countries	**22** in 9 countries
Biodiversity	Reforestation	**117,000+** trees planted since 2021	
Water	Water Withdrawal Reduction Year-Over-Year	**3.5%**	**5%**
Waste	Landfill-Free Sites	**61** in 19 countries	**69** in 19 countries
Health & Safety	Facilities Achieved 1 Million Hours without a Recordable Injury	**46**	**55**
	Total Recordable Injury/Illness Rate (TRIR)	**0.26**	**0.25**

This is Lear

Who We Are

An innovator in automotive seating and electronic modules, connection systems and electrical distribution systems, Lear designs, engineers and manufactures world-class products to facilitate future sustainable mobility trends.

100+ year heritage as a leading automotive supplier

Serving every major automaker in the world, including 500+ nameplates

Largest U.S.-headquartered supplier of automotive parts

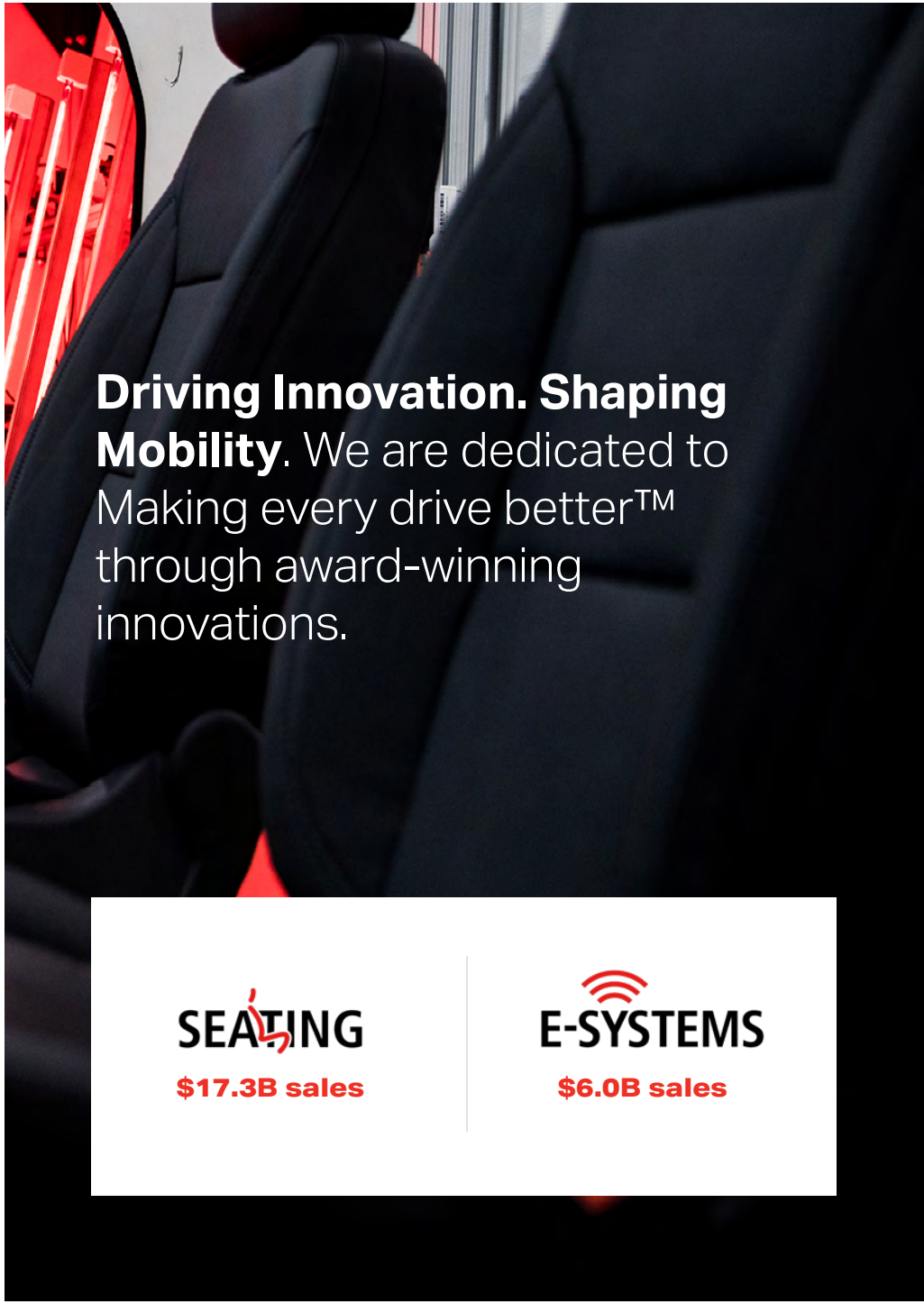
$23.3B in global revenue in 2025

164,300 employees with industry-leading talent and technical expertise globally

258 facilities in 36 countries with an efficient global engineering and manufacturing footprint

Committed to...

- **Making every drive better™**
- Living our core values: **Be Inclusive, Be Inventive** and **Get Results the Right Way**



How We are Making every drive better™

Operational Excellence

We have established a track record of delivering billions of critical, complex components that meet the most stringent quality and safety standards to every major automotive market in the world.

Customer Relationships

Over our more than 100-year history, we have built long-standing relationships with every major automotive manufacturer in the world and are recognized for our customer service and quality.

Innovation

We are positioned to take advantage of industry megatrends. Lear's technologies support the automotive industry in established, growing and future forms of mobility.

Differentiated Capabilities

We are the world's most vertically integrated Seating and E-Systems supplier, uniquely positioned as the only Tier 1 supplier with the expertise and capabilities to deliver complete seat solutions alongside advanced electrical distribution systems and electronics.

Sustainability as a Part of our Strategy

At Lear, we have integrated sustainability into our everyday business practices – including the areas of strategy and operations.

Don't take our word for it...

top EMPLOYER Brasil Brazil 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Macedonia 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Slovensko Slovakia 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Česká republika Czech Republic 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER المغرب Maroc Morocco 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER España Spain 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Magyarország Hungary 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Polska Poland 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Europe 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER Italia Italy 2026 FOR A BETTER WORLD OF WORK

top EMPLOYER România Romania 2026 FOR A BETTER WORLD OF WORK

Great Place To Work. Certified MAY 2025-MAY 2026 INDIA

SILVER | Top 15% ecovadis Sustainability Rating JAN 2026

Best of Just American Business 2026 CNBC

2026 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE

Our Sustainability Strategy

Lear prioritizes people and our planet, placing sustainability alongside business results and operational excellence. Sustainability is integrated into how we do business every day.

Our Sustainability Strategy supports our overall vision of Making every drive better™. We accomplish our vision through environmental stewardship, social responsibility and effective governance, which aligns with our core values: Be Inventive, Be Inclusive, and Get Results the Right Way.

To learn more, see **Sustainability Oversight**.

Our Vision

Making every drive better™

Our Core Values

Be Inventive	Be Inclusive	Get Results the Right Way

Dimensions of Sustainability

Environmental Stewardship	Social Responsibility	Governance
	KEY ELEMENTS	
Our innovative technologies are enabling electrification and sustainable mobility.	Meaningful employment provides competitive pay, benefits and development for union and nonunion employees around the world.	An experienced and diverse Board of Directors provides oversight.
We use responsibly sourced, renewable and recyclable materials to protect the environment.	Our talented and engaged global teams work together with respect, integrity and inclusion.	Carefully crafted policies and procedures enforce our commitment to ethics, integrity and human rights.
Our efficient operations conserve energy and water, while minimizing waste and reducing emissions.	We prioritize safe work environments by equipping employees with training, tools and resources to identify hazards, mitigate risks and support a culture of safety.	Our focus on cybersecurity protects our products, data, customers and enterprise.
Our Renewable Energy Strategy reduces our carbon footprint and supports our climate goals.	We support the communities where we live and work through programs, partnerships and assistance that help people thrive.	We are partnering with suppliers to facilitate sustainability and protect human rights in our supply chains.

What sets Lear apart from other companies? The answer is simple: our people. They are the true power behind the engine that drives Lear's success.

That is why we invest millions of hours in training and development, helping employees build skills and providing tools to help them work safer and smarter. Employees are eagerly embracing AI and automation to free them from repetitive and strenuous tasks and take on more meaningful work. Job satisfaction is increasing as employees concentrate on ways to improve efficiency and feel pride in their innovations.

Our focus on people is also the driver behind our new Employee Experience (EX) program. An evolution of our successful Together We Win engagement program, EX leverages continuous listening to drive positive employee interactions. We ask our people how to improve our processes and culture. After all, they are the experts.

We do well as an organization when we support our employees and the communities where we operate. This year, Lear's operations in 10 countries across Europe, South America and Africa once again earned Top Employer certifications, and we were named Top Employer Europe for the fourth consecutive year. Just Capital also recognized Lear as one of the Best of American Business for our commitment to employees, communities and the environment.

We are equally proud to be named one of the 2026 World's Most Ethical Companies® by Ethisphere®. This recognition reflects our strong ethical leadership, robust governance and unwavering commitment to integrity — ensuring we deliver results the right way across our global operations.

Our culture is different. By empowering our global teams through meaningful engagement, providing tools to help them work more efficiently and offering development opportunities, we have created an environment where innovation and sustainability thrive.

HARRY KEMP
Senior Vice President
and Chief Administrative Officer

Materiality Assessment

Lear conducts an annual review and refresh of its materiality assessment to refine its sustainability strategy and ensure alignment with the topics that have the greatest impact on its internal and external stakeholders.

Cross-functional leaders and extended sustainability teams analyze sustainability topics informed by the GRI Disclosure Standards and incorporate input from a range of stakeholder groups to identify Lear's most material issues. Stakeholder engagement occurs through ongoing dialogue, sustainability assessments, and questionnaires requested by customers, sustainability raters and shareholders. Lear also monitors emerging sustainability trends through external studies and publications, and participates in industry associations and workgroups to share knowledge and collaborate on issues affecting its customers and suppliers.

Lear's most material topics are presented below and on the following pages in alphabetical order.

Lear will continue to enhance this process to strengthen its sustainability strategy, increase transparency and refine the content of its sustainability reporting.

Highest-Priority Material Topics (in alphabetical order)

Economic | Social | Environmental

Environmental	**BIODIVERSITY AND DEFORESTATION**	Managing and reducing the impact of Lear's operations and products on natural habitats and ecosystems, including forests
Economic, Social	**BUSINESS ETHICS AND COMPLIANCE**	Getting Results the Right Way by promoting integrity, responsible and ethical corporate behavior, and abiding by Lear's Code of Business Conduct & Ethics to avoid business ethics issues such as fraud, corrupt practices, anti-trust violations, money laundering or bribery
Environmental	**CLIMATE RISK AND RESILIENCE**	Developing strategies to address climate change across Lear's value chain, including the physical and transitional impacts of rising temperatures, climate-related policies and emerging technologies in our changing world
Social	**CULTURE OF INCLUSIVITY**	Creating an environment throughout Lear's value chain that promotes and celebrates inclusion and diversity of all types

Highest-Priority Material Topics (in alphabetical order)

Economic | Social | Environmental

Economic, Social	**CYBERSECURITY AND OPERATIONS/PRODUCTS**	Providing processes and technologies to protect Lear's operations and IT systems from cyber and physical security threats, as well as developing technologies that safeguard end-use consumers from risks of threats to data security and driver safety
Economic	**ECONOMIC PERFORMANCE AND COMPETITIVENESS**	How well Lear generates revenues and manages its assets, liabilities, and the financial interests of its stakeholders and stockholders, including programs and processes that ensure Lear's products, delivery and pricing meet or surpass customer expectations
Social	**EMPLOYEE HEALTH AND WELL-BEING**	Providing a welcoming, harassment-free environment that supports work-life balance and positive mental health, as well as competitive and equitable pay and benefits
Environmental	**ENVIRONMENTAL STEWARDSHIP**	Responsibly managing resources and mitigating the impact Lear's operations have on the environment, including the efficient use and management of energy, water and waste, as well as overall environmental compliance
Environmental	**GHG EMISSIONS AND OPERATIONAL EFFICIENCY (SCOPES 1, 2 AND 3)**	Reducing greenhouse gas (GHG) emissions from Lear's operations and products, including efficiently using energy at Lear facilities, transitioning to renewable energy sources, and taking actions to reduce downstream emissions created by our products and our suppliers
Social	**HUMAN RIGHTS**	Protecting rights that justifiably belong to all human beings, regardless of nationality, place of residence, national or ethnic origin, color, religion or any other status — for Lear and its value chain, including fair labor practices and the right to freedom of association
Social	**OCCUPATIONAL HEALTH AND SAFETY**	Ensuring safe and healthy working conditions for employees, contractors and all people at Lear sites and operations globally by setting and enforcing health and safety standards as well as providing training, outreach and assistance
Economic	**PRODUCT QUALITY AND DELIVERY**	Taking a total quality approach to products and services to ensure that delivered products satisfy agreed upon customer specifications and requirements
Economic, Social	**PRODUCT SAFETY**	Using specific procedures, designs and manufacturing processes, as well as meeting global automotive component regulations, to fulfill customer safety requirements

Highest-Priority Material Topics (in alphabetical order)

Economic | Social | Environmental

RESPONSIBLE USE OF DATA AND DATA PRIVACY	Ensuring the protection and privacy of employee, customer and consumer information through policies, information management systems and software safeguards
SUSTAINABLE PRODUCTS	Designing and developing products that leverage lightweighting and efficiency improvements, use recycled and bio/natural content, and/or have end-of-life recyclability to mitigate negative environmental and human health impacts while enabling future mobility trends
SUSTAINABLE SUPPLY CHAIN	Requiring Lear's global supply chain partners to adhere to ethical and sustainable business practices that consider the environmental and human impact of their products, operations and services, including providing support to supplier partners to meet those expectations through monitoring, guidance, education and training
THIRD-PARTY RISKS	Managing risks related to Lear's reliance on third parties for a multitude of goods and services, including ensuring ethical business behavior on Lear's behalf
WORKFORCE RECRUITMENT, RETENTION, DEVELOPMENT AND ENGAGEMENT	Creating a workplace that attracts the best talent to stay competitive, while providing ongoing engagement and development opportunities to enhance employee skills and enable career growth

Material Topics to Continue to Manage and Monitor (in alphabetical order)

DISASTER AND EMERGENCY PREPAREDNESS	Identifying, preparing for and effectively responding to disasters that could impact Lear's operations, customers and communities
SUPPORT OF GLOBAL COMMUNITIES	Supporting Lear's global communities through employment, local volunteering, charitable contributions and investments, educational initiatives, disaster relief and other activities

Environmental Stewardship

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ON THE ROAD TO ACHIEVING OUR CLIMATE GOALS

Climate Goals

The automotive industry is committed to a carbon-neutral future. Achieving this mutual goal will require evaluating every product we produce and how it progresses through the entire value chain. At Lear, we are collaborating in the areas we can influence — including our suppliers, customers and products' end of life — and focusing on what we can control — including the sustainability of our products, operations and supply chain. Lear is making progress on our climate goals and our aspiration to achieve net-zero emissions.

In 2024, Lear's near-term GHG reduction targets were validated by the Science Based Targets initiative (SBTi) in alignment with the Intergovernmental Panel on Climate Change (IPCC) goal to limit global warming to 1.5 C above preindustrial levels. For more information, see Decreasing GHG Emissions.

Lear aspires to achieve Net-Zero Emissions by 2050

Lear's Climate Goals

2019 Baseline

2030

50% reduction in Scope 1 & 2 carbon emissions at our facilities (SBTi validated)

100% renewable energy for electric power consumed at our facilities

2033

35% reduction in Scope 3 emissions (SBTi validated)

Progress Toward Achieving Our Climate Goals

We are making progress toward our climate goals through our sustainable products, operations and supply chain.

Learn more about our Scope 1, 2 and 3 emissions.

Sustainable Products
Scope 1, 2 & 3 Emissions

- Recognized with a 2025 Automotive News PACE Award, Lear's **Zone Control Module** streamlines vehicle electronics through zonal architecture, improving system efficiency and supporting more sustainable, next-generation automotive design
- **FlexAir™** is a 100% recyclable, fully breathable nonfoam alternative that reduces CO2 emissions by up to 50%, weight by up to 20%, and volatile organic compound (VOC) emissions to below 1% compared with traditional foam
- **ComfortFlex™ by Lear and ComfortMax™ Seat by Lear** combine advanced thermal performance and modular innovation, achieving up to 40% faster time-to-sensation while reducing components by up to 50%
- Lear's **lightweight solid aluminum harness** reduces weight up to 35% and enhances efficiency
- Completed 300+ **life cycle assessments (LCAs)** covering 100% of our major product lines

Operations
Scope 1 & 2 Emissions

- Operating **22 on-site solar arrays** in Europe, South America and Asia
- Negotiated a long-term agreement to purchase renewable electricity from a **new 30 MW wind farm** in Burgos, Spain. Once fully operational, the project is expected to account for more than 50% of the electricity used across Lear's European operations
- Leveraged our **Energy Efficiency Playbook** at all of our global manufacturing sites with +95% achieving full implementation
- Sourcing **38% of the total electric energy used at our global plants from renewable sources**, including nearly 100% at our sites in Argentina, Belgium, Brazil, Czech Republic, Germany, Hungary, Portugal, Slovakia, Spain and the U.K.
- **Achieved ISO 50001:2018 certification** for energy management at 15 global sites
- **Verified our Scope 1 and 2 emissions and renewable energy use** with a third party

Supply Chain
Scope 3 Emissions

- Assisting suppliers in emissions inventory, goal setting, training and decarbonization scaling through **Lear's Climate Action Group**
- **Engaging with suppliers** to provide innovative solutions to reduce the carbon footprint of our parts
- Collaborating with industry associations such as the Automotive Industry Action Group (AIAG), Suppliers Partnership for the Environment (SP), and CLEPA (the European Association of Automotive Suppliers) on **standards for carbon reporting**
- **Using returnable, reusable and recyclable packaging** where practicable
- **Consolidating global and North American materials** through a Texas hub resulted in reduced ocean travel, lower fuel consumption and associated emissions, and improved shipping efficiency

Our Renewable Energy Strategy

After setting our climate goals in 2020, we developed a multifaceted strategy to reach our goal of sourcing 100% renewable energy for electric power at all of our sites by 2030.

To reach our goal, Lear will use a combination of methods — such as power purchase agreements (PPAs) to support new renewable energy projects, the purchase of energy attribute certificates (EACs) from energy providers, whether bundled with existing energy purchases or unbundled, and on-site generation — to procure, source and generate renewable energy for our global sites. The method used at each site depends on geographical location, as well as applicable customer requirements, legislation, regulations and government actions in the relevant markets.

Lear recognizes that the renewable energy arena is constantly changing. Similarly, we plan to optimize our Renewable Energy Strategy depending on changes in our global footprint, local regulations and the availability of renewable energy sources.

38% of total electric energy used
at our global plants from renewable sources

22 on-site solar arrays in 9 countries
producing 21M+ kWh of electricity annually

A Collaborative Effort

Lear currently partners with a variety of organizations that help us reach our climate goals, such as:

- **AIAG** – We are participating in the Greenhouse Gas Working Group to develop training materials for suppliers.
- **CDP (formerly the Carbon Disclosure Project)** – Lear participates in CDP surveys to report our performance to customers and investors, and assess our performance, risks and opportunities related to GHG emissions. See our CDP scores.
- **Clean Energy Buyers Association (CEBA)** – As a member in 2024, Lear received guidance on renewable energy procurement strategies, collaborated on low-carbon energy solutions, and built relationships with energy buyers, providers and industry experts.
- **CLEPA** – Lear participates in efforts to shape reporting guidelines and support industry initiatives that advance sustainability and climate goals.
- **DTE On-Site Energy Management Program** – Lear partnered with local energy company DTE to assess energy use, propose leading methods and processes, initiate projects, and report energy savings in nine facilities in southeast Michigan.
- **SBTi** – Lear received validation of our near-term GHG reduction targets from SBTi.
- **SP** – Lear collaborated with automakers and suppliers on developing a framework to help companies in the automotive value chain set key performance indicators to track, report and reduce CO2 emissions throughout the supply chain in alignment with common industry expectations.
- **The Climate Group's RE100** – We pledged to match 100% of the electricity used across all our global sites with electricity produced from renewable sources by 2030.
- **U.S. Department of Energy** – Lear worked with the agency on in-plant training for energy treasure hunts and evaluating on-site renewable energy projects.

PROTECTING THE ENVIRONMENT

Our Environmental Management System

Lear's Environmental Management System (EMS) helps us identify, manage, monitor and control environmental topics in a systematic manner. Through teamwork and continuous improvement, such as energy treasure hunts and Kaizen events for waste reduction, Lear's EMS is reducing our environmental impact.

Lear sites complete third-party environmental regulatory audits every three to five years to ensure compliance. Key accomplishments include:

100% of Lear's eligible manufacturing facilities are ISO 14001:2015-compliant, with new facilities required to certify after opening. Our operations will transition to ISO 14001:2026 within its certification cycle, typically about three years.

Monthly energy, waste and water data is collected in a central online database. The data is aggregated and reviewed quarterly by each business unit/division, region and the company as a whole to determine energy, water and waste reduction performance, and identify opportunities for improvement.

Lear has completed our integration of ISO 14001:2015 and ISO 45001:2018 Environmental Health and Safety Management System (EHSMS) to improve employee engagement, performance and efficiency. To learn more, see Employee Safety.

View our **EHS&S Policy here**.

