GENTEX CORPORATION

600 North Centennial Street
Zeeland, Michigan 49464

NOTICE OF 2021 ANNUAL MEETING OF SHAREHOLDERS

Date: May 20, 2021

Time: 4:30 PM E.T.

Place: Pinnacle Center

3330 Highland Drive

Hudsonville, Michigan

Dear Shareholder:

The Annual Meeting of the Shareholders ("Annual Meeting") of Gentex Corporation ("Company"), a Michigan corporation, will be held at The Pinnacle Center, 3330 Highland Drive, Hudsonville, Michigan, on Thursday, May 20, 2021, at 4:30 p.m. EDT, for the following purposes:

1. To elect nine directors as set forth in the Proxy Statement.
2. To ratify the appointment of Ernst & Young LLP as the Company's auditors for the fiscal year ended December 31, 2021.
3. To approve, on an advisory basis, the compensation of the Company's named executive officers.
4. To transact any other business that may properly come before the meeting, or any adjournment thereof.

Shareholders of record as of the close of business on March 23, 2021, are entitled to notice of, to attend, and to vote at the meeting and are being sent this Proxy Statement on or about April 9, 2021. We are pleased to offer multiple options for voting your shares. As detailed in the "Solicitation of Proxies" section of the Proxy Statement, you can vote your shares via the Internet, by telephone (1-800-690-6903), by mail, or by written ballot at the Annual Meeting. *We encourage you to use the Internet to vote your shares as it is the most efficient method.* If your shares are held in "street name," (that is held for your account by a broker or other nominee), you will receive instructions from the holder of record that you must follow for your shares to be voted.

Important Notice Regarding the Availability of Proxy Materials for

the Annual Meeting of Shareholders to be held on May 20, 2021

You are receiving this notice that the proxy materials for our 2021 Annual Meeting of Shareholders are available on the Internet. The following proxy materials can be found https://www.proxyvote.com:

Company's 2021 Proxy Statement;

Company's Annual Report to Shareholders for the year ended December 31, 2020; and

Proxy Card or Voting Instruction Form.

Whether or not you expect to be present at the meeting, you are urged to promptly vote your shares using one of the methods discussed above. If you do attend the meeting and wish to vote in person, you must withdraw your earlier-dated proxy as set forth in the Proxy Statement, and provide proof of ownership of Company shares as of the record date of March 23, 2021.

As of the time the Proxy Statement was finalized and printed, it is our intention to hold our Annual Meeting in person. However, we are actively monitoring the coronavirus (COVID-19) circumstances and related government regulations and restrictions on public gatherings. We are sensitive to the ongoing public health and travel concerns our shareholders may have and the protocols that federal, state, and local governments may continue to impose. In the event it is not possible or advisable to hold our Annual Meeting in person, we will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting solely by means of remote communication. Please monitor our Annual Meeting website at http://ir.gentex.com for updated information. If you are planning to attend our Annual Meeting, please check the website prior to the meeting date. Thank you for your understanding.

As always, we encourage you to vote your shares online (https://www.proxyvote.com) or over the phone (1-800-690-6903) prior to the annual meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Scott Ryan
Corporate Secretary

April 9, 2021

GENTEX CORPORATION

600 North Centennial Street
Zeeland, Michigan 49464

PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS TO BE HELD MAY 20, 2021 QUESTIONS & ANSWERS

PROXY STATEMENT

What is a Proxy and a Proxy Statement?

The Company's Board of Directors (the "Board") is soliciting proxies for the 2021 Annual Meeting. A proxy is your authorization for someone else to vote on your behalf in the way you want to vote and allows you to be represented at the Annual Meeting even if you are unable to attend. A Proxy Statement is the document the United States Securities and Exchange Commission ("SEC") requires and the Company provides to explain the matters you are being asked to vote on by proxy and to disclose certain relevant information.

On or about April 9, 2021, the Company mailed to shareholders of record as of March 23, 2021 (other than those who previously requested electronic delivery), a Notice of Internet Availability of Proxy Materials ("Notice") containing instructions on how to access the Proxy Statement and Annual Report for the year ended December 31, 2020. If you received a Notice by mail, you will not receive a printed copy of the proxy materials in the mail. The Notice instructs you on how to electronically access and review all the proxy materials, and these materials are available at https://www.proxyvote.com and www.virtualshareholdermeeting.com/GNTX2021. The Notice also includes instructions about how you may request to receive proxy materials in printed form on a one-time or on-going basis.

What will I be voting on?

- Election of nine directors (see pages 9-11).
- Ratification of the appointment of Ernst & Young LLP as the Company's auditors for the fiscal year ending December 31, 2021 (see page 41).
- Approval, on an advisory basis, of the compensation of the Company's named executive officers (see page 42).

The Board recommends a vote: *FOR* each of the nominees to the Board; *FOR* ratification of the appointment of Ernst & Young LLP as the Company's auditors for the fiscal year ending December 31, 2021; and *FOR* approval, on an advisory basis, of the compensation of the Company's named executive officers;

How do I vote?

You can vote either in person at the Annual Meeting or by proxy without attending the Annual Meeting. *We urge you to vote by proxy even if you plan to attend the Annual Meeting so that we will know as soon as possible that enough votes will be present for us to hold and conduct business at the meeting*. If you attend the meeting and wish to vote in person, you must withdraw your earlier-dated proxy in accordance with this Proxy Statement and provide proof of ownership of Company shares as of the record date of March 23, 2021.

Please note that there are separate telephone and Internet arrangements, depending upon whether you are a holder of record [that is, if your shares are registered in your own name with the Company's transfer agent and you have possession of your stock certificate(s)] or whether you hold your shares in "street name" (that is, if your shares are held for you by a broker or other nominee, in which case you are considered the beneficial owner).

Shareholders of record voting by proxy may use one of the following three options:

- Vote by *Internet* (log on to https://www.proxyvote.com and follow the directions there);
- Vote by *toll-free telephone* (1-800-690-6903 - instructions are on the Proxy Card or Voting Instruction Form); or
- Fill out the enclosed *Proxy Card or Voting Instruction Form*, sign it, and mail it.

If you hold your shares in "street name," please refer to the information forwarded by your broker or other nominee to see which options are available to you. Your broker or other nominee has enclosed or otherwise provided a Voting Instruction Form.

A beneficial owner who wants to cast a vote directly, rather than have a broker or other nominee do so, can either: become a registered owner; or ask the broker or nominee to execute a proxy on your behalf. You can become a registered owner by having your broker or other nominee "certificate" your position, in which case you will receive an actual certificate for your stock, or your share ownership can be moved into a "direct registration system." Alternatively, you can check a box on the Voting Instruction Form indicating your plan to attend the meeting and to vote your shares directly, in which case your broker or other nominee should then send you your proxy. Please contact your broker or other nominee for more details.

The telephone and Internet voting facilities for shareholders of record will close at 11:59 p.m. EDT on May 19, 2021. The telephone and Internet voting procedures are designed to authenticate shareholders by the use of control numbers and to allow you to confirm that instructions have been properly recorded.

Can I change my vote?

Yes. At any time before your proxy is voted at the meeting, you may change your vote by:
- Revoking it by written notice to the Corporate Secretary at the address on the cover of the Proxy Statement;
- Delivering a later-dated proxy (including a telephone or Internet vote);
- Voting by telephone or Internet at a subsequent time; or
- Voting in person at the meeting.

If you hold your shares in "street name," please refer to the information forwarded by your broker or other nominee for procedures on revoking or changing your Proxy.

How many votes do I have?

You will have one vote for every share of common stock that you owned on March 23, 2021.

How many shares are entitled to vote?

There were 242,687,090 shares of the Company common stock outstanding as of March 23, 2021, and, accordingly, entitled to vote at the meeting. Each share is entitled to one vote.