Our Environmental, Health, Safety & Sustainability (EHS&S) Policy focuses on:

- Integrating environmental, health, safety and sustainability elements into our overall business strategy and supply chain management
- Preventing pollution
- Providing a safe and healthy work environment
- Involving and empowering employees in EHS&S activities
- Developing and using environmentally acceptable, safe, sustainable and efficient production methods and processes
- Complying with government requirements and obligations
- Protecting natural resources, including the responsible management of forests and water
- Enhancing environmental stewardship, social responsibility and economic prosperity
- Conserving energy, water and other natural resources, reducing waste and chemical use, decreasing GHG emissions, and supporting climate initiatives
- Striving to continually reduce the environmental impact and improve the performance of our products

CDP Corporate Questionnaires & Investor Surveys

The CDP (formerly known as the Carbon Disclosure Project) helps more than 23,000 organizations benchmark their progress toward environmental stewardship against their peers.

In 2025, Lear maintained climate change, water security and forests scores of B. All three scores are considered management level, signifying that we are taking coordinated action on environmental issues.

In addition, Lear achieved a Supplier Engagement Assessment (SEA) score of A- based on our engagement and partnership with our suppliers. As part of the CDP climate change questionnaire, the supplier engagement survey assesses a company's performance based on governance, targets, Scope 3 emissions and value chain engagement.

Lear has reported our annual CDP climate change data to customers since 2011. We currently report our climate change and water data to customers and CDP investor signatories, and our forests data to more than 700 Capital Markets Signatories.

Climate Change	B
Water Security	B
Forests	B
Supplier Engagement	A-

Gold Environmental Award Presented in Mexico

Lear's facility in León, Mexico, earned a Gold Award, the highest honor granted under the city's Environmental Distinction Program. The award recognizes companies that demonstrate outstanding performance in responsible waste management, efficient use of natural resources, water conservation, energy savings, adoption and maintenance of green areas, and community engagement efforts, including tree planting and river cleanups.

Fourth Green Star Award Presented in Thailand

For the fourth consecutive year, Lear's facility in Rayong earned a Green Star Award from the Industrial Estate Authority of Thailand. Through on-site audits, facilities are assessed on management of green areas, water, waste, and air quality as well as financial management, community support, and employee safety and quality of life.

Defending the World's Forests

Forests are the answer to many climate change challenges. They support biodiversity, reduce temperatures, filter rainwater and remove carbon dioxide from the air.

What do forests have to do with an automotive supplier? After all, cars are not made out of wood. But some of the raw materials that are used in automotive products — such as leather sourced as a by-product of the food industry, natural rubber for components, or cardboard packaging made from wood pulp — may have an indirect impact on forests if they are not sustainably sourced. Practices that deplete or degrade forests and peatlands — for example, clear-cutting trees to increase grazing land — have a negative environmental impact on land, water, biodiversity, Indigenous communities and our climate.

We recognize the important role natural forests and rainforests play in the health of the global ecosystem. Lear and our suppliers work within credible, landscape-level frameworks where they exist. We are committed to working with our supply chain to protect these forests, and we expect the same commitment from our global supply chain. Our No Deforestation Policy requires that our suppliers:

- Comply with all government laws, regulations and guidelines regarding deforestation
- Do not clear-cut or burn forested areas for production or development
- Only purchase and supply materials from legally compliant sources that are free of content acquired from illegally deforested, indigenous or other protected lands
- Encourage the protection of High Conservation Value (HCV) forests/lands and avert the conversion of other valuable and vulnerable ecosystems, within the framework of local legal requirements

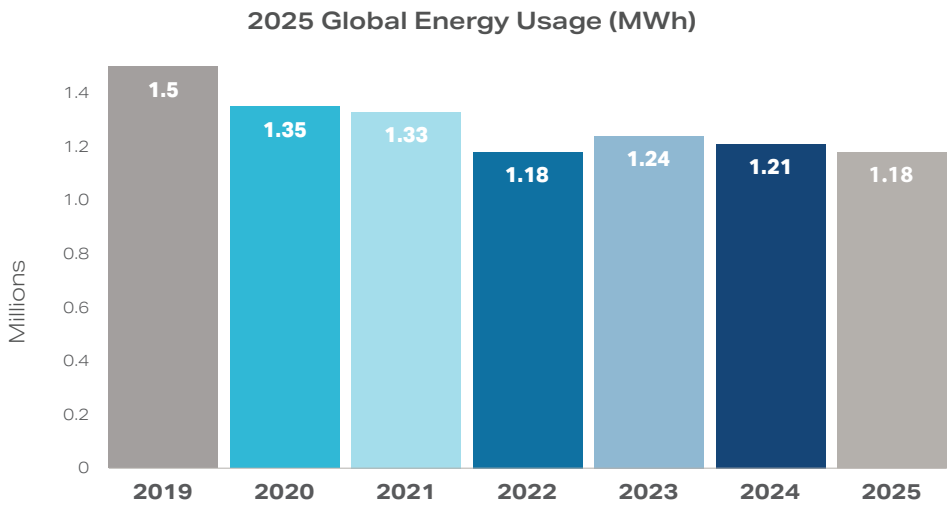
117,000+
trees planted since 2021 by our global teams

Working with Tandem Global to support the U.S. Forest Service Great Lakes Restoration Initiative, employees at Lear's facility in Hammond, Indiana, planted nearly 200 native trees and shrubs on their campus. The trees provide shade, help capture stormwater runoff, improve air quality, and contribute to the biodiversity of the region.

Reducing Energy Use

To meet our Climate Goals, we are working to reduce energy generated from nonrenewable fuel sources, investing in renewable energy and, as a result, decreasing GHG emissions.

In addition to implementing our Renewable Energy Strategy, our continuous improvement teams are using Lear's Energy Efficiency Playbook, together with lean manufacturing processes, to identify energy and waste reduction projects, track progress and share best practices. Their efforts are reducing Lear's energy use around the world.



21% reduction in energy use since 2019

Some of our energy efficiency projects include:

- Automating lighting, ventilation and air conditioning systems
- Deploying energy monitoring systems
- Optimizing heating, ventilation and air conditioning (HVAC) systems
- Implementing process improvement projects to reduce natural gas and electricity use
- Eliminating compressed air losses through audits, leak detection and repair/replace programs
- Performing energy audits and treasure hunts
- Systematically shutting down equipment during partial production, weekends or at peak energy use times
- Installing and using leakage detection devices to find heat and energy losses from operating equipment
- Upgrading existing motors with variable speed motors and scheduling routine maintenance
- Replacing light fixtures with LEDs

Lear's Energy Efficiency Playbook

Lear's proprietary Energy Efficiency Playbook provides guides, checklists and trackers to help our plants improve energy efficiency and achieve our climate goals. Employees are empowered to identify and execute energy efficiency improvements locally by participating in projects known as "plays," such as optimizing HVAC systems, improving compressed air systems, continuing efforts to switch to LED lighting, upgrading motors, and repairing boiler systems. Each play defines the opportunity, explains why we are pursuing improvements, and lists tasks for each plant to perform. After completing a series of plays, plants progress to higher levels, tackling improvement projects that may require capital investments.

In 2024, Lear participated in the U.S. Department of Energy's ISO 50001:2018 Ready program. Designed to help plants comply with ISO 50001:2018, the program provides guidelines on implementing energy management systems, power monitoring, and using building management systems with automated controls for heating and cooling systems. Similar to our strategy for ISO 45001:2018, Lear plans to prioritize implementation at its highest energy-consuming sites, then work toward incorporating all plants, and certifying plants on a rolling timeline. Currently, 15 global sites at Lear have achieved ISO 50001:2018 certification.

Energy Treasure Hunts

Lear employees engage in energy treasure hunts, where teams are trained to spot potential energy inefficiencies in their plant, estimate cost savings, and present top ideas to management. Working with the U.S. Department of Energy, we have trained leaders who, in turn, train employees at the plants. In 2024, Lear expanded the program globally.

In 2025

~180 sites held energy treasure hunts identifying 400+ projects with the potential to save 23M kWh of energy, or enough to power about 1,000 homes annually

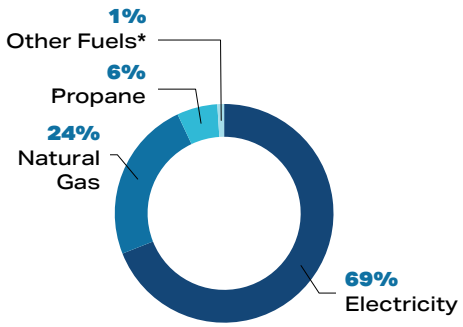
+95% of Lear's global manufacturing sites executed "plays" outlined in Lear's Energy Efficiency Playbook

Utilizing Renewable Energy

Lear aims to use 100% renewable energy for electric power consumed at all of our sites by 2030. To meet this climate goal, we have developed a Renewable Energy Strategy and roadmap to achieve our targets on time.

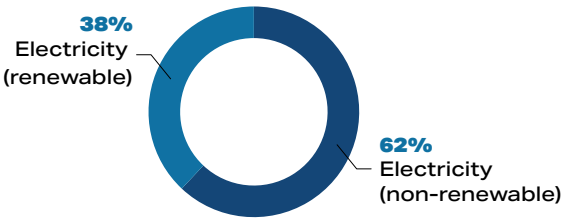
Additional data is available in the **Supplemental Report.**

2025 Global Energy Use by Fuel Source



* Landfill gas, diesel, fuel oil, gasoline

2025 Global Electricity Use

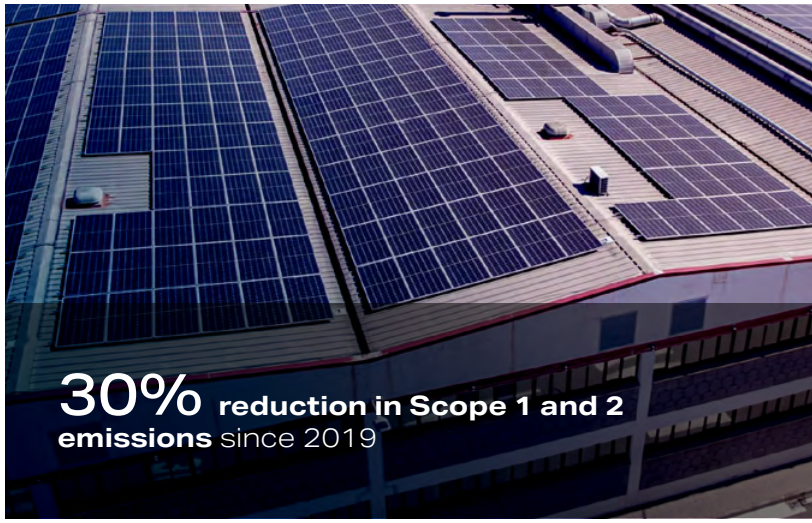


2026 Goals*

2% reduction in electric energy intensity

2% reduction in natural gas intensity

* Based on hours worked normalized performance.



Decreasing GHG Emissions

Greenhouse gases — such as CO2 — trap heat and warm the planet. According to the U. S. Environmental Protection Agency (EPA), burning fossil fuels for electricity, heat and transportation is the largest source of GHG emissions from human activity. By 2030, we aim to reduce GHG emissions at all of our facilities by 50%.

Lear participates in two data collection efforts to measure our progress:

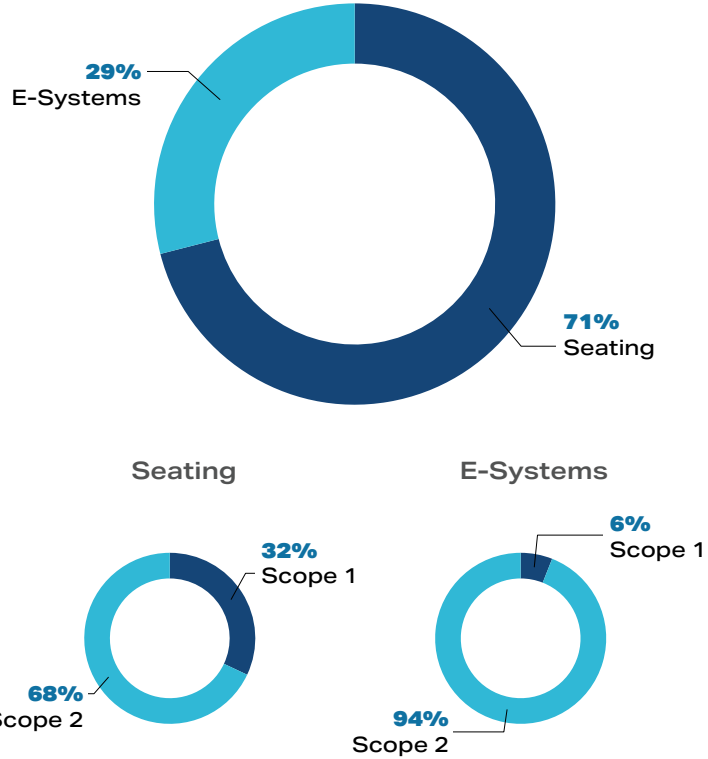
- All plants report their energy use through a third-party software data platform on a monthly basis. The data is reviewed by our corporate environmental, health and safety (EHS) team and is used to track, analyze and develop plans to reduce our GHG footprint.
- Lear participates in CDP supply chain and investor surveys to report our performance to customers and investors, and assess our performance, risks and opportunities related to GHG emissions.

Our Scope 1, 2 and 3 Emissions

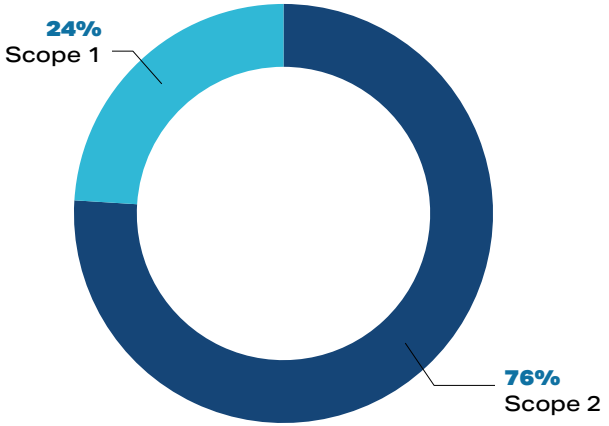
In alignment with the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol, Lear's GHG emissions are categorized into Scope 1 (directly from Lear's operations), Scope 2 (indirectly from energy generation), and Scope 3 (indirectly from the value chain) emissions.

Additional data is available in the **Supplemental Report**.

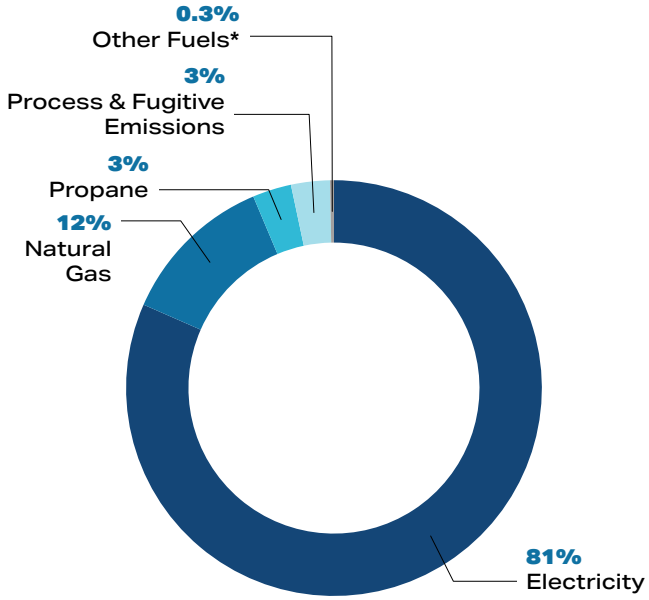
2025 Global Scope 1 and 2 Emissions by Division



2025 Global Emissions by Scope (Market Based)



2025 Global Scope 1 and 2 Emissions by Fuel Source (Location Based)



* Diesel, fuel oil, gasoline

To calculate our Scope 3 emissions, we collected extensive data, evaluated all Scope 3 categories for relevance to Lear, and developed methodologies for emission calculations, which included spend-based, quantity-based and/or a hybrid approach. With this data, we will continue to refine our strategies to decarbonize and work with our value chain to reduce emissions in each of the applicable Scope 3 categories.

2025 Global Scope 3 Emissions	
Total: 8.4M mtons CO2e	
Categories	**Percentages**
Purchased Goods & Services	76%
Capital Goods	8%
End-of-Life Treatment of Sold Products	9%
Upstream Transportation & Distribution	3%
Other*	4%

* Includes fuel and energy-related activities, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, and investments

More emissions data is available in the **Supplemental Report**.

Optimized Logistics Reduce Emissions

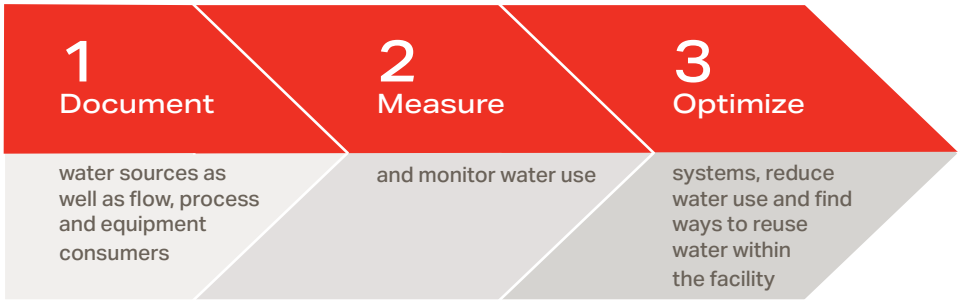
Materials previously shipped from Japan, China and Europe in separate, dedicated ocean lanes are now combined with North American materials at our Texas consolidation hub, where our logistics teams optimize container loading for more efficient shipments bound for Honduras. As a result, we eliminated more than 513,000 nautical miles of ocean travel annually and achieved meaningful transportation cost savings, while directly contributing to lower fuel consumption and emissions.

Protecting Our Water

Lear is working to protect our precious water resources. Our strategy is to prioritize our highest water-consuming sites, provide our global facilities with tools to reduce water use, and ultimately encourage a circular approach to water and wastewater management where facilities continuously reduce, reuse and recycle water wherever possible.

Lear's Water Stewardship Playbook

Implemented in 2023, Lear's Water Stewardship Playbook helps every Lear facility implement water reduction and reuse plans. Using the playbook, teams:



The playbook also offers tools and guidance on detecting and repairing leaks, optimizing pump seals and sanitary systems, adjusting water treatment, employing reverse osmosis systems, using xeriscaping and efficient irrigation methods, reducing water use in cooling towers, and collecting condensate from boiler systems. At Lear's Eagle Ottawa facilities, state-of-the-art biological water treatment plants remove organic material without the use of chemicals.

2026 Goals

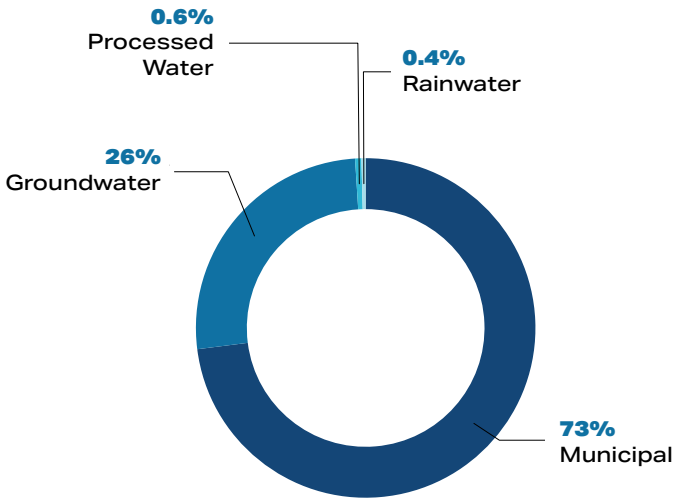
2% reduction in water withdrawal intensity*

100% implementation of our Water Stewardship Playbook

* Based on hours worked normalized performance.

0 gallons of water used directly from lakes or rivers

2025 Total Water Withdrawal



High-Risk Water Areas

In 2025, our 107 manufacturing sites located in high-stress water areas reported a total water consumption of approximately 3 million cubic meters. By leveraging our Water Stewardship Playbook, these sites are actively implementing strategies to reduce water use and are sharing best practices on a global scale, reinforcing our dedication to responsible consumption.

More water data is available in the **Supplemental Report**.

Eliminating Waste

With a strategy of continuous improvement, Lear focuses on minimizing waste generation from both administrative offices and production facilities at the source. Through initiatives and partnerships, the progressive step-by-step process aims to:

1 Reduce — waste by maximizing operational efficiency and reducing the use of raw materials

2 Reuse — by-products in our own plant or off-site

3 Recycle — waste into other products or reclaim as energy

After these options are exhausted, we properly segregate, treat and dispose of any remaining waste, including chemical and hazardous waste, based on local and national regulations. Landfill disposal is only used as a last resort.

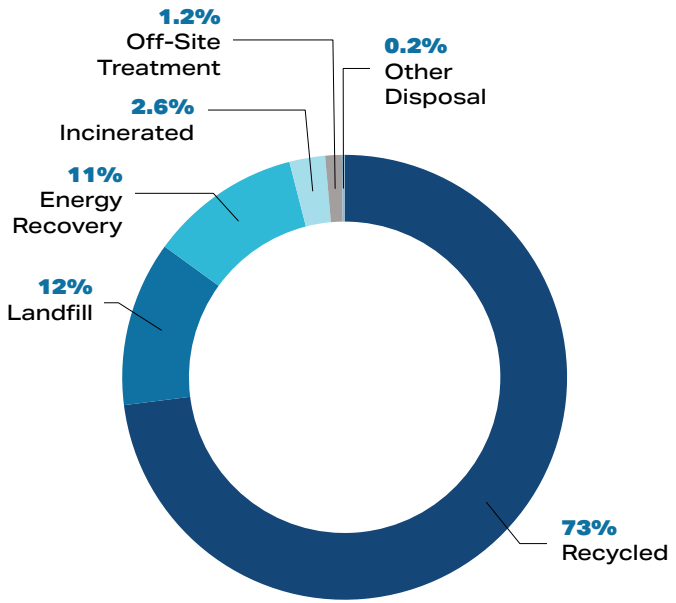
Our processes for hazardous and nonhazardous waste management are outlined in various work instructions, global procedures and our global ISO 14001:2015 Environmental Management System Level 1 and Level 2 documents. Further guidance and instructions are provided in Lear's Waste Reduction Playbook, Environmental Policy, and Landfill-Free Guidance. Lear works with the SP and Envita Solutions to continuously improve our waste management efforts.

2026 Goal

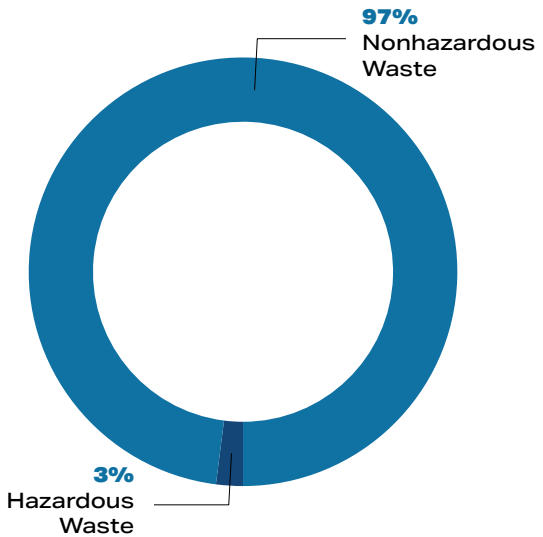
100% implementation of our Waste Reduction Playbook

More waste data is available in the **Supplemental Report**.

2025 Total Waste



2025 Hazardous vs. Nonhazardous Waste*



* Lear tracks hazardous and nonhazardous waste per local regulations worldwide.

Our Progress on Eliminating Waste

98% of lubricants were recovered at Lear's facility in Arteaga, Mexico, significantly reducing hazardous waste generation by **813,500 liters per year**.

Using recyclable, reusable or recycled-content packaging such as cardboard, wood pallets, plastic trays, returnable containers and plastic bags.

Contributing to a circular economy and improving recyclability at the end of our products' life cycle by working with our customers and suppliers.

69 Lear sites in **19 countries** have **achieved landfill-free* status**.

1,600+ tons of leather, cloth and vinyl scrap were reused by local artisans in Mexico to make sandals, shoes, bags, purses, bracelets and other souvenirs since 2022.

Participating on the board of directors for SP to establish best practices in sustainable packaging and initiatives focusing on key sustainable materials criteria, metrics and methods.

Global chemical management initiative developed by the Lear Chemical Management Steering Team to enhance and standardize processes for approval, storage, use and disposal of chemicals to further minimize environmental impact, set goals, and develop strategies to reduce waste throughout our facilities. Learn more about chemical management.

69 sites in Canada, Honduras, Mexico and the U.S. supported by Envita Solutions since 2002 to help manage waste streams, support landfill-free efforts, create circular-economy packaging, develop closed-loop systems, gain operational efficiencies, and capture data to support our sustainability goals.

* Disposing zero production waste in a landfill, excluding nonproduction waste, such as construction debris.

DRIVING SUSTAINABLE MOBILITY

Innovative Sustainable Products

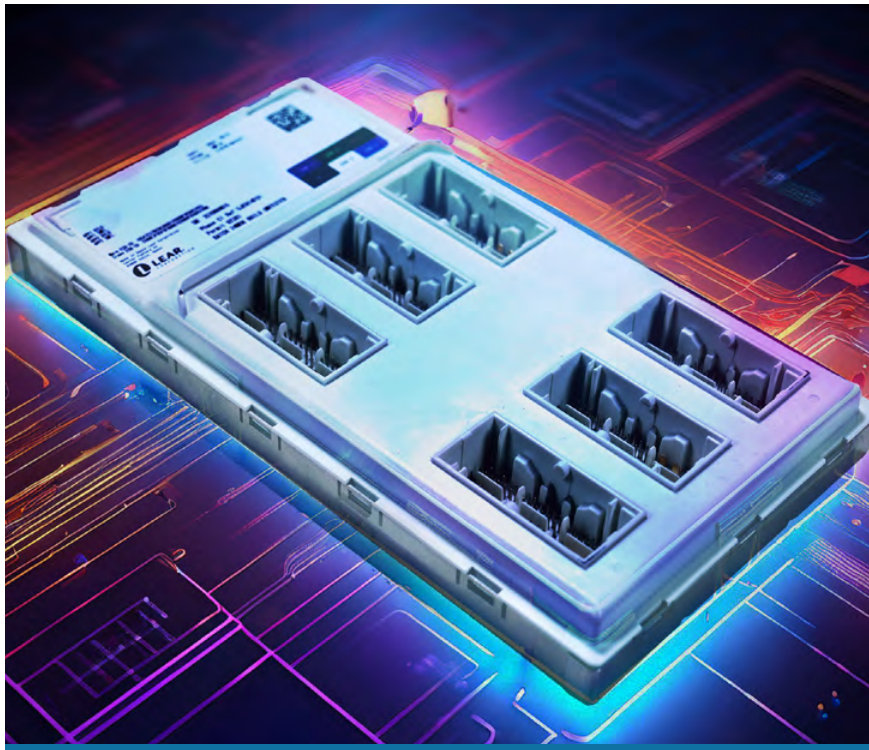
Our sustainable product portfolio continues to grow, with more than 1,200 global patents and pending patent applications for sustainable product and manufacturing technologies — and counting.

At Lear, nearly all of our products feature one or more of these attributes:

- Support electric vehicles (EVs) and electrification
- Contain renewable or recycled materials
- Reduce mass to save energy
- Recyclable at end of life

Lear is focused on integrating sustainability into our product development strategies and processes. As part of our formal design reviews for any new product or manufacturing change, engineers complete a checklist designed to identify sustainable content, such as lightweight materials, miniaturized or integrated features, as well as environmentally friendly processes, packaging and transportation. Our sourcing teams also identify environmentally and socially responsible suppliers to support our sustainability journey with high-quality alternative materials.

Lear's two businesses – Seating and E-Systems – develop and produce a wide range of solutions aimed at improving efficiency for greater performance, decreasing vehicle weight for lower emissions and increased battery driving range, reducing complexity with integrated and miniaturized components, and using recycled and recyclable materials for a more sustainable future.



Lear was awarded a 2025 Automotive News PACE Award for our Zone Control Module (ZCM), a technology that redefines vehicle electronics with zonal architecture and adaptive Algorithmic Circuit Protection. Our innovative solution streamlines vehicle system design, enhancing efficiency while paving the way for advanced automotive architectures.

1,200+
global patents and pending patent applications for sustainable products and manufacturing technologies

Visit our website to learn more about our forward-thinking solutions.

Seating

The world leader in luxury and performance seating, Lear has built a reputation for superior engineering, manufacturing and craftsmanship across a vast global footprint. From complete seat systems to sustainable interior solutions and comfort systems, we offer the most sophisticated seating capabilities of any supplier in the world and are the only seating supplier with in-house electronic and software capabilities.

Sustainable Comfort

A 100% recyclable and 100% breathable nonfoam alternative to traditional foam, Lear's FlexAir™ technology reduces CO2 emissions by up to 50% and weight by up to 20%, delivers VOC emissions below 1% compared with traditional materials, and improves durability. Launched on the Hyundai Santa Fe in 2024, FlexAir™ is now part of several vehicle programs with automakers worldwide. FlexAir™ is produced in-house at Lear's flagship manufacturing site in Rochester Hills, Michigan.

Reclaiming Luxury

Launched in 2024, Lear's award-winning ReNewKnit™ sueded surface material — made from yarn spun from recycled plastic water bottles and fully recyclable — is used in vehicle programs for Mercedes, Audi and Stellantis.

Modular Innovation

Through unmatched vertical integration and modular innovations incorporated into our surface materials, ComfortFlex by Lear™ combines heat, ventilation and massage while the ComfortMax Seat by Lear™ delivers superior thermal management with up to 40% faster time-to-sensation and up to 50% fewer parts.

Ford SupportBelt™

Using low-VOC materials, flexible supportive foam, and sustainable fabric and leather, Lear collaborated with Ford to develop the SupportBelt™, the first seat belt accessory designed by an automaker to help breast cancer patients travel more comfortably after a mastectomy. By easing seat belt pain and discomfort, the SupportBelt™ enables safe driving on the road to recovery.

E-Systems

Lear delivers full electrical distribution systems, connection systems, sophisticated body and core electronics, and innovative, customizable and scalable power management and battery power distribution solutions. Since 2019, more than 16 million tons of C02 emissions were avoided by EVs with the assistance of Lear's E-Systems solutions.*

Compact & Powerful

More than five million EVs are expected to rely on Lear's high-voltage connection systems as the main battery-to-vehicle interface by 2030.** Designed to deliver more power in a smaller package, a single 1/2-inch terminal can handle more power than an entire modern household.

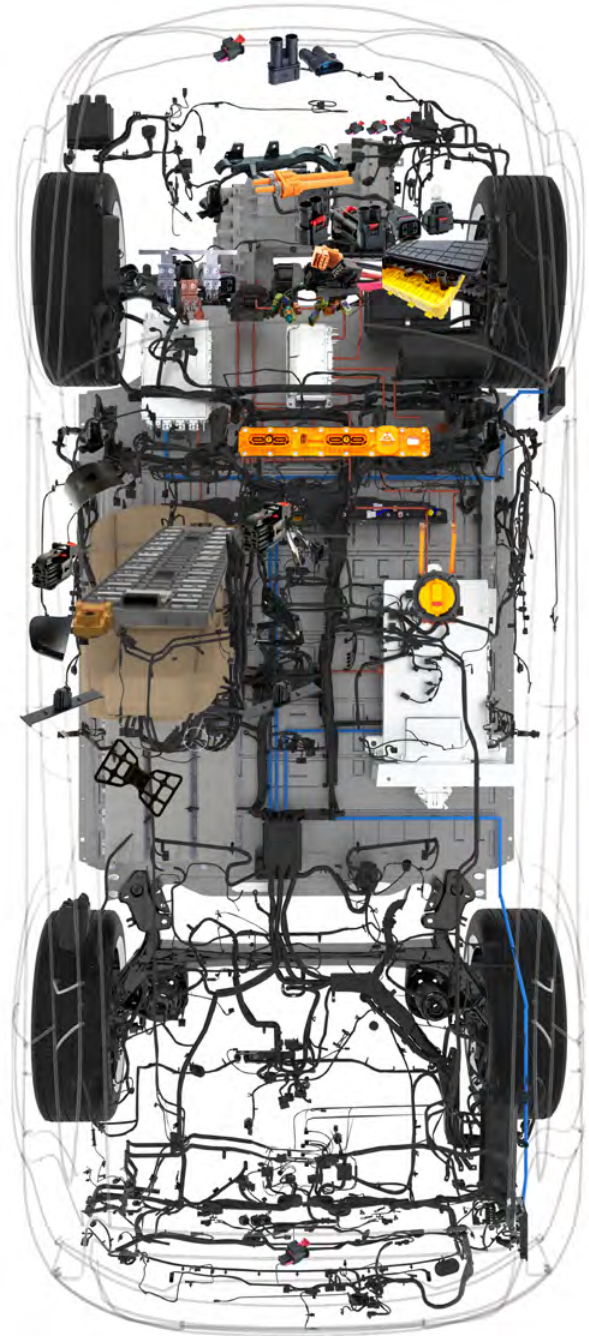
Efficient Mobility

Our Intercell Connect Board enables battery packs to be more efficient while constantly monitoring the health and performance of each cell to optimize operating conditions.

Enhancing EV Performance

Lear's Battery Disconnect Unit delivers the power and performance large SUVs and trucks require, driving the adoption of EVs into new automotive segments.

Announced at the 2024 International Suppliers Fair (IZB) in Wolfsburg, Germany, **Lear's lightweight solid aluminum harness was among Automobilwoche's Top 25 Products to Watch**. Our innovative solution reduces weight by up to 35%, enhances efficiency, and can be retrofitted to existing connection systems.



* Estimated avoided or saved C02 emissions from product improvements were calculated based on Lear's internal methodology using industry accepted emission factors, formulas and reasonable assumptions, without fully conforming to any particular GHG emissions reporting standard. These estimates have not been verified by a third party.

** Estimate based on adjusted production volumes.

Life Cycle Assessments

Lear was among the first automotive suppliers to conduct life cycle assessments (LCAs) to better understand our product carbon footprint and the potential impact our products have on the environment.

Lear has completed LCAs on all of our major product groups, established a global working group to further optimize data collection and output efficiency in the LCA process, and engaged with key suppliers to improve the carbon footprint of purchased components.

100% of major product lines
assessed through the LCA process

Based on our LCAs, Lear is now able to:

- Identify opportunities to reduce emissions
- Select relevant and specific indicators of environmental performance
- Inform internal and external decision-makers to help set priorities, develop strategic plans, justify design or process changes, and quantify progress

Lear's proprietary LCA tool helps our teams calculate the environmental footprint of every Lear product or component globally. The system addresses sustainability — including carbon and other environmental impacts — throughout the process, from responding to requests for quotes (RFQs) to production. Issues such as sourcing raw materials, sustainable manufacturing processes, and reusability or recyclability at end of life must be addressed at each stage before moving forward. Follow-up LCAs based on final product specifications can then be performed as needed.

Our LCAs comply with ISO 14040:2006 and 14044:2006 standards. In addition, we are collaborating with industry groups such as CLEPA, Drive Sustainability, and the AIAG to ensure common LCA methodology is applied across the automotive value chain.

Sustainable Steel

The steel and metal industry currently accounts for about 7%-11% of global C02 emissions. However, groundbreaking technologies in steel production are emerging. In a few years, fossil-free steelmaking may replace blast furnaces operated with coal and electric arc furnaces run on natural gas. Lear is helping build sustainable value chains and accelerate change by partnering with suppliers to source C02-reduced steel. In addition, the steel Lear uses typically consists of 20%-30% recycled steel. Not only are Lear's seating structures built with more sustainable recycled steel, but we will be able to assess the carbon footprint of these raw materials more accurately in the future.

Supporting a Circular Economy

Many of Lear's innovations support a circular economy by using recycled raw materials to produce high-quality products that are fully recyclable at the end of their life. For example, plastic water bottles are processed into chips and spun into recycled yarn used to create ReNewKnit™ sueded material for seating surfaces, door inserts, headliners, sunshades and more. Finished with a foam-free, recycled fleece backing, ReNewKnit™ is 100% recyclable at the end of a vehicle's life and can be reprocessed into new raw material for a wide range of future applications.

Lear is extending this circular approach through FlexAir™, a breakthrough seating material technology with the potential to divert up to 2.5 billion pounds of waste from landfills annually. By eliminating liquid resins and enabling circularity through solid pellets, FlexAir™ supports a true cradle-to-cradle lifecycle for seating materials.

Global automakers are adopting Lear's first-to-market innovations, helping turn the vision of a circular economy into reality today.

Visit our website to learn more about our forward-thinking solutions.

Social Responsibility

Supporting Our Global Workforce 35

Quality Products & Product Safety 59

SUPPORTING OUR GLOBAL WORKFORCE

Employee Experience (EX)

To continue to attract, retain and develop top talent worldwide, especially in today's competitive labor market, we are enhancing our value proposition by engaging employees from hire to retire – prioritizing listening and communication, community, employee well-being, and development and advancement. We call it focusing on the Employee Experience.

In Our Plants

EX is an evolution of our Together We Win program, an employee engagement initiative where plants progressed through milestones related to leadership, work environment, employee involvement and team empowerment.

The EX process uses surveys to gather feedback at key touchpoints, such as post interview for candidates, onboarding milestones for new hires, and semiannual surveys for all employees.

In 2025, we piloted EX in 37 global plants, including all U.S. plants. Results showed strong engagement, retention and inclusion scores, which will serve as a baseline for tracking improvement. Employee feedback also revealed key opportunities. As a result, plants globally are implementing more realistic job previews, enhancing training centers, launching a new GREAT Shop Floor Leadership Training Program and localizing other actions based on plant-specific feedback.

We are tracking and comparing business key performance indicators (KPIs) to our EX survey results to measure the impact of this initiative and are seeing early signs of reduced turnover and absenteeism. While these improvements cannot be attributed solely to EX, operations leadership and plant managers confirm it is making a difference. EX is now becoming a core driver of retention and long-term success.

In Our Administrative Centers

Due to the success of EX in our plants, we also piloted the initiative at our world headquarters in Southfield, Michigan. Survey responses were overwhelmingly positive and well above external benchmarks. Focus group findings aligned closely with the survey results, showing strong trust in managers, optimism about career growth and high intent to stay. Many employees described Lear as a family.

Last fall, we expanded EX to our regional headquarters outside of the U.S. with similarly positive results. As in Southfield, employees feel connected to the organization and value Lear's culture but asked for more career development opportunities, communication, and enhancements to the way we work and the systems we use. As a result, we are expanding leadership development opportunities and digitizing our human resources (HR) tools, such as Coaching Conversations and Scorecards, to increase accessibility and use, while developing regional plans for local needs. Most importantly, we will continue to close the loop with employees by keeping them informed as we make progress.

37 plants and our global and regional headquarters participated in 2025

11,600+ onboarding survey responses from new hires

29,600+ survey responses from plant employees

1,500+ employees in 79 locations participated in the GREAT Shop Floor Leadership Training Program

3,900+ survey responses from global and regional headquarters employees

74% of employees in our plants and **88% of employees** in our global and regional headquarters would recommend Lear as a great place to work

Goal

Expand EX to **75%** of employees in **2026** and **100%** by **2027**

Teamwork & Talent

Attracting New Talent

Lear takes an active, multifaceted approach to attracting the best talent, including:

- Strategically structuring our recruiting team to focus on the future of manufacturing, advanced technology and a variety of pipeline partnerships
- Broadening our talent pool to ensure we locate the best talent possible
- Streamlining the application and interview process for hourly employees through our Text2Apply platform
- Ensuring key open positions are highlighted on our careers website to reach the right audience, leveraging global channels and partners to rotate the distribution of positions based on our talent needs
- Partnering with our total rewards team to highlight employee benefits and extend competitive total compensation packages
- Focusing on high-potential internal talent, giving current employees the opportunity to build their careers at Lear
- Developing new university and college partnerships to support talent needs in critical functional areas
- Connecting and recruiting from a broad range of colleges and universities

Lear recruits from numerous universities around the globe. Learn more in our **Supplemental Report**.

Hiring Leaders for Success

Lear is focused on creating mutually beneficial relationships for the long term — making the best hiring decisions for the company and potential new leaders. Lear uses a global assessment process to understand what motivates and drives an executive candidate and how that aligns with the Lear culture and objectives of the role. Learning about a candidate's personal journey, work experience, successes and challenges helps highlight key indicators for future success at Lear.

Promoting from Within

Providing employees with opportunities for advancement has always been a priority at Lear. In addition to internally promoting open roles, we strongly encourage employees to refer candidates from their own personal network. In the U.S., our employee referral program reminds team members that we are often our best resource for identifying future talent. Employee referrals continue to be a great source of new hires in the U.S. and are a strong recruiting resource in our global regions.

Launching Careers

From internships to trainee programs, Lear helps launch careers around the world. In 2025:

100+
student interns
gained real-world experience at our global locations.

47
co-op students
from Kettering University rotated between the classroom and workplace every three months.

40+
engineering, manufacturing and business trainees
gained real-world experience across Lear operations in China, India, Mexico, Spain and the U.S.

18
college graduates
participated in rotational programs through our finance, engineering, supply chain or HR departments, working six to 18 months in one location before moving to a new assignment.

122
hourly and salaried employees
participated in Lear's tuition reimbursement program in the U.S.

$215,000+
in university scholarships
were provided by Lear in the U.S.

Apprenticeships and trainee programs
help build the local talent pool in China, India, Morocco, the Philippines, South Africa, Spain, the U.K. and U.S.

Lear is a Great Place to Work

Our culture, future-forward technologies and reputation for operational excellence attract new talent.

- **Top Employer 2026 Certification** – Brazil
- **Top Employer 2026 Certification** – Czech Republic
- **Top Employer 2026 Certification** – Hungary
- **Top Employer 2026 Certification** – Italy
- **Top Employer 2026 Certification** – Macedonia
- **Top Employer 2026 Certification** – Morocco
- **Top Employer 2026 Certification** – Poland
- **Top Employer 2026 Certification** – Romania
- **Top Employer 2026 Certification** – Slovakia
- **Top Employer 2026 Certification** – Spain
- **Top Employer 2026 Certification** – Europe
- **Great Place to Work Award 2025** – India

Our Leadership Model

Our leadership model, Winning the Lear Way, is anchored in our values — Be Inclusive, Be Inventive and Get Results the Right Way. It describes what a great leader is, providing a framework of behaviors and actions we follow at Lear. With a purposeful shift from describing leaders as "they" to "we," it captures the essence of who we are and how we work.

We believe Winning the Lear Way will continue to transform us into a company of great leaders with a great culture, which will help us attract and retain the best talent and ultimately win in the marketplace.

Be Inclusive

We **embrace diversity** of people and perspectives.

We **treat each other with respect** regardless of level or position.

We **work well across different cultures** and geographies.

We listen to our employees... **Every voice counts**.