How many votes must be present to hold the meeting?

The record date is March 23, 2021, and was established by the Board as required. Under the Company's Bylaws, a majority of all of the voting shares of the capital stock issued and outstanding as of March 23, 2021, must be present in person or by proxy to hold the Annual Meeting.

What if I do not vote for some or all the matters listed on my Proxy Card or Voting Instruction Form?

If you return a Proxy Card or Voting Instruction Form without indicating your vote for some or all of the matters, if permissible, your shares will be voted as follows for any matter you did not vote on:

- *For* the approval of the director nominees to the Board listed on the card.
- *For* ratification of Ernst & Young LLP as the Company's auditors for the fiscal year ended December 31, 2021.
- *For* the approval, on an advisory basis, of the compensation of the Company's named executive officers.

How many votes are needed for the approval of items upon which the shareholders are being asked to vote?

- Under Michigan law, the nine nominees for director will be elected by a plurality of the votes cast. Notwithstanding the foregoing, the Company's Bylaws provide that if a director is elected by less than a majority of the votes cast, then such director shall promptly tender his or her resignation by written notice to the Board.
- Ratification of Ernst & Young LLP as the Company's auditors for the fiscal year ended December 31, 2021, is by a majority of votes cast.
- The proposal to approve the compensation of the Company's named executive officers is advisory and the Board will take such votes into account when considering future actions.

What if I vote to "abstain?"

A vote to "abstain" on the election of the directors or the ratification of Ernst & Young LLP as the Company's auditors will have no effect on the outcome. A vote to abstain with respect to approval of named executive officer compensation will be taken into account by the Board in determining future action.

What if I do not return my Proxy Card or Voting Instruction Form and do not attend the Annual Meeting?

If you are a holder of record and you do not vote your shares, your shares will not be voted. If you hold your shares in "street name," and you do not give your broker or other nominee specific voting instructions for your shares, your broker or other nominee may not be permitted to exercise voting discretion with respect to certain matters to be acted upon.

If you do not give your record holder specific voting instructions and your record holder does not vote on the matters to be voted upon, the votes will be "broker non-votes." "Broker non-votes" will have no effect on the vote for the election of directors or the other matters to be voted upon as set forth in this Proxy Statement as they are treated as present for purposes of determining the existence of a quorum, but not as shares present and voting on any specific proposal.

Is my vote confidential?

Proxy instructions, ballots, and voting tabulations that identify individual shareholders are handled in a manner that protects your individual voting privacy. Your individual vote will not be disclosed either within the Company or to third parties, except:

- as necessary to meet applicable legal requirements;
- to allow for the tabulation of votes and certification of the vote; or
- to facilitate successful proxy solicitation by our Board.

Occasionally, shareholders provide written comments on their Proxy Cards or Voting Instruction Forms which are then forwarded to the Company's management.

How can I receive a copy of the Company's Form 10-K?

You can obtain, free of charge, a copy of our Form 10-K for the year ended December 31, 2020, which we recently filed with the Securities and Exchange Commission, by writing to:

Corporate Secretary
Gentex Corporation
600 North Centennial Street
Zeeland, Michigan 49464

You can also obtain a copy of the Company's Form 10-K and other periodic filings with the Securities and Exchange Commission (SEC) on the Company's web site under the heading "SEC Filings" at: http://ir.gentex.com.

The Company's Form 10-K and other SEC filings mentioned above are also available from the SEC's EDGAR database at http://www.sec.gov.

Can I otherwise access the Company's proxy materials and Annual Report?

The proxy materials are also available on the Company's website at: http://ir.gentex.com

What is "householding of proxy materials?"

Only one Notice will be sent to multiple shareholders sharing a single address, unless the Company has received instructions to the contrary from one or more shareholders. If a single copy of the Notice was delivered to an address that you share with another shareholder, and you prefer to receive additional copies, send your request to the Corporate Secretary (at 600 North Centennial Street, Zeeland, Michigan 49464, 616-772-1800), and we will promptly deliver a separate copy.

BUSINESS HIGHLIGHTS

In 2020, net sales for the Company decreased by 9% compared to net sales in 2019. The COVID-19 pandemic created extended shutdowns in the industries in which the Company operates for much of the second quarter of 2020, and into the third. This led to a 16% reduction in year over year light vehicle production. During this unprecedented time, the Company's was able to properly adjust its operating model to the smaller industry size. During the second half of 2020, the automotive industry recovered faster than expected and the Company's net sales rebounded faster than expected. As a result, sales, operating profits, net income and earnings per diluted share improved to record levels during the second half of calendar year 2020.

		2020		2019		2018
Net Sales	$	1,688,189	$	1,858,897	$	1,834,064
Operating Income	$	399,556	$	488,538	$	508,126
Net Income	$	347,564	$	424,684	$	437,883
Earnings Per Share (Fully Diluted)	$	1.41	$	1.66	$	1.62
Cash Dividends Declared Per Common Share	$	0.48	$	0.46	$	0.44
Total Assets	$	2,197,941	$	2,168,803	$	2,085,434

SOLICITATION OF PROXIES

This Proxy Statement is being furnished on or about April 9, 2021 to the shareholders of Gentex Corporation as of the record date, March 23, 2021, in connection with the solicitation by the Board of proxies to be used at the Annual Meeting to be held on Thursday, May 20, 2021, at 4:30 p.m. EDT, at The Pinnacle Center, 3330 Highland Drive, Hudsonville, Michigan 49426.

Each shareholder as of the record date, as an owner of the Company, is entitled to vote on matters to come before the Annual Meeting. The use of a proxy allows a shareholder of the Company to be represented at the Annual Meeting even if the shareholder is unable to attend in person.

There are four ways to vote your shares:

1) By Internet at https://www.proxyvote.com or www.virtualshareholdermeeting.com/GNTX2021. *We encourage you to vote this way.*
2) By toll-free telephone (1-800-690-6903)
3) By completing and mailing your Proxy Card or Voting Instruction Form
4) By written ballot at the Annual Meeting

If the form of proxy accompanying this Proxy Statement is properly executed using any of the methods described above, the shares represented by the proxy will be voted at the Annual Meeting and at any adjournment of the meeting. Where shareholders specify a choice, the proxy will be voted as specified. If no choice is specified, the shares represented by proxy will be voted: *FOR* the election of all nominees named in the Proxy Statement; *FOR* ratification of Ernst & Young LLP as the Company's auditors for the fiscal year ending December 31, 2021; and *FOR* approval, on an advisory basis, of the compensation of the Company's named executive officers. These proposals are described in this Proxy Statement. A proxy may be revoked prior to its exercise by (1) delivering a written notice of revocation to the Corporate Secretary, (2) delivery of a later-dated proxy, including a telephone or Internet vote, or (3) attending the meeting and voting in person, as discussed above.

VOTING SECURITIES AND RECORD DATE

March 23, 2021, has been fixed by the Board as the record date for determining shareholders entitled to vote at the Annual Meeting. On that date,242,687,090 shares of the Company's common stock, par value $.06 per share, were issued and outstanding. Shareholders are entitled to one vote for each share of the Company's common stock registered in their names at the close of business on the record date. Abstentions and broker non-votes are counted for the purposes of determining the presence or absence of a quorum for the transaction of business. Abstentions and broker non-votes are not, however, counted in tabulations of votes cast on matters presented to shareholders, though the Board will consider abstentions in determining future actions.

ELECTION OF DIRECTORS

The Company's Restated Articles of Incorporation specify that the Board shall consist of at least six, but not more than nine members, with the exact number to be determined by the Board. The Board has currently set the number of directors at nine. The Restated Articles of Incorporation state that directors shall be elected annually for terms expiring at the next annual meeting of shareholders.

Of the nine current members on the Company's Board, eight of them qualify as "independent directors" as determined in accordance with the current listing standards of The NASDAQ Global Select Market ("NASDAQ"). Based on these current NASDAQ listing standards, the Company's Board has identified and affirmatively determined the following directors have no material relationships with the Company other than as a director and are independent: Leslie Brown, Gary Goode, James Hollars, John Mulder, Richard Schaum, Kathleen Starkoff, Brian Walker, and James Wallace. In making its independence determinations, the Board considered: the former employment and a former consulting arrangement of Mr. Mulder and the former employment of Mr. Hollars; The Board determined that these circumstances do not interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Steve Downing, President and CEO of the Company, does not qualify as independent under the applicable standards. Mr. Mulder is not standing for re-election.

Each of the current Board members have been determined to meet the required experience and qualifications set forth in the Company's <u>Position Profile: Member of the Board of Directors</u>, including, among them, high levels of personal and professional integrity, distinguished management careers, and the demonstrated ability to work effectively as Board members. Combined with the other desirable characteristics and experience of such individuals, these individuals have the experience, qualifications, attributes, and/or skills (which are described below) which have made them valued directors. Though Mr. Mulder is not standing for re-election, the Nominating and Corporate Governance Committee has recommended the other incumbent directors, along with Dr. Ling Zang, to the Board for nomination for election to the Board. The Nominating and Corporate Governance Committee has concluded such individuals should be nominated for election to the Board, based on qualifications and contributions of such incumbent directors and based on Dr. Zang's: background; experiences in technology, entrepreneurship, and academia; his professional and personal integrity; and his perceived ability to work effectively with the Board. If elected, the Board has affirmatively determined Dr. Zang will qualify as an "independent director" as determined in accordance with the current listing standards of NASDAQ since Dr. Zang has no material relationships with the Company other than as a director. In making this independence determination, the Board considered Dr. Zang's consulting relationship with Vaporsens Inc. ("Vaporsens"), which ended prior to the acquisition of Vaporsens by the Company, in April, 2020. The Board determined that these circumstances do not interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

The terms of all current Board members will expire upon the election of the directors to be elected at the 2021 Annual Meeting. Based on the foregoing, the Board has (upon the recommendation of the Company's Nominating and Corporate Governance Committee) nominated Leslie Brown, Steve Downing, Gary Goode, James Hollars, Richard Schaum, Kathleen Starkoff, Brian Walker, James Wallace and Dr. Ling Zang for election as directors at the Annual Meeting, each to serve a one-year term expiring in 2022. The Nominating and Corporate Governance Committee continues to avail itself of a variety of resources in its efforts to identify qualified and diverse candidates. Candidates are sought not only in traditional corporate environments, but also other environments such as government, academia, private enterprise, nonprofit organizations, and a variety of professions. In order to promote diversity, the Nominating and Corporate Governance Committee is: willing to consider exceptions to the Board Attendance and Overboarding Policy; considering search firms with a track record of identifying qualified, diverse director candidates; as appropriate, seeking to engage with organizations representing the interests of women and minorities; and periodically reviewing its processes and procedures to ensure there are no structural impediments to increasing Board diversity. The Board continues to build a pool of diverse candidates and the Board's diversity has increased because of these actions. The Nominating and Corporate Governance Committee seeks to ensure diverse candidates are considered and interviewed for any open Board seat(s). The Board believes its diversity will continue to increase as a result of the foregoing approach taken by the Nominating and Corporate Governance Committee. In fact, the approach taken by the Nominating and Corporate Governance Committee has already produced tangible results with two of the current members of the Board self-identifying as female and a new candidate of Chinese descent.

Unless otherwise specifically directed by a shareholder's marking on the Proxy Card or Voting Instruction Form, or in directions given either via the Internet or telephone, the persons named as proxy voters in the accompanying proxy will vote for the nominees described above and below. If any of these nominees becomes unavailable, which is not now anticipated, the Board may designate a substitute nominee, under the recommendation of the Nominating and Corporate Governance Committee, in which case the accompanying proxy will be voted for the substituted nominee. Proxies cannot be voted for a greater number of persons than the number of nominees named.

Under the Michigan Business Corporation Act, a plurality of votes cast by shareholders at the meeting is required to elect directors of the Company under Michigan law. Accordingly, the nominees who receive the largest number of affirmative votes will be elected, regardless of the number of votes received. Notwithstanding the foregoing, the Company amended its Bylaws to provide that if a director is elected by less than a majority of the votes cast, then such director shall promptly tender his or her resignation by written notice to the Board. Each of the nominees has agreed to tender his or her resignation from the Board in writing to the Board if he or she is not elected by a majority of votes cast. Broker non-votes and votes withheld will not have a bearing on the outcome of the election (though the Nominating and Corporate Governance Committee and Board will consider abstentions in making future nominations). Votes will be counted by Inspectors of Election appointed by the presiding officer at the Annual Meeting.

The Board recommends a vote *FOR* the election of all persons nominated by the Board.

The content of the following table relating to age and business experience is based upon information furnished to the Company by the nominees and directors, as of February 18, 2021.

Name (Age) and Position	Business Experience
	Nominees for Terms to Expire in 2022
Ms. Leslie Brown (67) Director since 2016	Ms. Brown, since 2003, is the owner and chairperson of Metal Flow Corporation, a Holland, Michigan, based high volume producer of technically sophisticated custom metal (of various varieties) components through deep draw processes. Including operations in China, Metal Flow Corporation globally ships over one million parts daily for a variety of automotive applications, including airbags, decorative trim, emissions, fuel handling, sensors, and solenoids. As such, Ms. Brown has a significant understanding of, and experience with, challenges faced by manufacturing companies that supply the global automotive industry. In addition to her years of experience as an entrepreneurial automotive supplier, as a prominent local businesswoman serving on a variety of community organization boards of directors (including as chairperson of the Holland Hospital Board), Ms. Brown has demonstrated a high degree of professionalism and personal integrity. Ms. Brown offers insight and perspective especially in terms of developing and maintaining an entrepreneurial team. Ms. Brown has been affirmatively identified as an independent director by the Board. She serves on the Company's Nominating and Corporate Governance Committee.
Mr. Steve Downing (43) Director since 2020	Mr. Downing was elected Chief Executive Officer of the Company effective as of January 1, 2018. He has been employed by the Company since 2002. Prior to being elected Chief Executive Officer, he served as President and Chief Operating Officer from August 2017 to December 2017, as Senior Vice President and Chief Financial Officer from June 2015 to August 2017, and as Vice President of Finance and Chief Financial Officer from May 2013 to June 2015. He served in a variety of roles before that time. During his tenure with the Company, Mr. Downing has collected a vast wealth of knowledge and experience with respect to the Company and the industries in which it operates. Mr. Downing's thorough understanding of the Company's industries, familiarity with the Company's entrepreneurial culture, ability to build and lead a cohesive management team, and demonstrated work with the Board make him an appropriate Board member.
Mr. Gary Goode (75) Director since 2002	Mr. Goode is the Chairman of Titan Distribution LLC, an Elkhart, Indiana company, that offers consulting and distribution services related to structural adhesives, and has held that position since 2004. He was previously employed at Arthur Andersen LLP for 29 years, including 11 years as the managing partner of its West Michigan practice, until his retirement in 2001. As an audit committee financial expert, Mr. Goode provides the Board with financial reporting and accounting expertise. His many years of public accounting experience provided Mr. Goode the opportunity to work with a great variety of small and large companies, including public companies, in a broad array of industries (including automotive and technology companies). Such experience allows Mr. Goode to provide excellent perspective to the Board. Mr. Goode has been affirmatively identified as an independent director by the Board and as an audit committee financial expert. He is Chair of the Company's Audit Committee and serves on the Company's Compensation and Nominating and Corporate Governance Committees.
Mr. James Hollars (76) Director since 2014	Mr. Hollars currently serves as a license partner of Engel & Volkers, a global company and lifestyle brand providing high quality services to those seeking to buy and sell real estate and has so served for more than five years. Prior to that, he served as the Senior Vice President - Sales of the Company from 1999 to 2009. Mr. Hollars maintains an exceptional understanding of the sales process for suppliers to automotive OEMs, especially in Europe which continues to be an important geographic market for the Company. Mr. Hollars offers the Board unique insight into the decision-making process of automotive customers in regards to sourcing. His familiarity with the Company's core business principles and what it takes to work in an entrepreneurial environment allow him to understand the Company more fully. Mr. Hollars has been affirmatively identified as an independent director by the Board.