We have a **big heart for our communities**.

Be Inventive

We work **smart**, are **resourceful** and **know our business**.

We **focus on driving meaningful outcomes**, not activities.

We **innovate** to meet the needs of our customers.

We are **decisive and embrace change**.

We **step up to challenges** and do not back down in the face of adversity.

Get Results the Right Way

We recognize that **our plants and our people are the core** of our company.

We separate ourselves from the competition through **our culture and operational excellence**.

We **operate with integrity** and **do what is right**.

We expect our leaders to be **role models, keepers of the culture** and to **build future leaders**.

We take the time to **recognize others** and **celebrate our wins**.

Leadership & Development Opportunities

We invite employees at all levels – from the plant floor to leadership – to build their strengths and grow in their careers through a variety of development opportunities at Lear. A wide range of programs progressively set foundational skills and build competencies, developing a pipeline of internal talent prepared to step into next-level roles. Available globally, our training opportunities are tailored and delivered to meet the needs of employees in each region.

To measure the effectiveness of our programs, we leverage surveys and focus groups to obtain feedback from participants, their managers, supervisors and HR. Best practices and global standards are shared regularly with global and regional teams to drive consistency while allowing customization for local needs.

The table at right shows some examples of the development opportunities available for employees at different levels throughout Lear.

6M+ hours
of developmental, compliance and corporate training completed in 2025

	TRAINING GOALS	EXAMPLE PROGRAMS
Executives *presidents, vice presidents*	Strengthening executive presence Setting a vision Building influence	CEO Academy* Seating and E-Systems President Academies*
People Leaders *directors, managers and supervisors*	Building and strengthening professional networks Delegating and executing through others Decision-making and flexible thinking Communication and gaining commitment	Together We Grow* Emerging Leader Development Program Career Acceleration Program Global Finance Development Program* Operational Leadership Academies First-Time Manager Program CALE Program in Mexico GREAT Shop Floor Leadership Training Program* Career Advancement Program (CAP) in Asia Klaus Rahm Memorial MBA Scholarship
Individual Contributor *salaried and hourly employees*	Setting foundational skills in self-awareness, time management and accountability Learning the basics of operational excellence, sustainability, finance, leadership and communication Providing opportunities to obtain technical certifications Understanding Lear's policies	Training opportunities and workshops in various disciplines and skills Lear's Leadership Model* Lear University technical certifications in Mexico and Honduras High school scholarships in Mexico Tuition reimbursement in the U.S.

* Available globally

Leadership Assessments

We want all employees at Lear to work for a great leader. Lear evaluates the strength of our leadership through a variety of processes.

Leadership Insights (LI 360)

Introduced to our vice presidents in 2024, Leadership Insights is an assessment tool that includes feedback from supervisors, direct reports and peers, making the process a true 360-degree review. In addition to narrative feedback, leaders are provided with their top three Towering Strengths and top three Gaps to Greatness. New self-ratings help leaders gauge their self-awareness by comparing their individual ratings with those of others. Lear also provides specifically curated self-development resources such as articles, books, videos and podcasts to help leaders reflect on key findings, create action plans and share their next steps with their teams. The next Leadership Insights program will take place in 2026.

Key Takeaways from 2024 Leadership Insights

165 global vice presidents participated

950 responses from direct reports and peers

89% average engagement, 18 points higher than benchmark across all industries

Annual Talent Review & Succession Planning

Lear's annual talent review process runs on a 12-month cycle with four phases to evaluate our global talent and ensure that the right people are in the right roles to drive organizational effectiveness.

Functional and business unit leadership assessments are conducted starting at the site and plant level, progressing through our global operations. Leadership Insights are reviewed, and succession plans are created to develop our bench talent for key roles. A range of high-potential employees is identified to increase exposure, explore potential next moves, and ensure each is challenged and recognized appropriately.

To create a more robust succession planning process around people, progress and promotability, we ensure development continues after programs such as Together We Grow and continue to expand the depth of our international leadership and key new hires. Our goal is to increase our talent pool of motivated, high-performance, ready-now leaders.

Each year, Lear's CEO and senior leadership team present our organizational review of talent and executive succession plan to our Board of Directors. Key outcomes from the process drive impact through the placement, development, advancement and retention of promotable and high-potential talent.

Performance Management

We use Scorecards and Coaching Conversations to align employee performance with our business goals and provide feedback and coaching to ensure we are all Getting Results the Right Way.

Scorecards

Scorecards enable individuals and teams to understand the key outcomes and metrics for their role and how they contribute to the strategy. This cascading process ensures a clear set of strategic priorities are set and communicated across the organization.

Coaching Conversations

A global tool designed for all salaried employees, Coaching Conversations tie Winning the Lear Way behaviors — such as celebrating successes, driving meaningful outcomes, working smart and developing our people — directly to day-to-day work.

Each quarter, the 30-minute, one-on-one discussions give employees and leaders an opportunity to focus on the employee experience, engage in meaningful dialogue, gather feedback, review priorities and discuss development. Employees are not rated, and the discussions are separate from compensation decisions.

Scorecards and Coaching Conversations are now automated through the SAP SuccessFactors platform, strengthening governance with automatic reminders and completion tracking. The platform supports 22 languages and retains historical records for future reference.

The People Hub

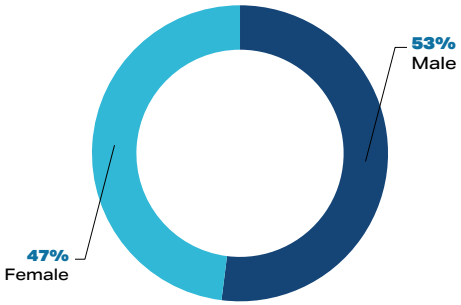
The People Hub is an online global resource offering guides on everything related to Lear's culture, talent and leadership, including recruiting, onboarding, our HR Service Center, Leadership Model and Coaching Conversations.

Our Workforce

With double the industry average of women and people of color, our workforce is incredibly diverse. Lear promotes a culture that values diverse experience and perspectives, creating an environment where all are welcome.

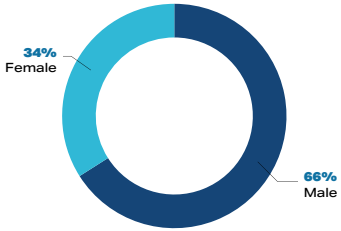
2025 Global Employees

By Gender



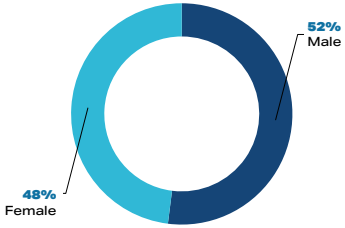
2025 Global Salaried Employees

By Gender



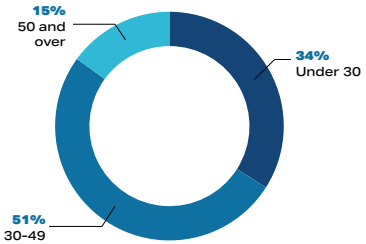
2025 Global Hourly Employees

By Gender



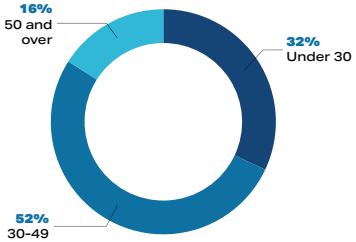
2025 Global Male Employees

By Age Group



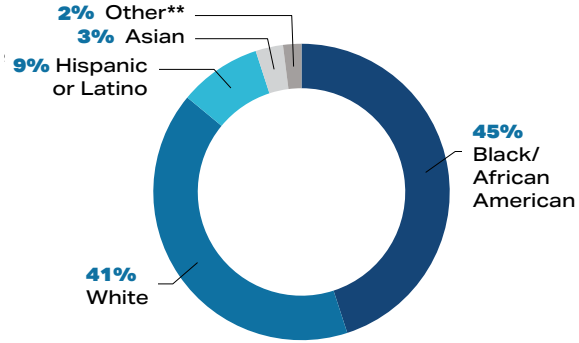
2025 Global Female Employees

By Age Group



2025 U.S. Workforce

By Self-Reported Ethnicity*



* Ethnicity data for Lear's U.S. workforce is based on the company's annual EEO-1 filing with the U.S. Equal Employment Opportunity Commission and includes both hourly and salaried employees, based on employee self-identification where permitted by law.
** American Indian/Alaskan Native, Native Hawaiian or other Pacific Island, two or more races

Additional data is available in the **Supplemental Report**.

View **Lear's Consolidated 2025 EEO-1 summary data here**.

A Core Value: Be Inclusive

At Lear, we have a long-standing commitment to a harassment-free, discrimination-free workplace where everyone is welcome. Building on one of our core values – Be Inclusive – Lear strengthens our commitment by embracing diverse experiences and perspectives, enhancing our culture through community.

Lear's Employee Resource Groups

Lear's Employee Resource Groups (ERGs) are voluntary employee-led groups that share common interests, backgrounds or demographics. Each group is sponsored by an executive, and all employees are welcome to participate. ERGs provide networking, mentorship and development opportunities, and offer a collaborative way to impact and inform Lear's culture.

22
active ERG chapters

26
countries

330+
global ERG events in 2025

GROW

Global Resources & Opportunities for Women
empowers members and builds allies across the corporation to cultivate positive visibility and growth for women at Lear.

LEAR NEXT GEN

Lear Next Generation
attracts and develops Lear's next generation of professionals, promoting opportunities for outreach and networking, while creating an inclusive work environment at Lear.

LAAN

Lear African Ancestry Network
promotes diversity in the workplace through leadership, professional development and service to the community.

LION

Lear Indian Origin Network
increases visibility and growth prospects by providing opportunities for Indian-origin professionals and enabling Lear to be an employer of choice.

LEAR LOVES

Lear LGBTQ+ Outreach, Visibility, Education & Support
is devoted to a culture of inclusion and the equality of love that advocates for the welfare, authenticity and opportunity of LGBTQ+ persons.

VALOR

Veterans At Lear Offering Resources
drives and supports success for veterans inside and outside of Lear by focusing on mentoring, education and employment opportunity development.

HOLA

Hispanics of Lear Association
promotes a community for connecting and showcasing our Hispanic and Latin American culture at Lear through cultural events, volunteering and community activities.

MENAA

Middle Eastern & North African Association
creates a welcoming and supportive space for employees of Middle Eastern and North African descent to promote cultural awareness, celebrate diversity, and foster inclusive and understanding workplaces for all.

In South America, our employees established several unique ERGs focusing on social responsibility and sustainability, races and ethnicities, people with disabilities, and immigrants and refugees. For example, Lear's Immigrants & Refugees ERG in Argentina and Brazil supports more than 150 immigrants through a series of initiatives aimed at helping them integrate into local communities and gain access to opportunities that foster their economic and social inclusion.

To learn more about inclusion at Lear, please follow us on our social media channels.

New ACT Framework

We prioritize employee experience, value unique perspectives, and cultivate a community where all employees are welcome and belong. To drive positive employee experiences as well as innovation, Lear implemented the new ACT framework in 2025.

ACT stands for:

Access
Opening channels to connect employees to leaders, resources and knowledge

Community
Building employee connections to promote an inclusive culture

Talent
Shaping our organizational culture by the talent we attract, develop and retain

A variety of programs support ACT. Here are a few examples.

ACCESS: CONNECTion Labs

Launched at our headquarters in Southfield, Michigan, CONNECTion Labs provide opportunities for employees to learn and interact with leadership on a variety of topics. Designed to augment our townhall meetings and lunch-and-learns, employees gather for watch parties hosted by the latest guest of our CEO's podcast. Other events leverage internal subject matter experts who share their knowledge on topics such as benefits and investor relations.

COMMUNITY: Global Inclusion Day

In September, colleagues around the world celebrated Global Inclusion Day. During the festive event, ERGs encouraged others to explore their missions while cultural activities, music, raffles and games offered opportunities to connect and learn from one another.

TALENT: Together We Grow

Lear's signature development program for top performers, Together We Grow offers meaningful leadership development, proactive career guidance and networking opportunities for high-potential employees nominated from the business and approved by the senior team. The program provides one-on-one mentoring, training and career mapping to create a pool of ready-now leaders for future director and vice president roles. Training includes modules on foundational mindset, what leadership looks like, self-awareness and team effectiveness, helping future leaders realize their potential and apply program concepts on the job. With support from their managers and HR, participants set individual career goals and network as a cohort to strengthen relationships with peers and senior leaders.

Together We Grow Participants Since 2021

105
participants

16
promoted to director

94.5%
retention rate globally

11
promoted to vice president

TALENT: Attracting New Talent

Lear recruits, hires and retains the best from every background and community around the world. To find candidates for all levels throughout the company, our Lear For You careers website encourages candidates to get to know our company and our culture. We also use online recruiting technology such as Handshake and LinkedIn. To support our critical plant hourly recruitment initiatives, we launched Text2Apply software in all our U.S. plants to ensure an efficient and streamlined process for job seekers applying to work at Lear.

We are committed to interviewing a broad slate of qualified candidates for all salaried roles. Learn more about how we are Supporting Talent for Tomorrow.

TALENT: JumpStarting Careers

To help midcareer professionals who have been out of the workforce update their skills and pursue new opportunities, Lear developed a 12-week JumpStart program. Leveraging our internal referral process, we identified participants who were eager to update their skills and prepared them to return to full-time employment. With nine cohorts completed in Asia, Europe/Africa, Mexico, South America and the U.S., the highly successful paid program provides Lear with a new source of experienced talent.

Learn more about our careers website: **Lear For You**.

Expanding Career Opportunities for All

Vision Disabilities

- 20+ employees with visual impairments work in our facilities in **Brazil, Honduras** and **Mexico**.

Hearing Disabilities

- 32 deaf employees work in **Brazil**, and 54 employees are trained in sign language.
- About 100 employees with hearing disabilities work in **Mexico** and **Honduras**.
- About 10 employees in **China** with hearing impairments support our manufacturing operations in meaningful production roles.

Using a combination of leadership development, inclusion and ergonomics, we have challenged ourselves to expand career opportunities for people with a variety of disabilities.

Physical Disabilities

- 420+ disabled individuals work on our production lines in **Brazil**.
- About 200 people with disabilities work in our plants in **China**, **Honduras, Japan, Macedonia, Mexico, Moldova, Poland** and **Serbia**.
  - Employees who suffered permanent injuries due to motorcycle accidents found opportunities in **Honduras**.

Cognitive Disabilities

- One HR specialist with Down syndrome and seven employees with cognitive disabilities work at our **Mexico** operations.
- For the third year, Lear hosted young adults with mild cognitive disabilities — such as autism, Down syndrome and other developmental disabilities — at our headquarters in **Michigan**, providing them with professional experiences in a corporate setting.

Expanding Inclusion through Ergonomics

Lear's leadership development team in Camanducaia, Brazil, examined the opportunities for disabled employees. More than 20 people with physical disabilities already worked at the plant, but only one type of workstation was equipped to accommodate them. In addition, to progress from an operator to a leader on the line, employees must demonstrate mastery at all workstations.

Determined to "innovate to include," the team used a variety of Kaizen tools as well as anthropometric, accessibility and ergonomic studies to evaluate and adapt four types of workstations to accommodate people with reduced mobility, reach, height and vision. In all, 20 workstations were adapted. Wider aisles and adjustable work surfaces throughout the plant now offer people with physical disabilities the opportunity to not only work at a variety of jobs but progress to leadership roles.

The initiative was the winner of a Lear ergonomics and Kaizen contest, highlighting the role of ergonomics in designing an inclusive workplace that supports employee development and advancement. More than 200 workstations have now been adapted in our South American operations. Similar ergonomics-driven inclusion initiatives are underway across Lear's global operations, reinforcing the company's commitment to accessibility, innovation and workforce development worldwide.

Labor Relations

Our talented teams are experts at manufacturing and product management with a well-earned reputation for excellence. Collaboration and teamwork are central to our culture. Union and nonunion employees work collaboratively to improve efficiency, safety and quality every day. We share ideas, best practices and solutions across plants, regions and the globe.

Working with Our Labor Partners

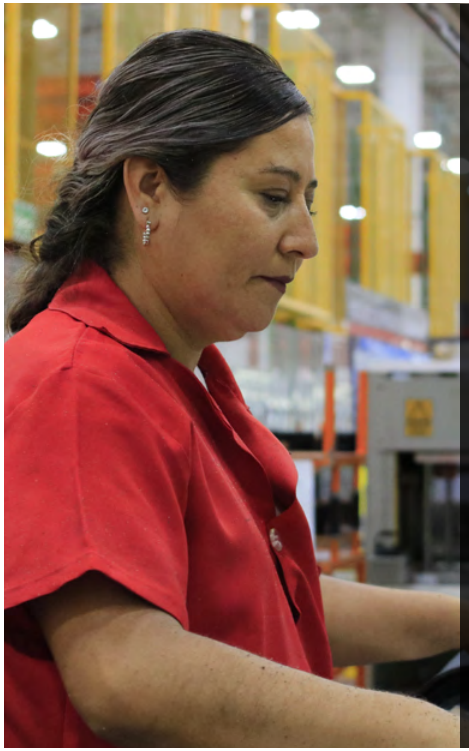
We have a strong working relationship with our labor partners as well as the employees who work in our plants. Lear respects employees' rights and solicits their opinions to improve the quality of work-life balance. This commitment is reinforced through Lear's EX engagement program, which prioritizes listening and communication, fostering community, supporting employee well-being, and enabling development and advancement.

In our locations with labor unions, we bargain in good faith to reach amicable, cost-competitive agreements in the best interest of our employees and customers. We benchmark the local labor market, and pay competitive wages and benefits.

Responsibility for labor relations begins with senior leadership and continues to the site level where we meet regularly with bargaining representatives to address topics critical to our shared success. Common subjects include safety, working conditions, employee engagement results, the state of the industry, new business awards, business transfer plans, performance relative to targets, automation and digital transformation, regional labor requests, and labor and management issue resolution, among others.

High-Performance Self-Directed Work Teams

Our high-performance self-directed work teams in plants allow many Lear employees to work together with minimal supervision. Because team members rotate positions, work becomes less task-oriented and more multidimensional. Wherever they are implemented, we believe high-performance self-directed work teams have increased employee ownership, engagement, process improvements, innovation, achievement of key operating objectives and job satisfaction.



75,000
employees covered by labor agreements globally

70+
labor partners around the world

100%
of Lear's manufacturing sites have health and safety committees run jointly by management and employees

TENT
MÉXICO

Securing a job is critical for refugees. Lear Mexico joined the Tent Partnership for Refugees, a network of 400 major companies committed to providing job and training opportunities to refugees and migrants. Through Tent Mexico, Oficina del Alto Comisionado de las Naciones Unidas para los Refugiados (ACNUR), and the Office of the Secretary General's Envoy on Youth (UNHCR), Lear is working to help refugees in Mexico access jobs and accelerate their labor market integration. The Lear team now includes 15 refugees from the Tent partnership.

Champions of Lear

At Lear, we celebrate collaboration, innovation and teamwork with a commitment to excellence. As our signature awards program, Champions of Lear has recognized the best-of-the-best globally within our plant operations and corporate teams since 2019.

In 2025, 19 award categories honored a wide range of achievements as shown at right. Applications from individuals, teams or plants are evaluated by a diverse panel of judges, including Lear leadership.

2025 CEO Special Appreciation Award

Lear's Europe Seating AI Team received the 2025 CEO Special Appreciation Award for advancing digital transformation through innovative AI solutions. The team developed a data-driven tool that automatically captures cycle-time measurements at seat assembly stations, providing real-time production insights. The solution improves performance visibility and supports greater accuracy and efficiency, helping deliver significant cost savings across multiple plants worldwide.

Our team in Slovakia helped redefine perceptions of the Roma community, Europe's largest and most excluded ethnic minority. Establishing a training center and providing stable jobs for more than 80 people fostered inclusion, respect and pride. Their efforts earned a Champions of Lear Award as well as the Roma Spirit Award from the Association for Culture, Education and Communication (ACEC).