Mr. Richard Schaum (74) Director since 2011	Mr. Schaum has been General Manager of 3rd Horizon Associates LLC, a technology assessment and development company, since May 2003. From October 2003 until June 2005, he was Vice President and General Manager of Vehicle Systems for WaveCrest Laboratories, Inc., a startup company involved in the commercialization of proprietary electric propulsion systems. Prior to that, for more than thirty years, he was with DaimlerChrysler Corporation, and its predecessor, Chrysler Corporation, serving in various positions including Executive Vice President, Product Development, and General Manager of Powertrain Operations, a $7 billion business with 11 plants and 23,000 employees. Mr. Schaum is a fellow of the Society of Automotive Engineers and served as its Chairman and President from 2007 to 2008. He has also previously served on the Board of Directors of BorgWarner, Inc. and Sterling Construction Co. Mr. Schaum has been affirmatively identified as an independent director by the Board. He is Chair of the Company's Compensation Committee and serves on the Company's Audit Committee.
Ms. Kathleen Starkoff (63) Director since 2018	Ms. Starkoff is the President and CEO of Orange Star Consulting, a Columbus, Ohio based information technology consulting firm. She has served in that role since 2013. Prior to that, Ms. Starkoff was Chief Information Officer at the Ohio State University from 2008-2013. Before that, she served as Chief Technology Officer and Group Vice President of Limited Brands (now L Brands), a global retailer that includes Bath & Body Works. She also served as Chief Technology Officer and Senior Vice President of BankOne Corporation (now JPMorgan Chase). As such, Ms. Starkoff provides the Board with significant information technology and enterprise risk management expertise, including in the public company context. In addition, she has significant private and nonprofit board experience and has been recognized by the National Association of Corporate Directors ("NACD") as both a "Leadership Fellow," and a featured cyber-security expert. Ms. Starkoff has been affirmatively identified as an independent director by the Board. Ms. Starkoff serves on the Company's Audit Committee.
Mr. Brian Walker (59) Director since 2018	Mr. Walker most recently served as President and CEO of Herman Miller, Inc., a West Michigan based company involved in the research, design, manufacture, selling, and distribution of office furniture systems, seating products, and other free-standing furniture elements, prior to his retirement. Mr. Walker worked at Herman Miller, Inc. for 29 years in a variety of capacities, including Chief Operating Officer, Chief Financial Officer, and Executive Vice President. Mr. Walker serves as lead director of Briggs & Stratton Corporation, where he chairs the Compensation Committee and serves on the Finance Committee. Mr. Walker is also a member of the Board of Directors of Cooper Tire & Rubber Company and Universal Forest Products, where he serves as Chair of the Audit Committee. The Company is pleased to have access to Mr. Walker's executive experience and financial expertise in public company settings, along with his corporate board experience and keen understanding of challenges public companies face in West Michigan. He has been affirmatively identified as an independent director by the Board.
Mr. James Wallace (78) Chair of the Board Director since 2007	Mr. Wallace is Chair of the Board of Cranel, Inc., a Columbus, Ohio, company that provides storage, imaging, and information technology services; data storage solutions; document imaging, storage, publishing, and duplication services; and support, to the storage and imaging industry. Previously, he served as President and Chief Executive Officer of Cranel, Inc. for more than five years. His experience in the information technology services industry offers the Board an understanding of evolving technologies, in addition to manufacturing expertise, especially while operating in an entrepreneurial environment. Mr. Wallace has been affirmatively identified as an independent director by the Board. Mr. Wallace is Chair of the Board, Chair of the Company's Nominating and Corporate Governance Committee, and serves on the Company's Compensation Committee.
Dr. Ling Zang (52) Director Nominee	Dr. Ling Zang is a professor at the University of Utah affiliated with the Department of Materials science and Engineering. He is also the Director of the Utah Center for Interfacial Sciences, Nano Institute of Utah. He is a Fellow of the National Academy of Inventors, and was previously an Alexander von Humboldt Fellow, NSF CAREER Award winner, and K. C. Wong Foundation Research Fellow. Dr. Zang earned his B.S. in physical chemistry from Tsinghua University and Ph.D. in chemistry from the Chinese Academy of Sciences. Dr. Zang's research focuses on nanoscale imaging and molecular probing, organic semiconductors and nanostructures, optoelectronic sensors and nanodevices, and photocatalysis and photovoltaics for conversion of solar energy, with the goal to achieve practical applications in the areas of public safety, renewable energy and environmental protection. Dr. Zang has been awarded with various federal grants (from NSF, DHS, DOE/ARPA-E, NASA, etc.) to support his broad range of research in nanoscience and nanotechnology. More than 25 patent applications have been filed from Dr. Zang's lab. Dr. Zang also founded Metallosensors, Inc. and Vaporsens (though his consulting relationship with Vaporsens terminated prior thereto). The Board of Directors is excited to welcome Dr. Zang to the Board and believes Dr. Zang will be a real asset. Dr. Zang's background, education, and research complement the Company's vision and focus on continuing to be a technology Company. Dr. Zang's experience in academia as well as his vast understanding of how to bring technology from a laboratory environment into commercialization will serve the Board well. Dr. Zang has been affirmatively identified as an independent director by the Board if elected.

COMMON STOCK OWNERSHIP OF MANAGEMENT

The following table contains information with respect to ownership of the Company's common stock by all directors, nominees for election as directors, executive officers named in the tables under the caption "EXECUTIVE COMPENSATION," current executive officers, and all directors and such executive officers as a group. The content of this table is based upon information supplied by the Company's named executive officers, directors and nominees for election as directors, and represents the Company's understanding of circumstances in existence as of March 1, 2021.

Name of Beneficial Owner	Amount and Nature of Ownership Shares Beneficially Owned [1]	Exercisable Options [2]	Percent of Class
Neil Boehm	41,344	8,742	*
Leslie Brown	32,464	21,000	*
Matthew Chiodo	61,307	27,500	*
Steve Downing	226,748	93,480	*
Gary Goode	66,464	42,000	*
James Hollars	68,865	28,000	*
John Mulder [3]	85,365	21,000	*
Kevin Nash	57,066	27,026	*
Scott Ryan	56,147	29,710	*
Richard Schaum	95,464	78,000	*
Kathleen Starkoff	13,894	4,430	*
Brian Walker	11,974	3,510	*
James Wallace	60,864	35,000	*
Dr. Ling Zang	50,293	0	*
All directors and executive officers as a group (13 Persons)	928,259	419,398	*

* Less than one percent.

(1) Except as otherwise indicated by footnote, each named person claims sole voting and investment power with respect to the shares indicated.
(2) This column reflects shares subject to options exercisable within 60 days, and these shares are included in the column captioned "Shares Beneficially Owned."
(3) Includes 30,000 shares held in a trust established by Mr. Mulder's spouse, and Mr. Mulder disclaims beneficial ownership of these

COMMON STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table contains information with respect to ownership of the Company’s common stock by persons or entities that are beneficial owners of more than five percent of the Company’s voting securities as of December 31, 2020.

Name and Address of Beneficial Owner	Nature of Beneficial Ownership	Percent of Class
The Vanguard Group 100 Vanguard Boulevard Malvern, PA 19355	22,944,337	9.4 %
Black Rock Inc. 40 East 52nd Street, New York, NY 10022	21,745,806	8.9 %

CORPORATE GOVERNANCE

The Company operates within a comprehensive plan of corporate governance set forth in the Gentex Corporation Corporate Governance Guidelines (*) as adopted for the purpose of defining responsibilities, setting high standards of professionalism and personal conduct, and assuring compliance with such responsibilities and standards. The Company regularly monitors developments in the area of corporate governance.

The Board has an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee, and, in accordance with the Company's Bylaws, may appoint other committees from time to time. Each standing committee has a written charter. All such charters, as well as any documents marked with an asterisk (*) in this Proxy Statement, are available under the headings, "Corporate Governance", then "Documents & Charters" on the Company’s web site at http://ir.gentex.com. A hard copy of any of these documents will be provided to any shareholder who submits a request in writing to the Corporate Secretary, Gentex Corporation, 600 North Centennial Street, Zeeland, MI 49464.

Each member of the Board is expected to abide by the Gentex Corporation Board Attendance and Overboarding Policy (*), unless an exception thereto has been approved by the Board. That includes the expectation to attend all meetings of the Board, all applicable committee meetings, and each annual meeting of shareholders. All the members of the Board attended the 2020 Annual Meeting, which was held virtually due to the COVID-19 pandemic. Each of the current members of the Board, including all nominees for the Board, is expected to attend the 2021 Annual Meeting. During 2020, the Board held four Board meetings. All directors then serving attended at least 75 percent of the aggregate number of meetings of the Board and Board committees on which they served.

Responsiveness to Shareholders

- The fact that the Company has declassified its Board and implemented majority voting for directors (in the form of a director resignation Bylaw) in response to shareholder proposals, as well as allowing its shareholder rights plan (poison pill) to expire, demonstrates responsiveness to expressed shareholder concerns. In fact, implementation of majority voting for directors (in the form of a director resignation Bylaw) was done with the input and concurrence of the shareholder proponent as to form of adoption of the same.
- The Company also implemented a Lead Independent Director Policy (*) to address concerns raised by shareholders when the Company had a non-independent Chair of the Board, again demonstrating its commitment to good corporate governance and ongoing engagement with shareholders.
- The Company has added a Sustainability section to its website (which is updated periodically) and publishes a Sustainability Report annually that provides key information regarding progress that the Company is making for sustainability initiatives in response to shareholder suggestions.
- The Company has added additional diversity considerations to its director nominating policies in response to suggestions from shareholders. Such diversity considerations, along with the actual practices of the Nominating and Corporate Governance Committee, have led to a broader and more diverse director candidate pool and a more diverse Board.

Board of Directors Leadership Structure

- James Wallace serves as the independent Chair of the Board.
- While the Company had a CEO who also served as Chair of the Board, the Board implemented a Lead Independent Director Policy and had a Lead Director thereunder. The independent members of the Board have as an agenda item at each meeting a session where they meet without management present.
- The Company acknowledges that independent board leadership is important, and the independent directors will continue to meet outside of the presence of management.
- Even with an independent Chair of the Board, the Company remains of the belief that it is important that the Board have flexibility to determine the most qualified person to serve as Board Chair rather than unduly impairing such flexibility with any policy requiring an independent Chair of the Board.
- While the Board now has an independent Chair, alleviating the need for a Lead Director, the Lead Independent Director Policy remains in place to continue to provide the Board appropriate flexibility.
- The Board, and each standing committee of the Board, undertake annual self-evaluations which include: written evaluations; collection of relevant information; summary and review of the same by the Board and each committee; and the opportunity for peer review and for each director to comment thereupon. This process has helped inform the Board in regard to existing director qualifications, skills, attributes, and experience and those needed for the future.

Audit Committee

- The Company's Audit Committee currently includes Mr. Goode (Chair), Mr. Schaum and Ms. Starkoff.
- The Audit Committee met seven times during the fiscal year ended December 31, 2020. Information regarding the functions performed by the Committee is set forth in the following "Report of the Audit Committee."
- The Board has affirmatively determined that all members of the Audit Committee meet the appropriate tests for independence, including those set forth in the NASDAQ Stock Market Rules.
- All Audit Committee members possess the required level of financial literacy and the Board has determined that at least one member of the Audit Committee, Mr. Goode, meets the current standard of audit committee financial expert as required by the Sarbanes-Oxley Act.
- The Audit Committee operates pursuant to the Gentex Corporation Audit Committee Charter (*).

- The Company’s independent auditors report directly to the Audit Committee and the Audit Committee is actively engaged in selecting the audit engagement partner.
- The Audit Committee, consistent with the Sarbanes-Oxley Act and the rules adopted thereunder, meets with management and the auditors prior to the filing of officer certifications with the SEC to receive information concerning, among other things, any significant deficiencies or material weaknesses in the design or operation of internal controls.
- The Audit Committee’s policy regarding the pre-approval of audit and non-audit services provided by the Company’s independent auditors is outlined in a document called "Revised Audit Committee Procedures for Approval of Audit and Non-Audit Services by Independent Auditors" (*), which is attached as <u>Appendix A</u> to this Proxy Statement.
- The Audit Committee reviews and discusses with the Company's independent auditors all relationships the independent auditor has with the Company so as to be able to determine the auditor's objectivity and independence.
- The Audit Committee has adopted a policy titled "Complaint Submission and Handling Policy" (*), to enable confidential and anonymous reporting to the Audit Committee and to the Company as appropriate.
- The Audit Committee reviews and approves all related-party transactions in accordance with the Audit Committee Charter. This review and approval covers all manners of related-party transactions, which are viewed in light of applicable disclosure requirements, independence standards for directors, and applicable Company codes and policies.

<u>Compensation Committee</u>

- The Company’s Compensation Committee currently includes Mr. Schaum (Chair), Mr. Goode, and Mr. Wallace.
- The Compensation Committee met four times during the fiscal year ended December 31, 2020. The Compensation Committee is responsible for administering all of the Company’s incentive plans and other compensation arrangements for executive officers of the Company. Information regarding functions performed by the Committee is set forth in the following "Compensation Committee Report."
- The Board has affirmatively determined that all members of the Compensation Committee meet the appropriate tests for independence, including those set forth in the NASDAQ Stock Market Rules.
- The Compensation Committee operates pursuant to the Gentex Corporation Compensation Committee Charter (*).
- More information regarding the scope of authority of the Compensation Committee, any delegation of its authority, and the role of executive officers is set forth in the "Compensation Discussion and Analysis" below.
- The Compensation Committee has authority under the Compensation Committee Charter to obtain the advice of compensation consultants. In 2020, however, the Compensation Committee did not engage an independent compensation consultant.
- The Board, based on the recommendation of the Compensation Committee, has also adopted "Stock Ownership Guidelines" (*), an "Anti-Hedging and Anti-Pledging Policy" (*) and a "Clawback Policy" (*).
- The Compensation Committee does not believe that the Company's compensation policies and practices are reasonably likely to have a material adverse effect on the Company.