CUSTOMER RECOGNITION

SEATING
Pune, India

E-SYSTEMS
Navegantes, Brazil

PURCHASING & SUPPLY CHAIN

SEATING
Global collaboration

E-SYSTEMS
Germany, Mexico, Spain & USA

QUALITY EXCELLENCE

SEATING
Piedras Negras, Mexico

E-SYSTEMS
Tangier, Morocco

NEW PROGRAM LAUNCH

SEATING
Detroit, USA

E-SYSTEMS
Mexico, Honduras & USA

KAIZEN LEADER

SEATING
Saltillo, Mexico

E-SYSTEMS
Naco, Honduras

PLANT OF THE YEAR

SEATING
Beijing, China

E-SYSTEMS
Jining, China

IDEA BY LEAR

SEATING
Miroslava, Romania

E-SYSTEMS
Novi Sad, Serbia

EMPLOYEE EXPERIENCE TOGETHER WE WIN
Vigo, Spain

INCLUSION AND COMMUNITY
Presov, Slovakia

SUSTAINABILITY
Green Valley, Honduras

SAFETY EXCELLENCE
Jining, China

7 years celebrating the Champions of Lear

600 nominations in 2025 in **19** categories

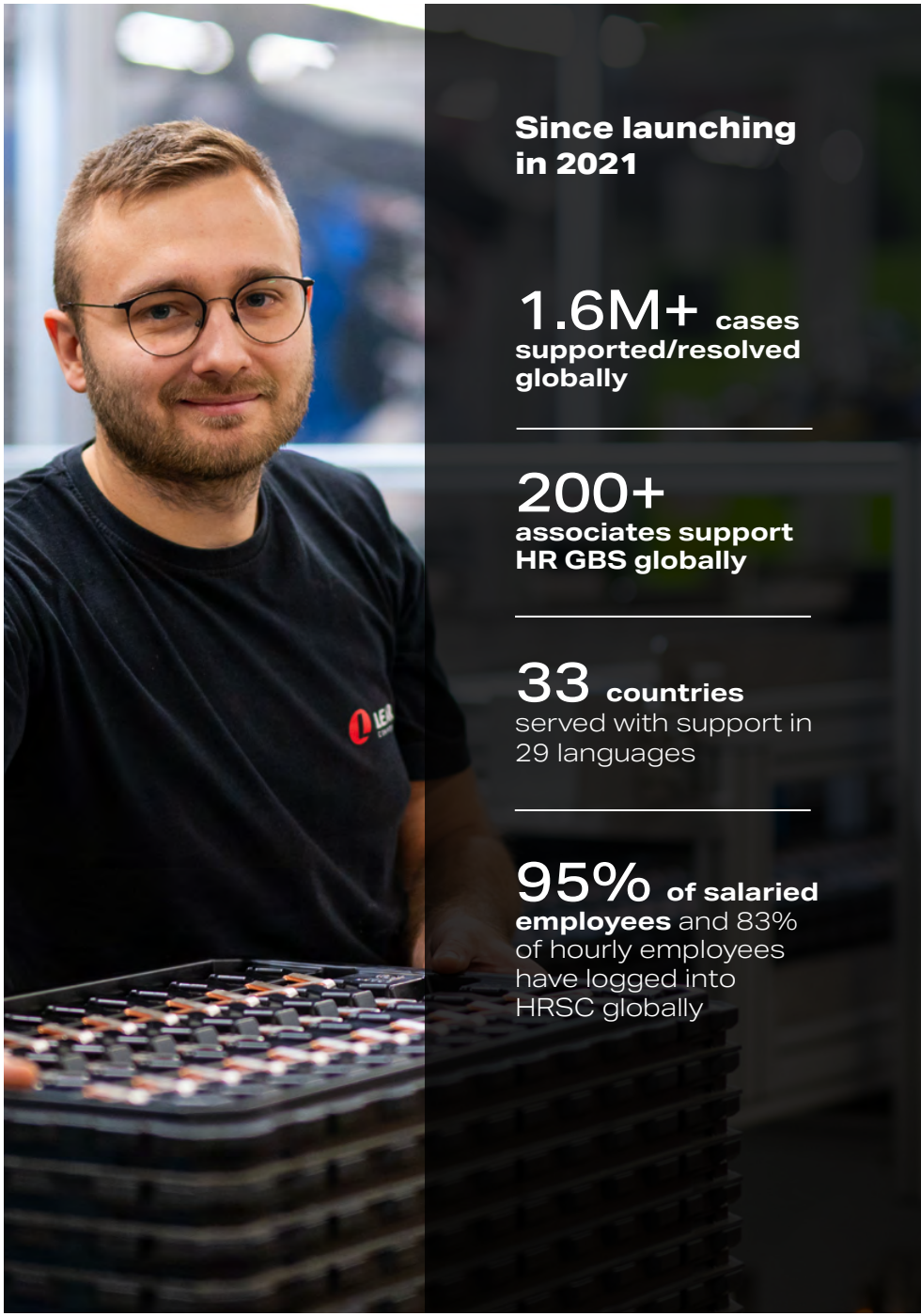
96 winning teams since 2019

HR GBS Transforms Human Resources

Lear's Human Resources Global Business Services (HR GBS) leverages streamlined digital processes to deliver people-focused HR services and solutions to our employees globally. Through increased global collaboration and advanced technology, key HR processes are provided in a shared services model, driving greater process standardization, best practices and efficiencies. Global hubs have an expanded focus supporting key standard services for all regions. This purposeful approach enables greater regional focus on value-added and in-person moments that matter, such as onboarding, on-site training, performance management and leadership development.

Using mobile phones or kiosks in our plants, employees can securely log into our HR Service Center (HRSC) and access HR solutions and support in a single location. The HRSC offers robust libraries of knowledge-based articles to answer common HR inquiries and empowers employees with real-time self-service capabilities, such as printing pay slips, obtaining employment verification letters and signing up for health screenings. An AI-powered search engine helps employees easily find the answers they need when they need them.

Global teams marked the launch of four HR GBS hubs supporting employee data management, talent sourcing, first-level operations and data quality. The centralized hubs advance efforts to streamline service delivery and improve the employee experience for standard HR administrative services. Drawing on shared expertise, the HR GBS team implemented new system automations, strengthened and introduced processes, and delivered global improvements in speed, cost efficiency, service quality and HR business solutions.



Since launching in 2021

1.6M+ cases supported/resolved globally

200+ associates support HR GBS globally

33 countries served with support in 29 languages

95% of salaried employees and 83% of hourly employees have logged into HRSC globally

Work-Life Balance

In today's hectic world, balancing work and family can be difficult. Lear offers creative ways to help our team members achieve a healthy work-life balance. These opportunities vary by location, depending on what makes sense culturally and competitively.

Examples include:

- Parental leave
- Flexible work arrangements
- 16–18 holidays per year
- Paid vacation for all Lear employees globally in our bargained and nonbargained locations

Based on location, Lear may also provide:

- Life insurance, health care benefits and retirement provisions for full-time employees
- Free Employee Assistance Programs (EAPs) to help with personal and family issues
- Dependent Care Flexible Spending Accounts
- Paid vacation in the first year of employment and progressing up to four weeks per year
- Paid time off to volunteer and support charitable initiatives
- Fair absenteeism policies supported by the local work team to alleviate unplanned or emergency time off
- Wellness campaigns to support employee health
- Overtime pay
- Full-time or back-up child care
- Adoption and fertility services
- Transportation to and from work at some locations

Driving Wellness

Lear's Driving Wellness campaign promotes healthier lifestyles by addressing four aspects of well-being: body, mind, nutrition and balance.

Here are some examples of how our teams were Driving Wellness across the globe in 2025.

driving wellness.

In 2025, health, well-being and self-care were a focus across Lear South America. **More than 1,800 employees** from 11 locations in Argentina and Brazil participated in LearLife Run activities, which engaged employees in walking and running circuits at all plants. Employees signed up to walk 3 km or run 5 to 10 km, with family members often cheering participants along the route. Lear employees also took part in industry partner and community races, extending the program's impact beyond company locations.

Body

4,000 employees and family members participated in breast cancer prevention initiatives in our South American operations.

Nearly 600 employees participated in the Move for Your Health campaign, tracking more than 9,600 miles and logging more than 1,200 hours of exercise through an online physical activity app.

100 employees participated in Menopause Awareness Sessions in Germany.

24 Zero Tobacco workshops were held across South America to reinforce informed, healthy choices.

Mind

Our headquarters in Southfield, Michigan, hosted psychologist-led discussions on substance abuse and prevention, along with other mental health topics.

400 employees participated in activities during Mental Health Awareness Week in the Philippines.

Men's Health Awareness Month was celebrated in our European Seating Operations with senior leadership led discussions on the importance of checkups and preventative care and support for men.

A Psychological Risks at Work survey was implemented across all Brazil locations to support and guide our ongoing emotional well-being program and grow resources.

Nutrition

Employees in Europe collaborated to create *Your Recipe, Your Story – The Cookbook That Connects Us*, celebrating the Lear team's diverse backgrounds by sharing traditional recipes and fostering connection through food.

Nearly 4,000 employees in Mexico participated in monthly virtual discussions on nutrition, covering topics such as reducing sugar intake, managing hypertension through diet, preventing gastrointestinal diseases, liver health, and balanced eating.

Hungary, Poland, Sweden and the UK, along with other European operations, provided employees with fresh fruit grown on-site or purchased locally.

200 South American employees participated in healthy eating workshops to support energy and well-being.

Balance

Teams in Romania, Moldova, Slovakia and the Czech Republic reconnected with nature through hippotherapy sessions, using therapeutic horseback riding to support employee well-being and rehabilitation.

3K training courses were delivered in Brazil through the Wheel of Life program, focusing on career development, health, relationships and financial well-being.

Monthly online wellness discussions in Mexico covered topics focused on personal and professional development, as well as overall well-being.

150+ employees in the Philippines participated in "Decluttering in Everyday Life" sessions to promote balance and support intentional living.

Giving Back to Our Communities

From senior executives to new team members, Lear employees dedicate themselves to a wide range of charitable and service organizations aimed at supporting three critical areas of need in our communities: economic well-being, education and the environment. Lear supports programs that align with the UN's Global Compact Guiding Principles. Whether through our corporate giving campaign — Operation GIVE — or events sponsored by our local facilities, we are proud of our long history of community involvement.

Economic Well-Being

We help provide complete nutrition, clean drinking water and safe living conditions — the essentials required to lead healthy and prosperous lives.

Education

We support effective and quality learning, job preparedness, entrepreneurship, and science, technology, engineering, arts and math programs for children and young adults.

Environment

We help preserve the earth through environmental cleanup, recycling and reuse initiatives, and saving energy.

$700K+ donated by employees at our Southfield, Michigan campus to the United Way, UNICEF, Save the Children, Habitat for Humanity, FIRST, the Ocean Conservancy, the Nature Conservancy, Capuchin Soup Kitchen and other organizations

16 executives serve on the boards of 45+ nonprofit organizations

117,000+ trees planted by employees in our global communities

Earth Day: Global Action for Our Planet

Lear proudly supports Earth Day, the world's largest day of environmental action. Each year, teams around the globe organize hundreds of activities that reflect a shared commitment to protecting the environment. Efforts include energy conservation projects, tree and pollinator garden plantings, reducing food waste in cafeterias, and cleaning up local communities and waterways—among many other initiatives. Together, Lear teams are taking meaningful action to care for the planet, on Earth Day and every day.

Lear's GincaLear Campaign Mobilizes Volunteers to Support Communities in Brazil and Argentina

Lear sites in Brazil and Argentina organized the GincaLear campaign in 2025 to support local communities. The effort engaged 1,970 employee volunteers and delivered meaningful aid, including 35 tons of food. Teams also donated 1,400 boxes of chocolates to families during an Easter campaign and provided more than 2,300 coats, extending support to communities throughout the year. The campaign reflected a shared commitment to service across the region.

For more stories about how our global teams are supporting the communities where we live and work, follow us on our social media channels.

Lear Volunteers

Around the globe, Lear employees devote their time to supporting the communities where they work. Their efforts are driving a more inclusive future for the next generation. Below are just a few examples.

- Introduced students to careers in manufacturing and the automotive industry through Wayne State University's Supply Chain Case Competition
- Supported more than 160 young people across 7 cohorts in Brazil through United Way programs aimed at building personal and professional skills
- Provided reading practice and mentoring to at-risk early elementary students through Chapter One's Online Reading Program
- Mentored veterans through American Corporate Partners, helping them improve resumes and interviewing skills, identify career fields and translate their military background into the corporate world
- Served on boards such as the Student Advocacy Center, Detroit Children's Fund, the Rhonda Walker Foundation, and Cornerstone Schools

Through financial support and employee volunteer efforts, we are preparing the next generation for meaningful career opportunities.

95 veteran mentorships through American Corporate Partners since 2019

Nearly 14K students supported annually through investments in the Detroit Children's Fund and their mission to strengthen schools, provide college and career readiness training, and expand access to STEAM opportunities

$75K in Lear scholarships awarded to 29 scholars plus tutoring and SAT test prep for over 350 inner-city teenage girls through the Rhonda Walker Foundation since 2018 (see photo above)

Championing Human Rights

Strengthened by Lear programs such as Expect Respect, the EX engagement program, and our Code of Business Conduct & Ethics as well as our Human Rights and Environmental Due Diligence (HREDD), our human rights strategy goes beyond establishing a policy to providing governance, training, monitoring and mechanisms for reporting concerns – both internally and externally.

Our Human Rights Policy

Our Human Rights Policy defines how we approach, govern and defend the dignity of people throughout our operations, communities and global supply chains. At Lear, we:

- Respect the privacy of all individuals
- Encourage inclusion in the workforce with fair and equal employment opportunities
- Prohibit child labor, forced labor and human trafficking
- Treat employees with dignity and respect, providing a professional work environment free from discrimination and harassment
- Offer fair pay, hours, benefits and working conditions
- Allow freedom of association and collective bargaining
- Source responsibly

As champions of human rights, we embrace the international principles expressed in the Ten Principles of the UN Global Compact, Universal Declaration of Human Rights, UN's Sustainable Development Goals, UN Guiding Principles on Business and Human Rights (UNGPs) and the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work.

Governance

Lear established a Human Rights Committee to enable our purchasing, EHS and HR teams to collaborate on their internal and external efforts, ensuring a comprehensive approach to our strategy. The mission of the committee is to:

- Drive stakeholder engagement and continuous improvement
- Strengthen reporting and transparency
- Promote ethical business practices and uphold international human rights standards
- Protect the safety and rights of all affected stakeholders: employees, suppliers, communities, and end users including drivers and passengers
- Expand awareness and training across the organization
- Monitor compliance and update policies accordingly

Training and Awareness

Through annual training on our Code of Business Conduct & Ethics as well as our Expect Respect program, we have built a culture of respect and inclusion at Lear. Our hourly and salaried employees learn about various sustainability topics, including human rights issues and how to Get Results the Right Way. Training materials created and implemented by our supply chain, compliance and purchasing departments help purchasing professionals prevent, recognize and resolve potential human rights violations in the supply chain. Lear also provides comprehensive human rights training for our suppliers. See Supporting Supplier Sustainability.

Monitoring

In 2025, we developed specific questions to monitor our operations and identify potential human rights issues during our regular internal audits at Lear sites. The new integrated questionnaire will be piloted at select locations in 2026.

For supplier sites, we integrated dedicated sustainability and human rights criteria into the supplier audit checklist, trained auditors, and further integrated technology to enhance supply chain due diligence and sustainability risk monitoring. See Supporting Supplier Sustainability.

Reporting Concerns

Through Lear's Ethics & Compliance Helpline, employees, suppliers and business partners can anonymously report human rights concerns in their language via a toll-free phone call, email, website or regular mail. Our Ethics & Compliance team reviews every report and, when appropriate, begins an investigation with the proper departments. See Speak Up and Investigating Reports for more information about our Ethics & Compliance efforts.

Employee Safety

Lear integrates health and safety into a single Environmental, Health and Safety Management System (EHSMS) that aligns with ISO 45001:2018 and ISO 14001:2015 standards. This integrated approach streamlines management processes, strengthens environmental, health and safety performance, and reinforces Lear's commitment to protecting employee well-being.

Our global EHSMS is compliant with ISO 45001:2018 standards and processes, including hazard identification, risk management, emergency preparedness, health and safety reporting, audits and more. All of Lear's plants are ISO 14001:2015* certified. New acquisitions become certified based on their integration plans, usually within two years. More than 75% of our sites are ISO 45001:2018 certified. To accommodate recent acquisitions and market adjustments, we expect to complete 100% certification of our eligible production sites in 2026.

100% of Lear's eligible production sites are **ISO 14001:2015 certified***

100% of Lear's production sites are **ISO 45001:2018 compliant**

75% of Lear's production sites are **ISO 45001:2018 certified as of December 2025**

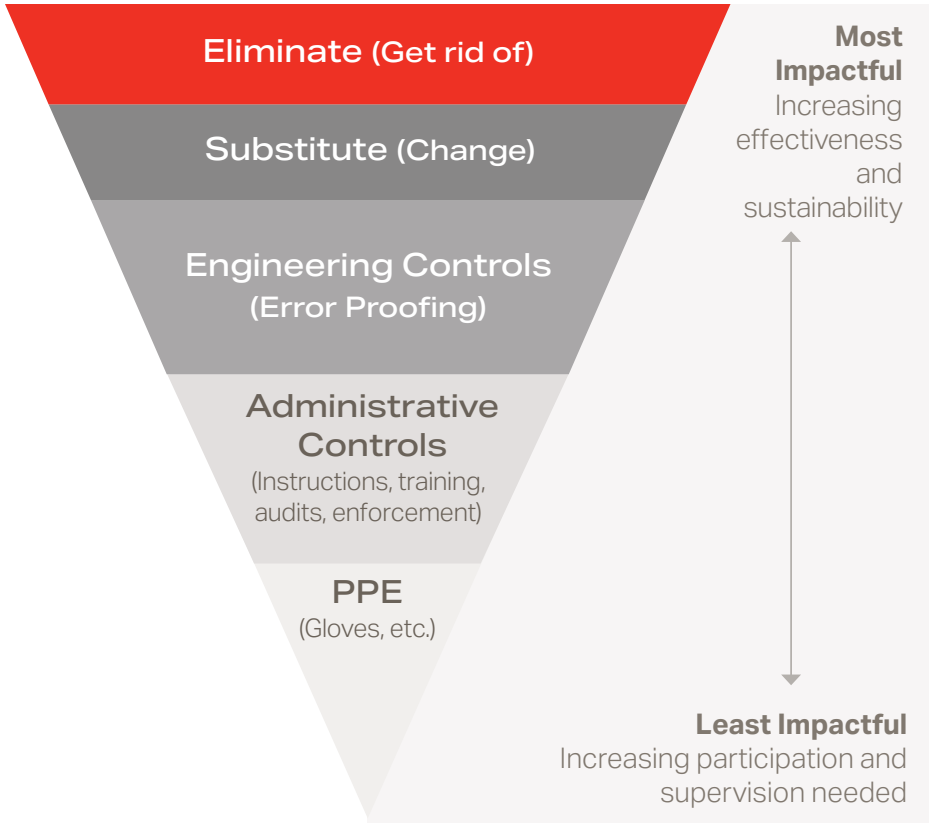
* Lear manufacturing sites will transition to ISO 14001:2026 within its certification cycle, typically about three years.

Awarding Safety

To encourage employees to keep safety top of mind and recognize their accomplishments, Lear honors every facility that achieves 1 million hours with zero injuries or accidents. Annual awards are also presented to plants with no lost time incidents or recordable injuries.

Hierarchy of Controls

To manage the most and least effective safety methods, Lear has developed an EHS&S Hierarchy of Controls.

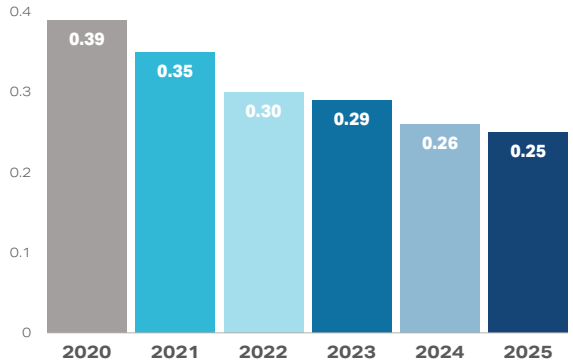


Key Employee Safety Statistics

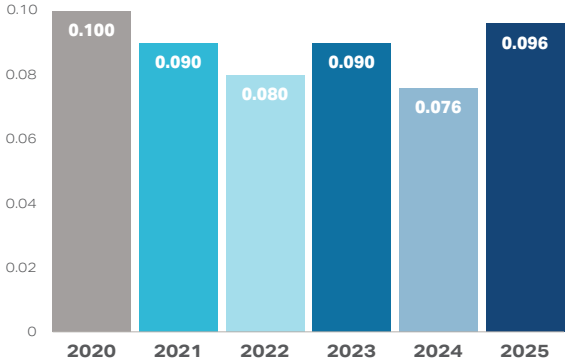
Our safety efforts apply to everyone on our property, from employees and contract employees to visitors, customers, suppliers and students. In 2025, we experienced consistent improvement on already best-in-class performance.

- The Total Recordable Injury/Illness Rate (TRIR) calculates the number of recordable incidents per 100 full-time employees.
- The Lost Time Injury/Illness Rate (LTIR) is the number of lost time injuries per 100 full-time employees.
- The Lost Time Injury/Illness Severity Rate (LTISR) is the total number of employee days away from work per 100 employees.
- The TRIR, LTIR and fatality rates include Lear employees and contract employees, whom Lear values equally.
- Occupational diseases are not prevalent within our company.

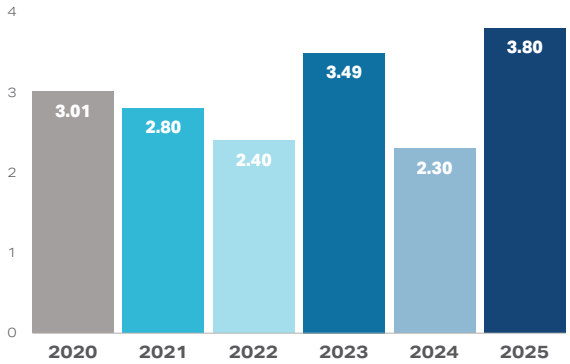
2025 Total Recordable Injury/Illness Rates (TRIR)



2025 Lost Time Injury/Illness Rates (LTIR)



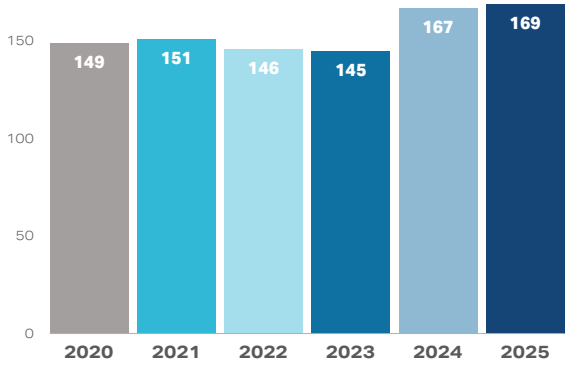
2025 Lost Time Injury/Illness Severity Rates (LTISR)



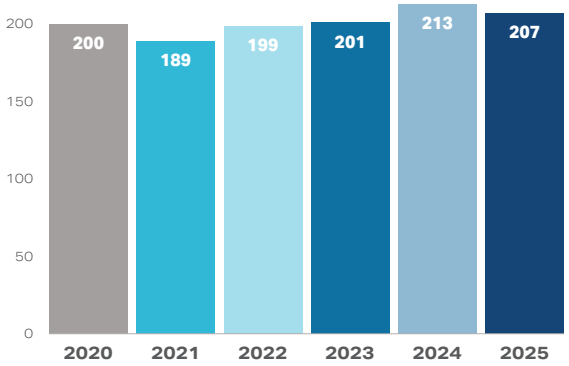
0 employee fatalities in 2019 - 2025

Lear was named an Automobiles & Parts industry leader in the Just Capital and CNBC Best of American Business rankings. Informed by polling of the American public, Just Capital evaluated how the largest U.S. companies performed on key stakeholder priorities, including career development, health and safety, and human rights.