Nominating and Corporate Governance Committee

- The Company's Nominating and Corporate Governance Committee currently includes Mr. Wallace (Chair), Ms. Brown, and Mr. Goode, although such committee regularly receives input from other directors.
- The Nominating and Corporate Governance Committee met formally one time during the fiscal year ended December 31, 2020 (and met informally and held other discussions at regularly scheduled Board meetings, and otherwise, including consideration of, and discussions/interviews with, potential candidates for nomination to the Board). The Nominating and Corporate Governance Committee is responsible for identifying and recommending qualified individuals to serve as members of the Company's Board and met formally in February 2021 in accordance with such responsibilities(while also allowing other Board members to interview potential candidates).
- The Board has affirmatively determined that all members of the Nominating and Corporate Governance Committee meet the appropriate tests for independence, including those set forth in the NASDAQ Stock Market Rules.
- The Nominating and Corporate Governance Committee operates pursuant to the Gentex Corporation Nominating and Corporate Governance Committee Charter (*).
- The Nominating and Corporate Governance Committee has adopted certain procedures contained in a document called "Selection Process for Board Candidates" (*) to consider candidates for director nominations. Generally, the Nominating and Corporate Governance Committee identifies candidates from a variety of resources to ensure a diverse pool of candidates, with support of the other Board members and management, as needed. Candidates that meet the established criteria are identified and presented to the entire Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee, with other Board members involved as well, will then conduct interviews and reviews, as appropriate and necessary. The Nominating and Corporate Governance Committee meets to consider and approve the most qualified candidates so it can make its recommendations to the full Board.
- The Nominating and Corporate Governance Committee has established the minimum qualifications for candidates, which are contained in a document called "Position Profile of a Member of the Board of Directors" (*). Those required qualifications include: working and/or experience with an entrepreneurial company; high level of personal and professional integrity; successful and distinguished business management career (using the Company's core principles); understanding of the Company's markets; and ability to work effectively with current Board members. The Position Profile also sets forth other desirable experience and qualifications, including gender, race, ethnic, and country of origin diversity.
- The Nominating and Corporate Governance Committee continually refines its on-boarding process for new directors, which is now led by Ms. Brown.
- The Nominating and Corporate Governance Committee has not, to date, paid any third party a fee to assist in identifying and evaluating nominees, but has the authority to do so.
- The Nominating and Corporate Governance Committee has not, to date, received any potential director candidates for nomination from any shareholder that beneficially owns more than five percent of the Company's common stock.
- The Nominating and Corporate Governance Committee (and the entire Board) is committed to increasing diversity on the Board. As such, the Nominating and Corporate Governance Committee will continue to avail itself of a variety of resources in its efforts to identify qualified and diverse director candidates. Candidates are sought not only in traditional corporate environments, but also other environments such as government, academia, private enterprise, nonprofit organizations, and a variety of professions. In order to promote diversity, the Nominating and Corporate Governance Committee is: willing to consider exceptions to the Board Attendance and Overboarding Policy for appropriate candidates; considering search firms with a track record of identifying qualified, diverse director candidates; as appropriate, seeking to engage with organizations representing the interests of women and minorities; and periodically reviewing its processes and procedures to ensure there are no structural impediments to increasing Board diversity.
- The Nominating and Corporate Governance Committee will consider nominees for the Board from a variety of sources, including current directors, management, retained third-party search firms, and shareholders. The Nominating and Corporate Governance Committee avails itself of a variety of available resources for candidates (and from non-executive positions and/or non-traditional environments). If you want to recommend a director candidate, you may do so in accordance with the Company's procedures or the Company's Restated Articles of Incorporation. If a shareholder desires to recommend a candidate for consideration by the Nominating and Corporate Governance Committee for inclusion in the Company's 2022 Proxy Statement as a Board nominee, that recommendation should be submitted in writing, together with appropriate biographical information, to the Chair of the Nominating and Corporate Governance Committee, c/o Corporate Secretary's Office, Gentex Corporation, 600 North Centennial Street, Zeeland, Michigan 49464. Any such nominations should be received by the Chair of the Nominating and Corporate Governance Committee by no later than December 31, 2021, to allow adequate time for consideration of the nominee. Other nominations by shareholders for any directorship

may be submitted to the Board by written notice as set forth in the Company's Restated Articles of Incorporation and Bylaws, or pursuant to the rules and regulations promulgated under the Securities Exchange Act of 1934.
- The Nominating and Corporate Governance Committee has corporate governance responsibilities as delegated by the Board.

Codes

- The Board has adopted a "Code of Ethics for Certain Senior Officers" (*) that applies to certain of the Company's officers and including the chief executive officer, principal financial officer and principal accounting officer. Information concerning any alleged violations is to be reported to the Audit Committee.
- The Company has also adopted a "Code of Business Conduct and Ethics" (*). This Code applies to all directors, officers and employees of the Company.
- No waivers of either of the foregoing codes have occurred to date.

Shareholder Communication with Members of the Board

- You may contact any of our directors by writing them: Board, c/o Corporate Secretary's Office, Gentex Corporation, 600 North Centennial, Zeeland, Michigan 49464.

Personal Loans to Executive Officers and Directors

- The Company complies with and will operate in a manner consistent with an act of legislation outlawing extensions of credit in the form of personal loans to or for its directors and executive officers.

Director and Executive Officer Stock Transactions

- Under the regulations of the Securities and Exchange Commission (SEC), directors and executive officers are required to file notice with the SEC of any purchase or sale of the Company's stock. Information on filings made by any of our directors or executive officers can be found on the Company's web site under "SEC Filings" at http://ir.gentex.com. The Company has in place an Anti-Hedging and Anti-Pledging Policy which prohibits directors and officers from engaging in transactions such as puts, calls, options, other derivative securities, collars, forward sales contracts, and short selling with respect to the Company's stock. See "Compensation Discussion and Analysis" below.

Sustainability

- Disclosure on Website. The Company has a Sustainability section of its website (https://www.gentex.com/about/sustainability) to provide insight into how the Company is looking out for the environment, while at the same time striving to execute a wide variety of social responsibility initiatives. The Company's Sustainability Report, published each year and available on the Company's website, provides significant details regarding the Company's approach to sustainability.
- General. The Company makes intentional decisions that reflect the desire to be responsible with all resources, including complying with all laws, upholding international human rights conventions, and ensuring the Company's supply chain operates in a similar fashion.
- Environmental Policy. The Company meets or exceeds all relevant legal and customer requirements, which are significant in the Company's primary industries. Doing so necessitates continual improvement in minimizing waste and preventing pollution. In fact, the Company periodically establishes objectives and targets to minimize pollution and adverse impacts on the environment associated with its business activities.
- Gentex Environmental Management System (GEMS). The Company's environmental management system is based on ISO 14001 (international environmental standard). This system governs environmental performance by addressing the impact of the Company's activities, products, and services on the environment. At each Company facility, environmental impact is measured and improved upon annually by eliminating waste and emissions, maximizing efficiency of processes and resources, and increased recycling and reuse. Each year GEMS annual goals are disclosed and then reported in the Company's Sustainability Report.
- Energy and Climate Change. The Company has in place continuous improvement efforts to operate with greater energy efficiency. The most efficient alternatives for equipment replacement are pursued. In addition, automated building management systems, energy-efficient lights, and efficient HVAC equipment are all employed to decrease energy usage. The Company participates in a local Energy Smart Program (ESP), promoting the implementation of progressive energy efficient projects and has achieved the maximum goal possible in the ESP for lighting and HVAC improvements, as well as conducting compressed air leak audits and installing new building control systems.

- Renewable Energy. At its primary facilities, the Company purchases specified levels of renewable energy (including wind and landfill gas).
- Tracking. Electricity and natural gas usage, greenhouse gas and VOC emissions, and process water use are all tracked and disclosed in the Company's Sustainability Report.
- Waste and Recycling. A robust strategy for minimizing waste, while increasing recycling and reuse, has been successful in lowering scrap and otherwise decreasing waste. Solid waste to landfill, solid waste recycled, and regulated waste are also tracked and disclosed in the Company's Sustainability Report.
- Initiatives. Each year the Company undertakes other sustainability initiatives which are also disclosed in the Company's Sustainability Report.

Human Capital Management/Social Concerns

- The Company fosters a collaborative culture founded on devotion to quality and innovation. An inclusive environment is nurtured so that team members can perform, support each other, and continue to grow and learn, including on-the-job training.
- The Company supports an environment of equal opportunity and conducts all practices related to recruitment, hiring, promotion, discipline, and other terms and conditions of employment in a manner which does not discriminate on the basis of race, color, religion, national origin, ethnicity, age, sex, sexual orientation, gender expression, handicap, marital status, military service, height, or weight.
- This culture is supported by a competitive compensation system that goes beyond base salary and includes for virtually all employees: quarterly profit-sharing bonuses; an extensive stock options program; an employee stock purchase plan; 401(k) plan (or other retirement plan for non-US employees) with Company matching; and tuition reimbursement. Other equity compensation is also paid to a significant number of employees. In keeping with the Company's core principle of ownership mentality, compensation is structured throughout the organization so that employees win when all of stakeholders win.
- Evidence of the Company's commitment to inclusion is its cultivation of a world-class diversity, equity & inclusion ("DE&I") ethos that allows team members to make a lasting impact in the communities in which the Company operates, all while attracting and retaining diverse talent that can help propel the business forward. While the Company has an environment of equal employment opportunity related to recruitment, hiring, promotion, discipline, and other terms of employment, the commitment to have a skilled and diverse world class workforce goes beyond that.
- The Company's DE&I initiatives are supported by the its Diversity Officer and DE&I Council, which helps implement specific diversity programs, supports internal training, and creates opportunities to spread awareness throughout the organization. The Company's DE&I Council is led by Mr. Joe Matthews, Diversity Officer and Vice President of Purchasing. Mr. Matthews has been honored as a Salute to Diversity Winner by Corp! Magazine.
- As a part of DE&I initiatives, the Company maintains a growing list of business resource groups (BRGs) comprised of individuals with similar interests or backgrounds that work internally to support one another, develop leadership skills, and enhance cultural awareness. Among current BRGs are Women at Gentex and Veterans at Gentex.
- DE&I efforts at the Company extend to the supply base as well, where Company been recognized for ongoing efforts to increase supplier relationships with minority- and women-owned enterprises. In fact, the Company mentors certain such suppliers to help them develop the business systems and technologies necessary to support future growth. The Company is a member of the Michigan Minority Supplier Development Counsel and the Women's Business Enterprise Counsel – Great Lakes Region.
- Hiring rates, voluntary and involuntary turnover rates, internal rates of hiring and promotion, and safety records are considered as measures of the Company's success in human capital management. While hiring and diversity policies are in place as a means to remain on track in terms of appropriate human resources management, the DE&I efforts have furthered the process of creating a welcoming environment so the Company can hire and retain the best people. The Company's Sustainability Report also provides more information regarding diversity and corporate responsibility.
- Forbes has named the Company as one of the "200 Best Small Companies" numerous times. Forbes also recently acknowledged the Company as a "Best Employer for Diversity." In addition, the Company is the recipient of an EPIC Diversity Visionary Award presented by a local Chamber of Commerce. Moreover, the Company's DE&I efforts related to actively developing and using minority, women, and veteran-owned suppliers have been acknowledged and recognized by multiple OEM customers. In fact, Toyota Motor Engineering & Manufacturing North America, Inc. has specifically recognized the Company's efforts over the last 10 years to increase supplier relationships with minority business enterprises.
- A charitable program run by Company employees have been established as a means to give back to the community. Employees are encouraged to organize on-site fundraisers and to spend time volunteering at worthy charitable organizations. Support is also provided to a number of minority organizations in keeping with the Company's DE&I efforts and to continue to build an even more diverse and skilled workforce.

- The Company's Board of Directors has regular touchpoints with management regarding: employee engagement; workforce planning (including capabilities and skills development); safety; understanding workforce demographics and DE&I strategies; and corporate culture. The Board and management know the right talent is required to implement the Company's strategies. As such, the Board works with management appropriately regarding the approach to, and investment in, human capital that includes recruitment, talent development, retention, and diversity. The Board has access to all levels of employees in the Company in its efforts to properly oversee human capital issues.
- The Board of the Company now has two women directors and a candidate of Chinese descent (considered to be an underrepresented minority according to a NASDAQ proposal). The Nominating and Corporate Governance Committee has taken, and continues to take, concrete steps to improve Board diversity, including use of various resources and environments to identify qualified and diverse director candidates. Such candidates are contacted and interviewed in order to continue to build an even more diverse, qualified, and capable Board. The Nominating and Corporate Governance Committee's actions have shown tangible results.
- The Company values its people as demonstrated by empowering employees at all levels and making a significant investment in them each day by providing high quality health care (including onsite health care), wellness programs, and state of the art fitness facilities.
- The Company not only values employee wellness, but as importantly, employee safety with the Board receiving a report at each Board meeting of total recordable cases, which remain well below industry averages. Prioritizing safety not only improves morale and efficiency, but lowers costs overall as well.
- The Board has implemented a Complaint Submission and Handling Policy to allow employees to raise concerns as needed.

Risk Oversight

- While the Board oversees risk management generally, management of the Company is charged with managing risk through appropriate internal processes and internal controls.
- On behalf of the Board, the Audit Committee oversees Company risk policies and procedures relating to financial statements and financial reporting processes, cyber security risks, credit risks, liquidity risks, and other business risks.
- The Audit Committee engages in typical oversight of internal control over financial reporting.
- The Audit Committee also requires as a periodic agenda item a business risk update covering facilities, IT infrastructure, manufacturing, materials/supply chain, and human resources.
- In addition, the Audit Committee further requires as a periodic agenda item an IT security update covering cyber security, the IT security framework, and IT security initiatives, using benchmarking as appropriate.
- The foregoing allows the Audit Committee to engage management and the independent auditors with respect to risk assessment, risk management, risk mitigation, and appropriate action plans with respect thereto, if and when necessary.
- The Compensation Committee designs the officer compensation system so as to minimize risks arising therefrom, including avoidance of excessive risk taking as further discussed in "Compensation Discussion and Analysis."
- The Audit Committee and the Compensation Committee each report to the Board periodically and as appropriate with regard to their respective risk oversight functions.
- The foregoing risk oversight does not necessarily have a material effect on the Company's leadership structure.
- The Board also annually reviews the Company's various insurance coverages..

Report of the Audit Committee

The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for management's conduct of the Company's accounting and financial reporting processes and the Company's system of internal controls regarding finance, accounting, legal compliance and ethics. The Audit Committee's function is more fully described in its Audit Committee Charter, which the Board of Directors has adopted and is available on the Company's website. The Audit Committee reviews this Audit Committee Charter on an annual basis. The Board of Directors annually reviews the Nasdaq Global Select Market definition of independence for audit committee members and has determined that each member of the Audit Committee meets that standard.

Management is responsible for the preparation, presentation, and integrity of the Company's financial statements, and financial reporting principles, internal controls and procedures designed to ensure compliance with accounting standards, applicable laws and regulations. The Company's independent auditors, Ernst & Young LLP, are responsible for performing an independent audit of the consolidated financial statements and expressing an opinion on the conformity of those financial statements with generally accepted accounting principles.

Pursuant to action of the Audit Committee on February 17, 2021, the Audit Committee reports that it has: (i) reviewed and discussed the Company's audited financial statements with management; (ii) discussed with the independent auditors the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the Securities and Exchange Commission; and (iii) received the written disclosures and the letter from the independent accountants required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence. Based on the review and discussions referred to in Items (i)-(iii) above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's annual report on Form 10-K for the year ended December 31, 2020, for filing with the Securities and Exchange Commission.

The Audit Committee has selected Ernst & Young LLP as the Company's independent auditors for the year ending December 31, 2021, and has submitted the same to the shareholders for ratification at the Annual Meeting.