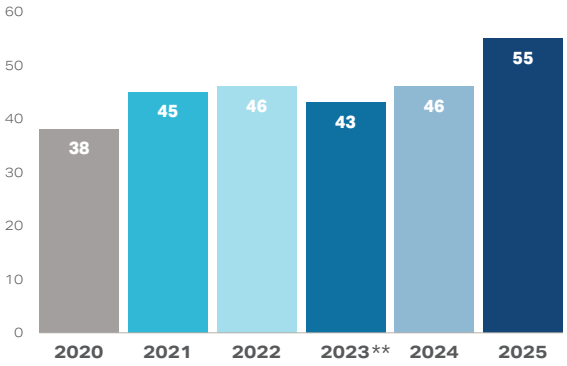
2025 Facilities* with 0 Recordable Injuries



2025 Facilities* with 0 Lost Time Injury/Illness Cases



2025 Facilities* Achieved 1 Million Hours without a Recordable Injury



* Includes administrative, engineering and headquarters facilities ** The 2023 safety data has been adjusted to correct the types of sites included in total global counts.

2025 Ergonomics Kaizen Competition

Kaizen is more than a process at Lear; it is a mindset of continuous improvement that strengthens safety, efficiency and culture across operations. That mindset was on full display during the annual Ergonomics Kaizen Contest, which highlighted innovative solutions designed to make daily work safer and smarter for employees worldwide. Winning projects focused on robot-assisted parts handling, part conveyance and machine loading. In total, 162 plants participated, submitting more than 380 projects that were evaluated on employee engagement, risk reduction, financial impact, scalability, use of standard ergonomics problem-solving methods and overall degree of difficulty. Regional winners advanced to present their projects to Lear's CEO and senior executive leadership team, underscoring the importance of ergonomics-driven innovation at the highest levels of the company.

ASIA WINNER - Shenyang Tiexi, China

The Shenyang WOFE team (China seating surface material division) achieved the highest score, reducing ergonomic risk by 74%. The team designed a cart for quick part feeding to the presewing robot cell, reducing injury risk and generating a 43% task time savings.

EUROPE/AFRICA WINNER - Valença, Portugal

The Valença team (Portugal seating structures division) earned top honors for their bumper assembly weld cell redesign, which reduced ergonomic risk by 32% and increased efficiency by 36%.

AMERICAS WINNER - El Paso, Texas

The El Paso team (U.S. E-Systems connections) was recognized for integrating a robotic assist to load and unload components in an injection mold press. The project reduced injury risk by 89%, lowered operational costs by 50% and improved production efficiency by 68%.

Expecting Safety for Pregnant & Breastfeeding Mothers

Pregnant and breastfeeding mothers have special safety concerns at work. In Mexico and Central America, 54 Lear plants implemented special protocols. For example, pregnant workers wear pink coats, are assigned to lower-risk areas of the plant, provided with dedicated rest areas, and offered preferred parking and seating on employee transportation. During pregnancy, they receive wellness training on a variety of topics. When they return to work, breastfeeding mothers can use private lactation rooms.

Contractor Safety

Lear is concerned about the safety of every person in our facilities. Everyone on Lear premises is required to follow safe work rules whether they are employees, contract employees or external contractors not directly supervised by Lear. At a minimum, we require everyone to adhere to legal requirements. However, our safety best practices are often more stringent than local laws.

Lear has an established directive defining the EHS requirements for contractors performing work at all Lear facilities. In addition to complying with Lear's security rules, all contractors and their subcontractors must agree to observe all health, safety, fire protection and environmental laws and regulations. Local contractor coordinators identify risks, perform site orientations, verify required qualifications and training, oversee inspections, and communicate with contractors and employees. Contractors must inform Lear of all first-aid accidents, recordable incidents or near misses, and follow Lear's investigation procedures. Noncompliance, unsafe work practices or violations of Lear EHS rules are addressed promptly.

In 2021, Lear began tracking occupational injuries and illnesses for external contractors. In 2025, our contractors reported 0 fatalities and nine recordable injuries.

QUALITY PRODUCTS & PRODUCT SAFETY

Quality Products

Our highly trained professionals have built Lear's outstanding reputation by delivering billions of top-quality products every year. They deploy an array of quality management tools, processes and systems with constant attention to detail.

Lear's Quality Operating System

Our quality efforts are outlined in the Lear Quality Operating System (QOS). Accessible to every employee, our QOS is controlled at the enterprise level for consistency, deployed by quality professionals at every facility around the world and used by production team members to ensure the highest quality products are delivered on time to our customers every day.

Approximately 9.9B
production **wire harnesses, terminals, connectors, electronics, electrical components** and **service parts** produced

Approximately 58M
production **seats, seating components, surface materials** and **service parts** produced

100%
of eligible sites are certified to **IATF 16949:2016/ ISO 9001:2015** or in the certification process*

* The International Automotive Task Force (IATF) is an automotive standard. It excludes nonautomotive sites, nonmanufacturing facilities and sites in operation for less than 12 months.

Quality Training

To continuously improve, we constantly learn. Lear offers our employees interactive and/or self-paced training in:

- Quality and problem-solving tools such as Ishikawa, 5W/2H, descriptive statistics, 3-legged 5-why, fault tree, SPC and is/is not
- Effective problem solving
- AIAG & VDA Process FMEA: Understanding and Implementing with Control Plans
- IATF 16949:2016 internal audit training
- Global quality procedures
- Supplier quality tracking
- Product-specific requirements
- Customer-specific requirements
- Warranty tracking and reporting methods
- Quality documentation standards
- Quality mindset
- Safety and compliance

In addition, Lear's quality group leads one-hour virtual meetings on a variety of quality standard-related topics every six to eight weeks. Our online portal is also available to all team members and contains our global procedures and process descriptions, Global System Policy Manual, the Quality Professional's Handbook and the Supplier Quality Handbook.

In 2025, Lear received 34 quality awards from customers around the world. Here are a few examples:

Volvo Sustainability Long-term Partnership Award - Asia

DongFeng Best Partner of Supply Chain Award - Asia

Nissan Excellent Quality Award - Asia

GM Supplier Quality Excellence Award - Global - 9

J.D. Power 2025 U.S. Seat Quality and Satisfaction Study℠ — seven top-four finishes, more than any other seating competitor for the third consecutive year

World Quality Week

In 2025, Lear locations around the globe celebrated World Quality Week to raise awareness and recognize our employees' efforts to deliver the highest quality products to our customers. Built around the theme "Back to Basics," the campaign emphasized the importance of how everyday actions contribute to Lear's outstanding reputation for quality.

Each day featured videos describing success stories from team members around the world. Events included lunch-and-learns, recognition celebrations, quality training, videos, scavenger hunts, team competitions and a contest to name next year's World Quality Week theme.

Lear Plant of the Future Quality Program

Our Plant of the Future quality program uses in-depth assessments to ensure every plant operates at the highest levels of quality.

Every year, locally trained auditors assess 12 key factors focused on integrating quality practices and standards into everyday activities. An annual audit by corporate quality professionals is also conducted at each plant.

Lear's Plant of the Future program helps employees of all levels incorporate quality into their daily work, sets clear, measurable expectations, and provides regular milestones for review and improvement. The scores amount to 50% of the Champions of Lear Quality Award criteria.

Quality Assurance in Software Engineering

With millions of lines of code in our E-Systems products, our quality assurance program ensures our software meets the Automotive Software Process Improvement and Capability Determination (ASPICE) standard. In every location where we design and develop software-related products, quality assurance professionals work with our engineers to create a globally integrated and unified approach to software development. Locally, they participate in management design reviews for each step in new product development and launches. In addition, a dedicated software quality assurance team conducts offline audits and process checks. Also see Cybersecurity.

Supplier Quality Performance

To confirm and audit supplier performance, Lear follows AIAG and Verband der Automobilindustrie (VDA) Standards. The certification process includes our total manufacturing execution controls and processes, as well as Lear's management of Tier 2 and Tier 3 suppliers. We work with our suppliers in many ways, including:

- As part of Lear's annual review process, outlined in the Global Requirements and Code of Conduct for Suppliers, our supply partners must recertify their products once a year.
- Lear's requirement that suppliers are IATF 16949:2016 certified includes annual recertification through surveillance or recertification audits conducted at the supplier's site by an accredited third party.
- We meet with our core suppliers each quarter to assess their scorecards, quality, innovation, future business opportunities, sustainability and other strategic partnership opportunities.
- Our Central and Regional Supplier Management Teams audit our suppliers' planning management systems and resources for executing new programs. The teams also manage daily supplier performance, change requests, escalation or emerging issues, audits and Continuous Quality Improvement (CQI) compliance.
- Lear's Quality Management Teams confirm daily product execution, track scorecard metrics, ensure industry requirements are met for each manufacturing location, manage warranty issues and sufficiency planning, and oversee supplier quality management.

Each year, we review product risk drivers with the Global Compliance Team to confirm actions and systems are in place to mitigate any risks.

Learn more about how Lear manages and monitors our extensive **global supply chain**.

Product Safety & Compliance

Lear's product safety processes comply with our global customer requirements and applicable regulations.

Product Safety

Our global Potential Product Issue Resolution Process (PPIRP) identifies critical issues that could impact the performance of a salable product. In the event that any team member has a concern with a potential product performance issue, our process requires that a PPIRP be initiated. Using the PPIRP portal on Lear's intranet, employees can log in and create, view or modify issues depending on access level. Appropriate quality, engineering and other cross-functional resources are then assigned to review and address the concern. An automatic escalation mechanism is built into the process to ensure issues are addressed in a timely manner. Depending on frequency and severity, concerns are directed to Lear's Global Product Compliance and Safety Committees for review and appropriate action.

What we learn from the PPIRP drives improvements throughout the product life cycle. To prevent potential issues in the future, corrective actions are used to create new design guidelines, which are consulted during the review process for new product designs. In addition, Lear conducts on-site product safety audits to verify production practices.

As a result of Product Compliance and Safety Committee reviews in 2025:

349 new design guidelines released

82 on-site and virtual product safety audits conducted

373 product safety design reviews conducted

Chemical Risk Management

Chemicals offer many benefits when handled appropriately and used correctly. Every Lear facility maintains a chemical inventory and globally harmonized supplier-provided safety data sheets for all chemicals used in production processes as well as other nonproduction chemicals such as paint and cleaning supplies. Chemicals are labeled in accordance with applicable hazard communication requirements, and safety data sheets are readily accessible to employees.

Regular training educates employees about the proper use, handling, storage and risks of chemicals used at Lear. Training is role appropriate, supports employees' right to know, and is refreshed as chemical inventories, formulations or hazard classifications change. We meet all global requirements for risk management and hazard communication, including U.S. Occupational Safety and Health Administration (OSHA), EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), and other applicable regional regulations.

External hazard communication — from suppliers to Lear and from Lear to our customers — is managed through the production part approval processes (PPAP). The chemical composition of every product is disclosed through the International Material Data System (IMDS). Our product development teams adhere to applicable product regulation and material reporting requirements, and ensure compliance with customer and legal product specifications, including the Global Automotive Declarable Substance List (GADSL) related material content. In addition, we comply with customer-specific restricted substance lists, and we cascade their requirements throughout our supply chain.

Chemical Management Steering Team

Composed of environmental professionals, compliance experts and operational leaders, Lear's Chemical Management Steering Team is tasked with strengthening our chemical management practices across our global operations and value chain. The committee provides governance and oversight of processes supporting regulatory compliance, operational consistency and continuous improvement.

Chemical Management Access Portal

Known as the Chemical Management Access Portal (CMAP), our global safety data sheet database represents a significant step forward in how Lear manages chemical safety and compliance globally. CMAP serves as a centralized platform designed to significantly reduce site level risk, save costs and streamline the management of chemical safety data, inventory and regulatory requirements associated with hazardous materials.

To ensure effective adoption and consistent use, EHS teams across Lear were trained in navigating CMAP, accessing safety data sheets, and managing reporting and compliance. This training supports standardized practices, strengthens site-level ownership, and enables EHS teams to confidently leverage the platform in daily operations.

Through CMAP, each Lear site gains immediate, intuitive access to its chemical information, enabling faster decision-making and stronger operational control. Today, the platform houses nearly 20,000 safety data sheets supporting almost 220 Lear sites globally, creating a single, authoritative source for chemical data.

By centralizing chemical inventories and hazard communication documentation, CMAP supports compliance with OSHA hazard communication expectations, REACH obligations and other regional chemical management requirements while enhancing audit readiness and proactive risk mitigation.

Addressing PFAS

A group of over 9,000 "forever chemicals," per-and polyfluoroalkyl (PFAS) substances are widely used in automotive applications, including water repellency, stain prevention and motor lubrication. For years, Lear has been working proactively to develop alternative chemistries to reduce and eliminate PFAS while continuing to meet customer standards.

Chemical Procedures Guide

Piloted in Europe and Africa, Lear's Chemical Procedures Guide is designed to standardize cleaning supplies across Lear's operations while strengthening safety, sustainability and supply chain governance. The initiative is led by a cross-functional team representing sustainability, EHS, and nonproduction purchasing, reflecting an integrated approach to chemical risk management.

The effort began with a targeted supplier consolidation strategy, aimed at reducing the overall supplier base while ensuring continued access to safe, compliant and responsibly sourced products. By aligning procurement and EHS priorities, the program supports a more controlled and sustainable chemical supply chain.

Our comprehensive guidance includes:

- A comprehensive matrix to ensure safe storage and compatibility with chemicals
- Standardized processes for the approval of chemicals used within the organization
- Procedures for the proper disposal of chemical waste to minimize environmental impact
- Best practices in chemical handling to reduce risks and enhance safety
- Refined protocols to effectively manage chemical spills and emergencies, including first-aid measures

Industry Collaboration

Lear partners with industry associations and customer initiatives to obtain long-term visibility on upcoming legal requirements, and we work to proactively replace substances in our products that are in the process of being restricted. Lear participates in CLEPA's Materials and Substances Work Group and Sustainability Work Group. In addition, Lear also partners with AIAG and the SP in their chemical management related work groups.

Monitoring Evolving Regulations

Through proactive supplier engagement, Lear implemented a robust due diligence process to monitor evolving chemical regulations and strengthen compliance.

Per- and Polyfluoroalkyl Substances (PFAS)

Lear monitors and manages suppliers to meet updated PFAS regulations, prioritizing safety and sustainability and evaluating substitution opportunities where technically feasible.

REACH Annex XIV (Authorization List)

Through IMDS screening, supplier engagement and documentation review, Lear ensures compliance with EU REACH regulations. Where authorized substances are present, Lear applies appropriate controls, documentation, and ongoing evaluation of substitution opportunities, as required under REACH.

Persistent Organic Pollutants (POPs)

Lear monitors regulatory developments related to POPs and manages supplier compliance with applicable international and regional requirements, including restrictions under the Stockholm Convention and corresponding regional regulations. Through supplier disclosures, IMDS screening and internal review processes, Lear works to prevent the use of restricted POPs in products and processes, and supports the phaseout or substitution of affected substances where applicable.

Governance

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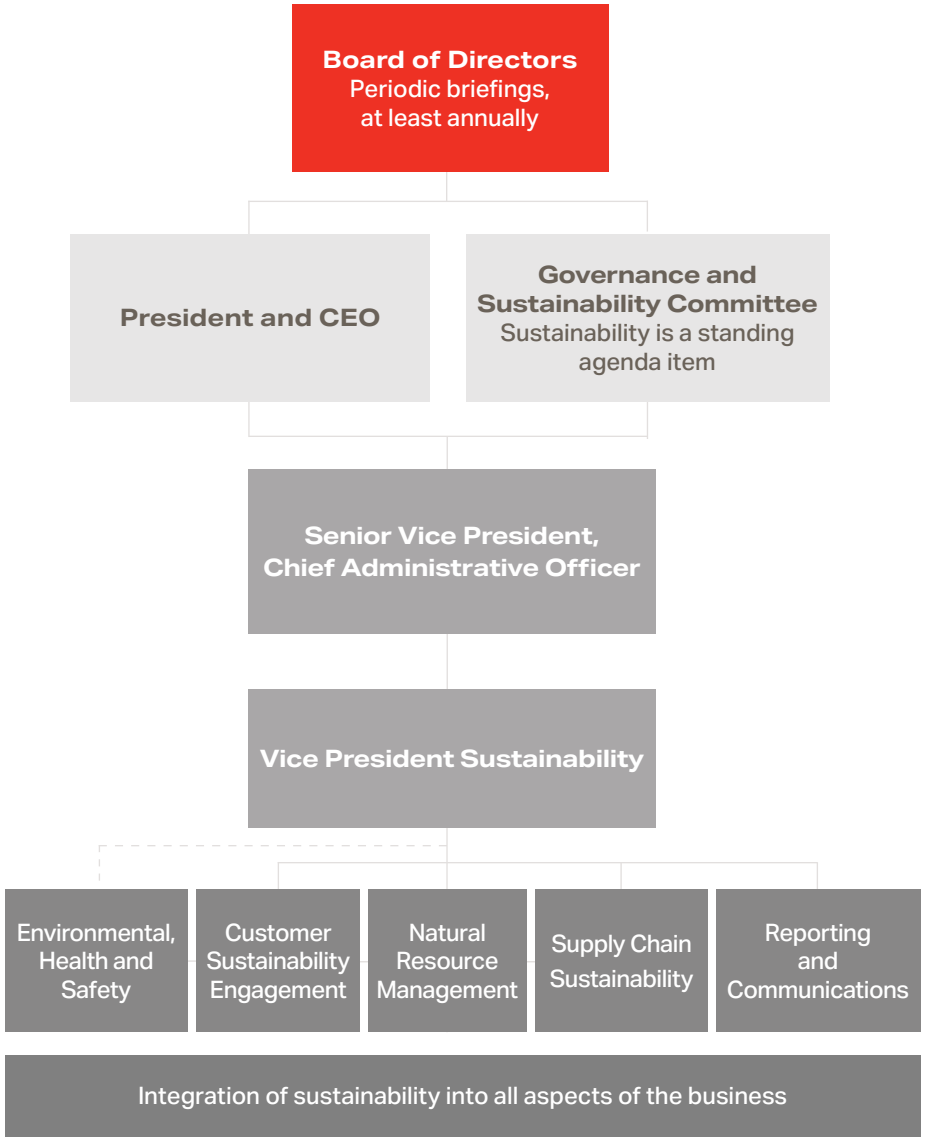
SUSTAINABILITY OVERSIGHT & CORPORATE GOVERNANCE

For many of our customers and other stakeholders, sustainability is a business consideration. Consistent with our vision of Making every drive better™, we work to ensure that our passion for our business is also channeled into creating possibilities for a better world.

As part of our sustainability initiatives, we are committed to safety in our workplaces, sustainability in our operations and products, and supporting our people in the communities where we do business. We expect our more than 2,500 production suppliers to share our commitment to corporate responsibility and ethical conduct.

Our commitment to sustainability, operational excellence and transparency is monitored by our Board of Directors through its Governance and Sustainability Committee and managed by senior leadership. To better integrate sustainability throughout our enterprise, Lear has added specific responsibilities to senior management across global functions. In addition, Lear has established processes requiring formal sustainability considerations within our product strategies, including design and content.

Our sustainability efforts are supported by a talent management strategy focused on leadership development, employee engagement and the continuous improvement of our EHS management systems, as well as programs and operations to enhance performance and teamwork. We value transparency and continuous improvement. Lear reports with reference to the GRI Standards, as well as the SASB framework and TCFD recommendations.



Board Structure

Elected by our shareholders and led by an independent, nonexecutive chairperson, Lear's Board of Directors provides guidance, helps develop and implement our strategic plan, manages risk and builds long-term shareholder value. All directors are independent except our president and CEO. The duties of our directors are stated in our Corporate Governance Guidelines.

To promote the interests of our shareholders, Lear maintains certain governance policies and practices, including:

- Annual election of directors
- Independent lead director
- Separate chair from CEO
- Majority voting standard
- Director resignation policy for uncontested director elections
- Robust stock ownership guidelines for directors and executive officers
- Annual board and board committee self-evaluations

The board and its committees meet throughout the year to provide strategic leadership and guidance to the management team. Our board has three standing committees.

Our Board of Directors

11 members

10 independent directors

100% of directors elected annually

9.8 years of average tenure

9 board meetings held in 2025

Audit	People and Compensation	Governance and Sustainability
Financial, compliance, cybersecurity and risk management oversight	Human capital management, executive compensation and talent strategy oversight	Governance, ethics and sustainability oversight

See our **2026 Proxy Statement** for more detailed information.

Risk Management

Our enterprise risk management process is designed to facilitate the identification, assessment and management of certain key risks that may impact our ability to achieve our strategic objectives. Lear's management continually monitors the material risks facing the company and works with risk owners to identify and implement mitigating actions. With the assistance of its committees, the Board of Directors oversees management actions by:

- Evaluating management reports and inquiring into areas of particular interest
- Reviewing material strategic, operational, financial, compensation, compliance and sustainability risks
- Considering specific risk topics in connection with strategic planning and other matters
- Overseeing risk oversight and related activities conducted by board committees through reports of the committee chairpersons to the board

See Lear's **Form 10-K 2025** for information on risk factors, management and strategy.

Investor Engagement

Members of Lear's senior management team engage with shareholders and investors regularly through conferences, product tours, nondeal roadshows, small group meetings and one-on-one meetings to discuss a broad variety of topics, including sustainability.

We focus on high-quality stakeholder interactions such as sustainability-specific discussions with certain investors. Our open dialogue is supplemented by Lear's:

- SEC filings, including our annual report on Form 10-K and our proxy statement
- Annual shareholder meeting
- Quarterly earnings calls
- Investor relations website
- Investor overview presentations
- Annual sustainability report with reference to the GRI Standards, as well as SASB and TCFD recommendations
- Sustainability assessments and ratings

366 investor interactions

4 investor conferences attended

11 sustainability-specific discussions

Stakeholder Engagement

Invested in our industry and our company's success, Lear's stakeholders include our employees, customers, global supply partners, investors and local communities.

In addition to presenting our business strategy and sustainability efforts, we reach out to these groups regularly to collaborate, share best practices, garner feedback, partner and grow. Together, we are working on the issues that matter most to society, the environment and the future of mobility.

Political Contributions & Lobbying

Our Code of Business Conduct & Ethics prohibits making any political contributions in Lear's name or using Lear funds, assets, services or facilities to promote a political party or candidate without the approval of our Board of Directors. We have not made any political contributions in the past seven years, and we do not have a political action committee (PAC).

We have, however, engaged lobbyists to facilitate meaningful bipartisan discussions with government leaders regarding trade and other matters. We are also members of trade associations that may engage in advocacy efforts on behalf of the automotive industry or automotive suppliers in general.

ETHICS & COMPLIANCE

Lear's Ethics & Compliance Program strives to support a culture of integrity. We set the tone throughout the organization, provide regular training, and offer employees multiple channels to ask questions or report concerns. We continue to encourage all employees to support our company's ethical culture and values by doing the right thing, speaking up and seeking advice.

Our Code of Business Conduct & Ethics

At Lear, both hourly and salaried employees must review and commit to following our Code of Business Conduct & Ethics. The code is available online as a microsite, making it easy to access and navigate by employees, suppliers, customers and others. Designed to be intuitive, relevant and easy to understand, our living Code of Business Conduct & Ethics offers:

- Policies introduced with clear and simple statements describing how we Get Results the Right Way
- Examples of situations taken from actual employee experiences with correct and incorrect responses
- Links to policies and resources
- Embedded quick-training refreshers to help users understand concepts
- Navigation tools such as search capabilities, bookmarks and click-and-reveal access to frequently asked questions
- "Talk to Us" button to quickly reach out to Ethics & Compliance via the mobile app or email
- Detailed information on other ways to speak up

Translated into 27 languages, our online code includes policies such as anti-bribery and anti-corruption, government meetings, conflicts of interest, insider trading, anti-retaliation, and gifts, meals and entertainment, among others. Regular reviews of our code ensure it stays relevant with relatable examples. A comprehensive review and update occurs every three years.

See our **Code of Business Conduct & Ethics**.

2026 World's Most Ethical Companies

Ethisphere® named Lear one of the 2026 World's Most Ethical Companies®. Awarded to organizations that demonstrate exceptional ethical leadership, strong corporate governance, and a deep commitment to integrity and getting results the right way, the recognition reflects Lear's ongoing efforts to uphold the highest standards across its global operations.

New Living Code of Business Conduct & Ethics

Our updated code and new online microsite were launched globally during Compliance Week 2025.

We Expect Respect

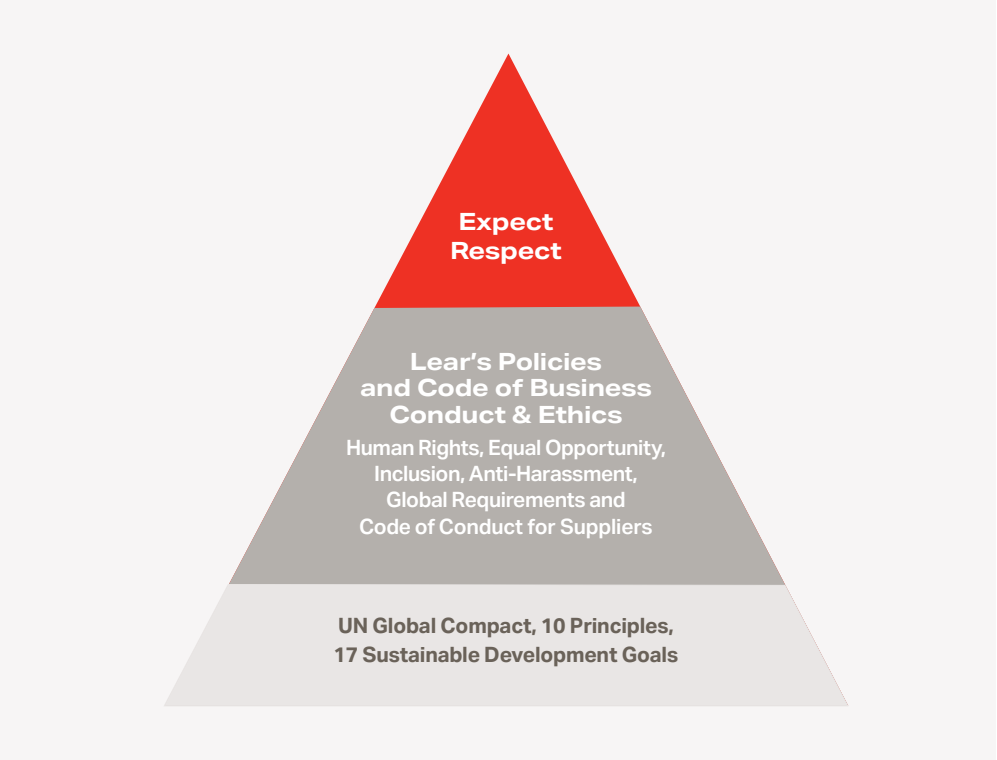
To treat others and be treated with respect is an expectation at Lear. Expecting respect also reflects our core value: Be Inclusive.

Supported by our Code of Business Conduct & Ethics and other policies, our global Expect Respect campaign promotes our anti-harassment, nondiscrimination and zero-retaliation policies, as well as our complaint reporting resources. In addition, an Expect Inclusion module addresses other key topics, such as maintaining a respectful culture, embracing diversity of people and perspectives, standing up to harassment in all its forms, company policies, legal responsibilities and reporting. Expect Respect is a simple, memorable and effective concept of how we should interact with employees, customers, suppliers and our communities.

Salaried and hourly employees participate in Expect Respect training during onboarding and are provided with refresher opportunities on a regular basis. We enhanced our training with a significant focus on bystander intervention, equipping our employees with strategies to safely support colleagues who may be experiencing harassment.

Lear offers multiple ways to report violations, including through an anonymous, toll-free helpline available in the employee's local language. All reports are reviewed and, when appropriate, investigated, and metrics are reported to the People and Compensation Committee of our Board of Directors.

205,000+ hours of Expect Respect and sexual harassment training completed in 2025



Targeted Training

In addition to company-wide training on the Code of Business Conduct & Ethics, Lear takes a practical, proactive approach with targeted training on ethics. Each year, salaried employees are required to complete three to four online courses. We choose our training curriculum based on a number of factors, including new regulatory considerations and the types of inquiries we receive from employees.

Our training programs also include:

- Training on our Code of Business Conduct & Ethics as part of the onboarding process for all employees
- Just-in-time training on relevant topics for employees traveling internationally and attending nonroutine government meetings
- Targeted training on general data protection regulations, anti-bribery and anti-corruption, sexual harassment, gifts and other topics, as needed
- Live in-person training, including remediation and sanctions training
- Global, regional and plant town hall meetings facilitated by leadership to promote ethical behaviors and answer questions
- In-person touchpoints such as shift meetings, preshift administrative meetings, plant management meetings, employee forums and cross-functional reviews
- Ambassador Program to increase awareness of compliance issues and support an ethical culture
- Digital media screens with two-minute video training messages at global facilities
- Email reminders on ethical conduct for employees and suppliers

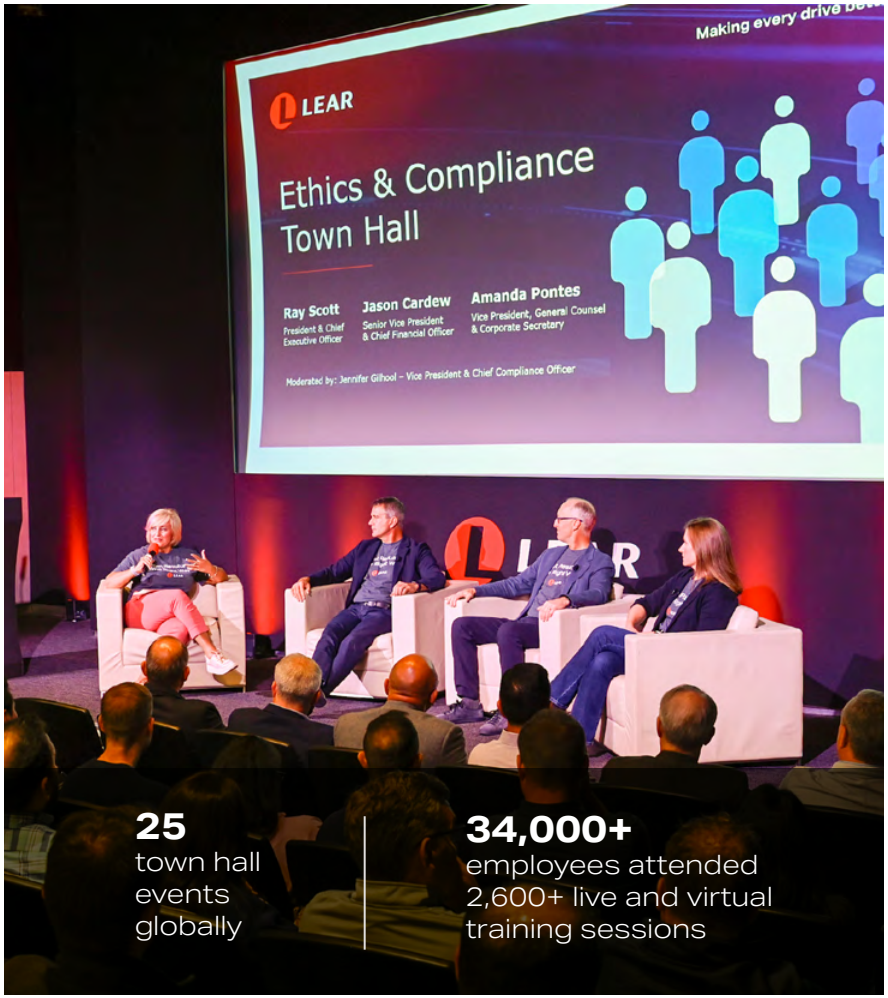
100%
of salaried employees completed Code of Business Conduct & Ethics training

50+
ambassadors in 42 plants in Mexico and Honduras, expected to expand globally

Compliance Week

During Compliance Week, employees around the world learn about topics such as conflicts of interest, anti-retaliation and speaking up via daily emails and videos. Designed to educate, engage and inspire, the event reinforces our values and reminds employees how to act with integrity.

During Compliance Week 2025, top leadership led town hall meetings globally to introduce our updated code, encourage employees to visit the new microsite, and share insights on leading with integrity.



25
town hall events globally

34,000+
employees attended 2,600+ live and virtual training sessions

Speak Up!

Throughout our facilities, brochures and posters encourage employees and business partners to speak up if they see or suspect a violation of our code, policies, procedures, or any law or regulation by:

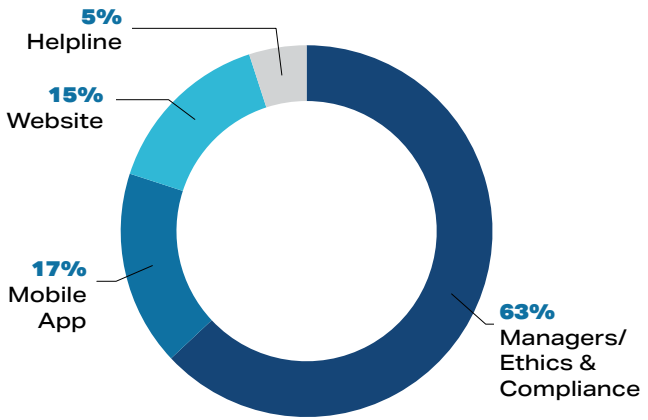
- Talking to their manager or HR
- Using the mobile phone app by scanning the QR code below or on posters in their facility
- Calling anonymously using the toll-free Helpline numbers posted on the Ethics & Compliance intranet page
- Reporting online using the living code microsite at everyone.lear.com or reportlineweb.com/Lear
- Emailing Ethics & Compliance at compliance@lear.com
- Sending a letter to Lear's chief compliance officer at 21557 Telegraph Rd., Southfield, MI 48033

App-Based Reporting

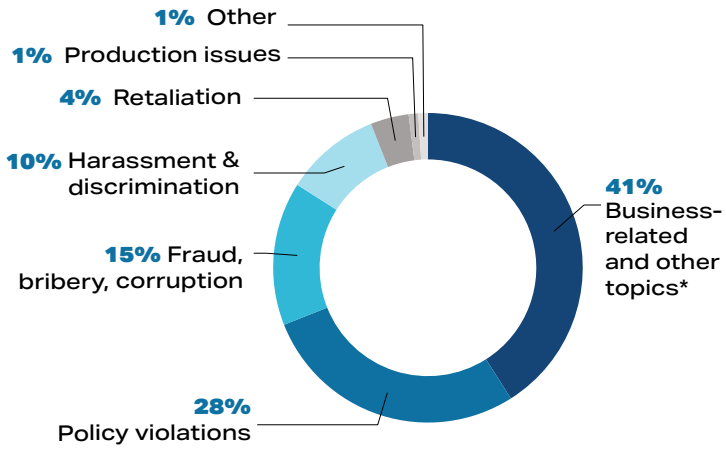
Available globally, Lear's mobile phone app allows employees to report concerns to the Ethics & Compliance Helpline by simply scanning a QR code on posters at our locations.

0 monetary losses due to noncompetitive behavior in 2025

How People Spoke Up in 2025



Topics Reported in 2025



* Includes releasing proprietary data, conflicts of interest, falsifying records, misusing assets or resources, data breaches, and accounting/financial issues

Investigating Reports

The Ethics & Compliance team reviews every report and, when appropriate, investigates the matter and informs leadership as required. Substantiated reports result in counseling, verbal and written warnings, or termination of employment, depending on the severity of the incident. All incident statistics are reported to the Audit Committee.

2025 Helpline Reports

327 Ethics & Compliance-related reports

45% of reports were substantiated

63% of reporters spoke directly to their manager or Ethics & Compliance

Training for Investigators

If a report requires investigation, the Ethics & Compliance team involves a cross-functional team of investigators to help. Anyone assisting with an investigation must complete required training on investigative standards, case management, and confidentiality. These investigators are required to follow Lear's Investigator Code of Conduct, which is also published to all employees in 27 languages. The goal is to ensure transparency and accountability throughout the process.

Program Oversight

Led by our chief compliance officer, Lear's Compliance Committee is comprised of a cross-functional team of senior-level executives that meet regularly to discuss major initiatives, risk assessments and investigation outcomes. The chief compliance officer reports quarterly to the board's Audit Committee on:

- Status of program initiatives and outcomes of risk assessments
- Complaint reporting metrics, including intake methods, substantiation rates and outcomes
- Training completion rates
- Material compliance-related concerns

Continuous Improvement & Monitoring

Our Ethics & Compliance communication and training strategy involves a three-year cycle of continuous improvement, including conducting surveys to measure effectiveness, reviewing our code and training programs, and updating them accordingly. In addition, we monitor our efforts on an ongoing basis. Investigations resolve concerns and provide opportunities to ensure everyone who works at Lear upholds our values. To increase transparency, we share metrics with our Board of Directors and with each of our business units. We have also implemented regular cross-functional meetings where we share program updates, best practices and review case studies.

Working with Suppliers

Our Ethics & Compliance team works with our purchasing professionals to offer supplier training on important issues such as sanctions, as well as anti-bribery and anti-corruption compliance. In addition, consistent with Lear's Sanctions Compliance Policy, nonproduction and production suppliers are screened for sanctions and adverse media during the onboarding process. Once screened, these vendors are continuously monitored to ensure they remain in compliance while conducting business with Lear. See Supplier Sustainability for more information.

DATA & CYBERSECURITY

Cybercriminals are increasingly leveraging advanced technologies to disrupt manufacturing and exploit vulnerabilities. Safeguarding manufacturing operations, employee and customer data, and intellectual property demands continuous vigilance and robust multilayered security measures. Lear has proactively addressed these challenges by establishing collaborative teams focused on product and enterprise cybersecurity.

Cybersecurity oversight is a priority at the leadership level. The Audit Committee of Lear's Board of Directors oversees both product and enterprise cybersecurity. This committee is briefed at least twice annually through detailed updates from the chief information officer and chief information security officer. These updates cover threats, risks, mitigation efforts, and processes. Additionally, the Board of Directors receives at least annual cybersecurity reports from senior leadership to ensure thorough oversight and alignment with strategic security initiatives. This comprehensive framework reinforces Lear's commitment to protecting its operations and stakeholders.

For more information about cybersecurity at Lear, please read Form 10-K 2025.

Secure Products

Our world-class, in-house product security experts are directly involved in the design, development, testing and monitoring of Lear's electronic components. With security expertise in six locations around the world, our product security team supports all security aspects of product development for electronic modules, including interfaces with cloud communication, smartphones and the production plant. Working directly with our customers and Lear's product development teams, our approach includes:

- Establishing a product security policy and baseline security levels for all our programs
- Complying with ISO 21434:2021
- Providing guidance on developing secure products and enforcing a code hygiene standard
- Integrating quality assurance and security controls throughout the product development life cycle
- Increasing process automation
- Completing design reviews, process audits and technology assessments
- Performing threat analyses, risk assessments and security testing
- Deploying security on the production line
- Offering security monitoring throughout the life of the vehicle
- Conducting annual global awareness training and technical security training

New Industry ISO Standard for Vehicle Cybersecurity

Most automotive companies are using ISO 21434:2021 to comply with UN Regulation No. 155, which requires a certified cybersecurity management system (CSMS) for all new vehicles produced beginning in July 2024. Lear contributed to the development of the standard, and our processes are ISO 21434:2021 certified.

Secure Enterprise

Our enterprise security program focuses on educating employees, enhancing processes and applying technology to ensure the integrity and security of the products Lear builds, as well as the confidential information we maintain related to our employees, customers and products. Augmenting our internal security team, Lear collaborates with a managed security service provider to deliver 24/7 monitoring. Additionally, its vendor management program mitigates risks posed by third-party providers, ensuring the security of hosted services and applications. By investing in these comprehensive measures, Lear has not incurred penalties, fines or material expenses stemming from information security breaches in the past three years.

Information Security Management System

Our Information Security Management System (ISMS) is based on the ISO 27001:2022 control framework and covers all aspects of the business, including physical security, operations, communications and HR. We also implemented a formal generative artificial intelligence (GenAI) policy and policy awareness training.

Advanced Safeguards

To identify and block threats in real time, our security program applies cutting-edge machine learning. Employees can flag suspicious emails with one click, automatically quarantining the email and alerting our incident response team. Employees at all levels gain access through a universal ID management system.

Training

Six times a year, Lear conducts security awareness training on specific topics such as our ISMS, social networking, privacy, working remotely, the Internet of Things, phishing, email security on mobile devices, avoiding dangerous links, and other related topics. Our training program is delivered through web-based modules, live training sessions, and on-demand recordings.

Security Awareness Ambassador Network

Employees from diverse functions around the world volunteer to spread threat awareness and share best practices at work and in their communities.

Security Awareness Challenge Awards

To recognize outstanding achievements in enterprise security, Lear presents six types of Security Awareness Challenge Awards to employees, plant managers, ambassadors, site leaders and executives whose actions improve our security.

Security Opportunity Action and Recognition (SOAR) Program

SOAR promotes collaboration and communication between Lear's information security teams and employees. Throughout the year, the ongoing program enhances employee engagement and encourages a security-first mindset, which is highlighted through globally coordinated activities as part of Security Action Month in October. Through SOAR, employees gain access to essential security tips and online safety resources, and participate in presentations that celebrate security achievements and award outstanding contributors.

2025 Enterprise Security

0 cybersecurity breaches at Lear have materially affected our business strategy, financial condition or results of operations in the past 3 years

570+ Security Awareness Challenge Awards presented since 2022

38,000+ employees trained

24,000+ malware detections mitigated

590+ employees volunteered as security awareness ambassadors at 217 sites in 34 countries

TISAX Certification for Enterprise Security

The Trusted Information Security Assessment Exchange (TISAX) is a three-year certification earned through independent audits of our information security controls. To date, 62 Lear sites around the world have earned certification with many more in progress.

SUPPORTING SUPPLIER SUSTAINABILITY

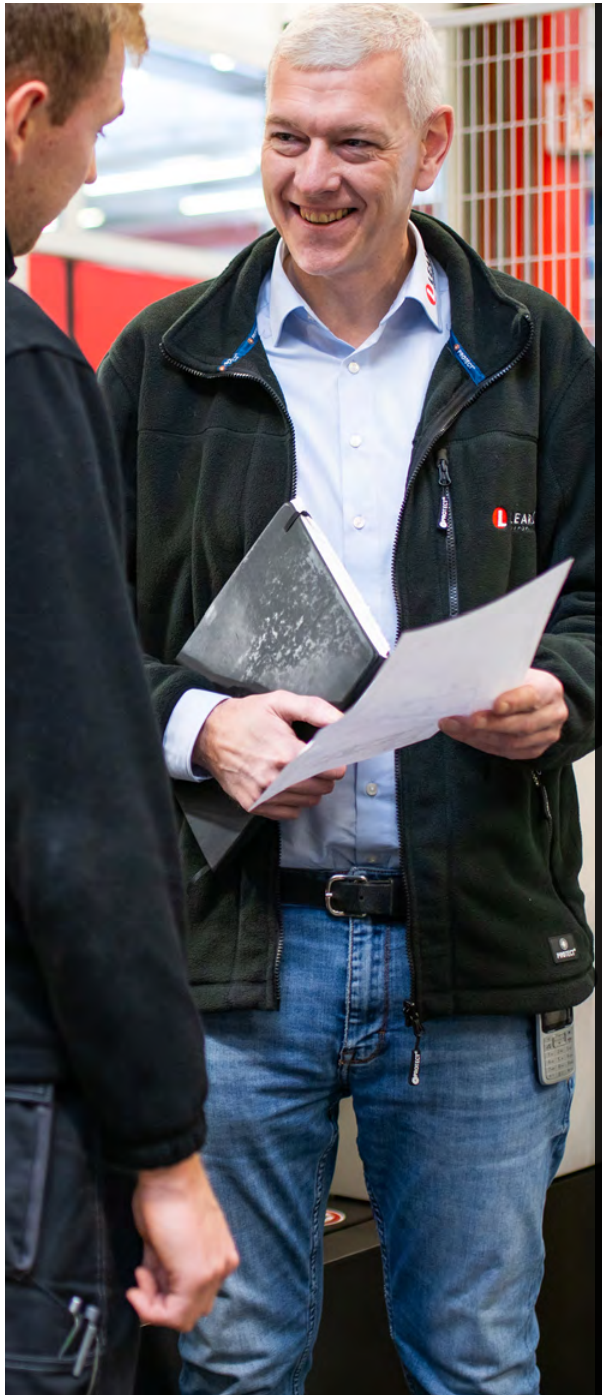
One of Lear's core competencies is managing our complex global supply chain of more than 2,500 production suppliers. We work hard to carefully select our suppliers and develop long-term collaborative relationships for our mutual success. We continually evaluate supplier performance, delivery and price, as well as our suppliers' business ethics, human rights, health and safety, and environmental practices.

Our Supply Chain Sustainability Program

Lear's global Supply Chain Sustainability Program applies a structured, risk-based approach to identifying, prioritizing and mitigating sustainability risks across our value chain.

To support compliance with evolving regulatory and customer due diligence expectations, Lear's supplier sustainability team documented the program to describe Lear's approach to supplier identification, risk prioritization, assessment, monitoring and mitigation. This framework was operationalized across Lear's global supply base and supported by defined governance, standardized processes, and digital risk intelligence tools.

As part of our commitment to strengthening human rights and environmental stewardship across our global supply chain, we partnered with Prewave, a leading AI-enabled supply chain risk intelligence platform, to strengthen due diligence and sustainability risk monitoring. This collaboration enables us to proactively identify, assess, and address risks across all supplier tiers, supporting our ambition to build a more responsible, transparent, and resilient value chain. This partnership marks a significant step forward in our journey toward a supply chain that is ethical, transparent and aligned with our long-term sustainability commitments.



100% of selected suppliers mapped and screened in an AI-driven platform

+50% of supplier operations have ISO 14001:2015 or Eco-Management and Audit Scheme environmental management system certification

~90% of selected suppliers validated their human rights policy via SAQ

87% of Lear buyers received sustainable procurement training including supply chain sustainability and ethical sourcing content

50% of Lear buyers received training on supply chain decarbonization

Onboarding New Suppliers

Lear implemented an enhanced supplier onboarding audit checklist to systematically evaluate new suppliers' environmental practices, labor standards, and overall sustainability performance alongside traditional quality and operational metrics. The checklist also supports early identification of human rights, environmental, health and safety, and business ethics risks and verifies alignment with Lear's Supplier Sustainability Minimum Requirements.

Assessing Suppliers

We assess human rights and environmental risks using an AI-enabled supply chain risk intelligence platform, which consolidates a broad range of global risk indicators into a single risk score. Lear is notified of credible media reports related to human rights or environmental misconduct. When an alert is received, our sustainability and purchasing teams jointly review the case to verify the facts and assess the likelihood and severity of potential impacts across our supply chain, considering factors such as annual spend, commodity characteristics, and overall risk exposure.

Using surveys, audits and performance reviews, suppliers are assessed based on their risk profile, number of employees, and compliance and alignment with Lear's Global Requirements Manual and Code of Conduct for Suppliers. Some suppliers are required to complete a sustainability assessment questionnaire (SAQ) to confirm their sustainability policies and procedures meet customer and legal requirements and industry standards. Lear offers targeted webinars and guidance sessions to support SAQ completion and clarify validation criteria.

Suppliers that do not achieve a satisfactory SAQ score or do not meet Lear's Minimum Supplier Sustainability Requirements are required to submit an action plan and timeline for improvement. Progress against corrective actions is actively managed, and follow-up activities may include additional assessments, on-site visits by supplier quality teams, or third-party audits.

With guidance from international standards and global advocates for protecting human rights, Lear continues to identify best practices and tools to resolve potential concerns. While our preference is to collaborate with suppliers to remedy potential concerns, we are prepared to take appropriate action, including termination of contracts, as and when appropriate or required.

Internal Procurement Training

Delivered through live sessions and online courses with invitations extended to all Lear purchasing teams, our comprehensive sustainability training program included two modules: an in-depth session on ethical sourcing and a session on decarbonization of the supply chain. To ensure alignment with Lear policies and requirements, materials were developed by Lear's supply chain sustainability team in coordination with our compliance and purchasing departments. In addition, several supplier quality assurance auditors received targeted training, enabling them to recognize, assess and document sustainability-related issues during on-site and remote audits.

Supplier Training

General training materials and resources are available to all suppliers through our Supplier Information Portal on lear.com. Since launching our Forced Labor Awareness Campaign in 2019, we continue to educate our global supply chain partners on a variety of sustainability topics. Suppliers are also trained in Lear's Supplier Sustainability Minimum Requirements and SAQ Validation Criteria.

Delivered as a series of online meetings conducted in English, Spanish and Chinese, we also launched a comprehensive global supplier training program on sustainability and human rights. Through practical guidance, case-based learning, and alignment with internationally recognized standards, the training equips suppliers worldwide with the knowledge and tools needed to embed responsible practices into their daily operations and support continuous improvement across our supply chain.

Supporting Supplier Diversity

Lear's supplier diversity initiatives include engagement and consideration of minority-owned, women-owned, and veteran-owned businesses. No qualifying supplier is precluded from consideration on the basis of race, color, religion, sex, age or national origin.

Industry Collaboration

Lear collaborates with industry associations, including AIAG and other partners, to provide training opportunities for suppliers that strengthen capabilities and support the adoption of industry standards.

Decarbonizing the Supply Chain

To help global supply partners reduce emissions and minimize environmental impact, Lear formed the Climate Action Group, a global cross-functional team including representatives from corporate sustainability, purchasing, logistics and IT, to standardize and scale a supply chain decarbonization program.

The group initially focused on identifying production suppliers meaningful to emissions reductions, prioritizing those based on Lear's spending and related emissions. Further analysis of this group identified production suppliers lacking disclosed climate change or renewable energy targets. These were selected for further collaboration on carbon reduction initiatives.

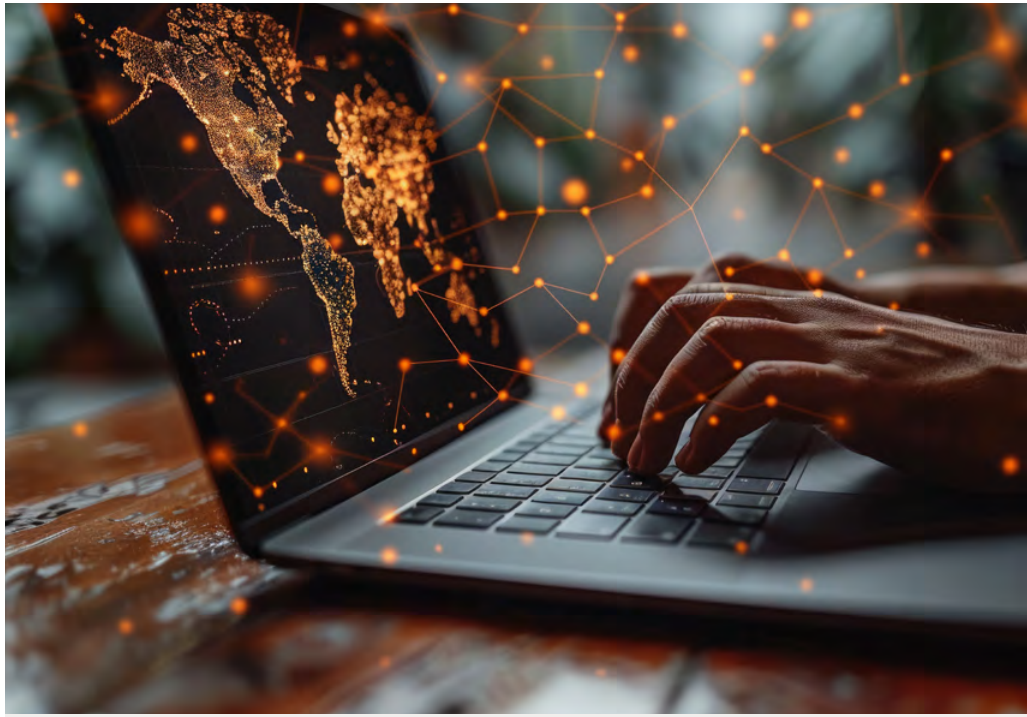
Supplier Emissions Inventory Results

500+
in-scope supplier parent companies reviewed

~30%
of in-scope suppliers have renewable energy commitments

~25%
of in-scope suppliers have climate change targets

387
production suppliers identified for further engagement on carbon emissions and reduction efforts



Supply Chain Mapping & Risk Management

Lear partners with Prewave, along with other leading AI-enabled supply chain risk intelligence platforms, to enhance our supplier monitoring and due diligence capabilities. The sophisticated system scans publicly available information and social media in more than 150 countries, allowing us to detect and address issues such as pollution, corruption and human rights violations quickly. In addition, for selected suppliers, AI-based mapping capabilities track and verify connections between companies providing details for further investigation.

Lear Core Competency: Managing Our Extensive Global Supply Chain

Qualifying Suppliers

Lear's suppliers must:

- Meet the standards in our Global Requirements and Code of Conduct for Suppliers and our Supplier Sustainability Policy
- Complete an SAQ administered by NQC Ltd., our global third-party supply chain sustainability management partner, and submit an action plan and timeline for improvement, if requested
- Demonstrate proven production capabilities, finances, quality systems, policies and procedures to consistently produce uniform, quality parts
- Achieve IATF 16949:2016 certification

Managing Risk

To support our customers' production, Lear:

- Requires new or alternative suppliers to demonstrate production capability and obtain written approval before products can be substituted
- Performs risk-based assessments of suppliers and deploys SAQs
- Monitors supplier facilities for compliance and may terminate the relationship due to a breach of the Global Requirements and Code of Conduct for Suppliers or violation of law
- Obtains multiple component sources and dual validation, where practical

Monitoring

To monitor our suppliers, Lear:

- Performs regular evaluations including on-site reviews, when and where practicable
- Uses risk management systems to identify potential warning signs and risks at an early stage
- Conducts intensive reviews when a supplier experiences quality, delivery or other issues

Resources

Lear's online **Supplier Information Portal** provides our suppliers with these valuable resources:

Global Requirements and Code of Conduct for Suppliers – outlines standards and obligations all suppliers must meet, including our right to audit and assure compliance.

Supplier Sustainability Policy – addresses our expectations and provides direction on critical sustainability topics such as human rights, working conditions, bribery and corruption, environmental, safety, and freedom of association, among others.

Supplier Sustainability Minimum Requirements and SAQ Validation Criteria - explains the minimum elements suppliers are required to implement at the site level as well as Lear's SAQ validation procedures.

Human Rights Policy - describes Lear's social responsibility principles and respect for human dignity, including collective bargaining, freedom of association and prohibition of child labor, forced labor, modern slavery and human trafficking.

Training Resources - offers posters, handbooks, videos and information on an expanding list of topics, including human rights, forced labor and responsible sourcing. In-person training on Lear's Code of Business Conduct & Ethics is provided in some regions.

Responsible Sourcing

Conflict Minerals

A variety of minerals — such as tin, tungsten, tantalum and gold (also known as 3TG) — are essential raw materials in certain products supplied by both our Seating and E-Systems businesses. These minerals can sometimes be linked to high-risk areas for environmental issues and human rights concerns, such as child or forced labor. To mitigate these risks, we work to prevent the use of components where the extraction, transport, trade, processing and export of raw materials are obtained from sources where regulations and controls are not validated.

Our approach includes:

- Requiring suppliers to conduct thorough due diligence on their supply chains and to report the reasonable country of origin inquiry (RCOI) for supplied parts to Lear in compliance with RCOI requirements
- Using an active mapping process to ensure we are progressing toward conflict-free sourcing of all materials used in our products
- Following the five-step Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRAs) framework established by the Organisation for Economic Co-operation and Development (OECD)
- Disclosing the use of conflict minerals originating from the Democratic Republic of the Congo and adjoining countries, including CAHRAs, each year
- Participating in industry-driven programs, such as the Responsible Minerals Initiative (RMI), which validates industry-wide control systems and transparency, including chain of custody and traceability systems, as well as continually collaborating and benchmarking our efforts through industry collaboration groups such as the AIAG
- Providing a range of training programs – from interactive webinars to comprehensive online courses and engaging in-person sessions – designed to educate and empower both suppliers and our procurement teams on essential sustainability practices

View **Lear's 2025 Annual Conflict Minerals Report**.

Other Minerals of Concern

We evaluate various minerals of concern across all of our products to enhance traceability and conduct thorough due diligence on potential sourcing risks within our supply chain. For instance, small amounts of cobalt and mica are used in electrical automotive components, while copper is used in nearly all of Lear's products. Similar to 3TG minerals, these materials can sometimes be associated with high-risk areas.

Although these materials are not directly subject to the diligence and reporting requirements applicable to 3TG, Lear continues to collaborate with our customers and peers through the AIAG's Responsible Materials Work Group, developing industry guidelines similar to those for conflict minerals, and helping suppliers promote sustainability and increased due diligence within their supply chains, where applicable. We are also working with the RMI to provide guidance and tools to increase supplier engagement and awareness, ensuring data quality and reporting.

To help protect the people and environments where we do business — even in places outside our direct supply base — Lear has developed and adopted a Responsible Materials Sourcing Policy as well as a Supplier Sustainability Policy. Through our Supplier Information Portal, Lear also provides suppliers with infographics promoting ethical sourcing in multiple languages.

Leather

Responsibly Sourced

Eagle Ottawa by Lear selects premium hides — a primary raw material that is 100% natural and 100% renewable — from suppliers in Argentina, Brazil, China, France, Germany, Italy, Mexico, Spain, the U.S. and Uruguay. Through our comprehensive supply chain management system, Eagle Ottawa only works with Leather Working Group (LWG) rated suppliers, and ensures they meet our standards and comply with our Supplier Sustainability and No Deforestation policies. We are confident that our suppliers have state-of-the-art systems in place to protect against deforestation.

We log incoming hides using stamped codes on each hide to trace them back to the meat processing centers and country of origin, and in the case of Brazil, to the farms directly supplying the meat to the processing centers. In Brazil's Amazon, Cerrado, Pantanal, Mata Atlantica and Caatinga Biome, our major direct suppliers use satellite images to assess vegetation density and cross-reference this information with mandatory government environmental registration programs to block farms where illegal deforestation, intrusion on Indigenous lands, or invasion of conservation areas are detected.

Eagle Ottawa's direct hide suppliers in Brazil are members of Beef on Track or adhere to the Beef on Track principles. Developed through collaborations with government and nongovernmental organizations (NGOs), the program provides uniform resources and guidelines for responsible cattle sourcing. To supplement this program, the largest beef suppliers in Brazil have deployed a network of "green offices" to provide support for local farmers and ranchers, and to help potentially noncompliant suppliers correct violations and processes.

Accelerating Supply Chain Transparency

Eagle Ottawa's direct suppliers in Brazil use state-of-the-art systems to track every hide to the groups of farms from which they or their direct suppliers purchased the animal. Our major suppliers are working with technologies such as blockchain and AI systems to further improve the number of hides traceable back to the birth farm. We are also working with suppliers and using public information provided by government databases and other organizations' monitoring systems to improve traceability in an effort to avoid purchasing materials from noncompliant farms. We collaborate with certain automakers, suppliers and the World Wildlife Fund (WWF) on specific projects to receive guidance, share knowledge, collaborate and improve transparency. Lear conducts risk-based assessments of all production suppliers and commodities, including hide suppliers, using third-party supplier management software. In addition, traceability audits from third parties such as LWG, which also monitors environmental compliance and performance, are conducted regularly. To evaluate farms' animal management policies and performance, the food industry has adopted the Business Benchmark on Farm Animal Welfare (BBFAW) rating criteria.

100%
of direct leather crust* suppliers received or maintained LWG certifications as of December 31, 2025

Completed preparations for compliance with the European Union Deforestation Regulation (EUDR) in 2025

* Crust refers to leather that has been tanned, colored and dried, but not yet finished with final surface treatments

Responsibly Produced

For more than 150 years, Eagle Ottawa has produced premium leather products. Some of our most notable sustainability innovations include:

2024	Successfully launched ZeoTech™ mineral tanning system, which is free of aldehyde, heavy metals and chrome, into first series production
2022	Completed comprehensive, third-party LCA benchmark study to assess the environmental impact associated with leather products
2021	First supplier to develop an OEM-approved, ready-for-market, 95% bio-based leather. Known as BioTech, our bio-based leather uses recycled and repurposed retanning agents from the food, wood and leather industries
2018	First LCAs conducted by Eagle Ottawa to determine the environmental impact associated with the life cycle of two leather products
2013	First Eagle Ottawa manufacturing site to install solar panels to power its water treatment plant
2004	First-to-market low-VOC leather, leading to 90% lower aldehyde emissions in cars
1995	First automotive leather manufacturer to mass produce vegetable-tanned, chrome-free leather
1991	First automotive supplier to switch to water-based finishing, reducing hazardous air pollutants by 99%

As part of our road map to carbon neutrality, Lear completed an LCA and hot spot analysis and, in 2025, commissioned an additional study covering our full leather product portfolio. These third-party assessments address the cradle-to-gate value chain and follow ISO 14040:2006 and ISO 14044:2006 standards.

We use best-in-class product specifications and process controls to operate our state-of-the-art production facilities across the globe. Determining and reducing our environmental impact is an ongoing priority. We are working toward zero landfill, less waste, lower water consumption and reduced carbon emissions goals. With locations in China, Hungary, Mexico and Thailand, all Eagle Ottawa finishing facilities are audited by LWG every two years.

Luxurious & Sustainable

The luxurious leather covering the seats in vehicles around the world is not only comfortable and durable but sustainable. And consumers continue to desire leather. This was reconfirmed in a Consumer Market Study conducted in 2024 by Unmuted Consumer Insights, LLC. According to the survey respondents globally, leather is the most premium option in the vehicle compared to other seating surface materials. Leather continues to be significantly more important to consumers than synthetics and is selected twice as often as a "must have and willing to pay for" feature when vehicle shopping.

The value chain begins with cattle raised to provide beef for the food industry. The resulting hides are classed as a by-product worth about 1%-4% of the animal's market value. These hides are upcycled by the leather industry to produce a durable and desired luxury product. The global leather industry diverts an estimated 55% of available hides from landfills each year. Without the leather industry, these hides would become a waste product. And unlike synthetic, fossil-fuel based materials, cattle hides are a 100% natural, renewable resource.

Commitment to Animal Welfare

Lear's commitment to ethical behavior extends to the responsible treatment of animals across our extended supply chain. We require compliance with all applicable laws and expect suppliers to implement industry-leading policies and practices for animal welfare, as outlined in our Supplier Sustainability Policy.

We support the World Organization for Animal Health's (WOAH) Five Freedoms of Animal Welfare guiding principles and expect all suppliers to promote these standards. In Eagle Ottawa's leather supplier onboarding process, risk is further reduced by working with large, established meat packers that demonstrate strong animal welfare practices. Upstream leather supply chains are governed largely by meat industry standards, which Eagle Ottawa leverages to reinforce animal welfare expectations. Eagle Ottawa's hide suppliers adopt some of the highest standards in the industry, supported by third-party audits, including:

- WOAH's Five Freedoms of Animal Welfare guiding principles
- Professional Animal Auditor Certification Organization (PAACO) animal welfare audit certification standards
- North American Meat Institute (NAMI) animal handling guidelines
- BBFAW farm animal welfare assessments

Employees and suppliers can anonymously report concerns through Lear's Ethics & Compliance Helpline, available in multiple languages.

LEAR

For more information, contact:

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Lear Corporation
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cmarkey@lear.com