This report of the Audit Committee does not constitute "soliciting material" and should not be deemed "filed" or incorporated by reference into any of the other Company filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically requests that the information be treated as soliciting material or specifically incorporates this report by reference therein.

Audit Committee: Gary Goode, Chair
Richard Schaum
Kathleen Starkoff

February 17, 2021

Compensation Committee Report

The primary purpose of the Compensation Committee of the Board of Directors of the Company is to assist the Board of Directors in discharging its responsibilities related to compensation of the Company's officers. The Compensation Committee's function is more fully described in its Charter, which the Board of Directors has adopted and is available on the Company's website. The Compensation Committee reviews its Compensation Committee Charter on an annual basis, recommending changes to the Board of Directors when and as appropriate. The Compensation Committee is comprised of three members, each of whom the Board of Directors has determined meets the appropriate independence tests for compensation committee members under the NASDAQ listing standards.

Pursuant to action of the Compensation Committee on February 17, 2021, the Compensation Committee reports that it has reviewed and discussed the Company's Compensation Discussion and Analysis with management. Based on the above-referenced review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's annual report on Form 10-K for the year ended December 31, 2020, and this Proxy Statement, for filing with the Securities and Exchange Commission.

This report of the Compensation Committee does not constitute "soliciting material" and should not be deemed "filed" or incorporated by reference into any of the other Company filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically requests that the information be treated as soliciting material or specifically incorporates this report by reference therein.

Compensation Committee: Richard Schaum, Chair
Gary Goode
James Wallace

February 17, 2021

COMPENSATION DISCUSSION AND ANALYSIS

INTRODUCTION

Our Compensation Discussion and Analysis describes the key principles and approaches used to determine the elements of compensation awarded to, earned by, and paid to each of our named executive officers ('NEOs") during 2020. The discussion provides information and context to the compensation disclosures included in the accompanying compensation tables and footnotes therein. It should be read in conjunction with such disclosures. It also addresses any changes to the same for 2020.

The following Company executives are our NEOs for 2020:

Name	Title
Steve Downing	President and CEO
Neil Boehm	Vice President, Engineering and CTO
Kevin Nash	Vice President, Finance, CFO and Treasurer
Matt Chiodo	Vice President, Sales
Scott Ryan	Vice President, General Counsel and Corporate Secretary

We first provide a brief overview of our officer compensation program and then discuss and analyze topics including:

Relationship Between Pay & Performance
Elements of the Executive Compensation Program
How Compensation Decisions are Made
Compensation Policies & Practices

OVERVIEW

Our Performance

Given industry and market trends, we were pleased with our 2020 financial performance and we believe we remain well positioned for long term success. For 2020, our revenues outperformed our underlying markets by approximately seven percent. Continued execution of our product development and growth strategy, including execution of our capital allocation strategy, has once again provided the opportunity for our stock to perform well compared to our peer group during the most recently completed year.

Compensation Philosophy

Our compensation program is designed to balance short-term performance with long-term growth. Our compensation and benefits must be competitive with compensation arrangements provided to officers at comparably-sized companies with whom we compete for talent. Our officer compensation philosophy is reviewed annually by the Compensation Committee, and has the following key objectives:

- **Reward performance** - An increasing percentage of officer pay is performance-based, and therefore, at risk. Our pay programs reflect our “pay-for-performance” culture that aligns officer incentives with the interests of our shareholders. This philosophy permeates our organization as even below the officer level all other employees receive profit sharing bonuses and are eligible to purchase stock under the Employee Stock Purchase Plan at a 15% discount, in addition to over 1,400 employees receiving stock options and/or restricted stock.

- **Emphasize long-term incentive compensation** - We share a portion of the value created for shareholders with those responsible for the results through our use of equity incentives. In order to promote this, the Company rewards officers for delivering long-term earnings before interest, taxes, depreciation, and amortization ("EBITDA") and return on invested capital ("ROIC") with performance shares that have cliff-vesting over a three-year performance period and restricted stock that also has three year cliff-vesting to minimize management turnover and further align officer incentives with those of our shareholders.

- **Drive ownership mentality** - We expect officers and directors to personally invest in our success and have adopted Stock Ownership Guidelines that set forth expectations that our executive officers and non-employee directors own or acquire a significant amount of our stock.

- **Attract, retain and reward the best talent to achieve superior results** - To be consistently better than our competitors, we need to recruit and retain superior talent that is able to drive superior results. We have structured our compensation program to motivate and reward such results.

Compensation Alignment with Business Strategy

Our long-term strategy builds on our strong technology foundation and leverages our operating model to drive performance in our primary industries, while at the same time seeking opportunities in other industries.

Our officer compensation program reflects our short-term and long-term strategy by design and uses certain key, objective performance metrics to evaluate performance. These key, objective performance metrics are important financial measures that help provide sharp focus on critical results in running our business efficiently and effectively.

	⇔	
Achieve Top Line **Growth** - Strengthen customer centricity to deliver growth Drive **Profitability** - Achieve both short-term and long-term profitability goals Maximize performance **Returns** and maintain a **Strong** balance sheet - Generate **cash flow** to support future growth through capital and technology investments and to provide returns to shareholders **- Deliver appropriate return** on invested capital (ROIC)		**Alignment with Incentive Plan Metrics** Annual Incentive Plan – Revenue 33.33% – Operating Income - 33.33% – Earnings per Diluted Share - 33.33% Long-Term Incentive Plan – 3 year cumulative EBITDA - 50% – 3 year cumulative ROIC - 50%

Our Officer Compensation Practices

Our officer compensation program features many best practices that serve shareholder interests.

What We Do…	What We Don't Do...
✓ Base a significant portion of compensation on the achievement of objective, pre-established goals tied to financial, operational, and strategic measures.	✘ No excise tax gross ups
✓ Award incentive compensation based primarily on objective measures, both short-term and long-term.	✘ No excessive perquisites
✓ Provide compensation in equity to help meet Stock Ownership Guidelines.	✘ No hedging or pledging of stock
✓ Maintain a clawback policy to recapture unearned incentive payments.	✘ No excessive change-in-control severance provisions
✓ Retain an independent compensation consultant when appropriate.	✘ No dividends paid if performance shares are not earned
✓ Include double trigger of vesting of equity awards upon an appropriately defined change in control.	

Say on Pay

Last year's advisory vote on executive compensation was supported by over 97% of our shareholders who voted on the same at the Company's 2020 Annual Meeting of Shareholders. The Board remains committed to understanding the views of our shareholders by taking into account the results of advisory votes on NEO compensation. Given the 2020 say-on-pay results, the Compensation Committee continues to focus on having a performance based compensation system that aligns overall executive compensation with our business goals and objectives in accordance with shareholder expectations. The Board and the Compensation Committee will again consider the results of the 2021 advisory vote on NEO compensation.

2021 Compensation Structure

For 2021, the Compensation Committee kept in place its Amended and Restated Annual Incentive Performance Based Bonus Plan ("Annual Incentive Plan") and Long-Term Incentive Plan ("Long-Term Incentive Plan"), pursuant to the Gentex Corporation 2019 Omnibus Incentive Plan ("2019 Omnibus Plan") that was approved at the 2019 Annual meeting. Below is a summary of the Annual Incentive Plan and Long-Term Incentive Plan along with rationale for each:

Incentive Plans

Annual Incentive Plan

2020 Metrics*		2021 Metrics*	Reasons
Revenue Operating Income Earnings per Diluted Share	⇨	Revenue Operating Income Earnings per Diluted Share	Aligns short-term officer incentive pay with appropriate objective performance targets.

* As adjusted to avoid impact of certain one-time or unusual events.

Long-Term Incentive Plan

2020-2022 Metrics*		2021-2023 Metrics*	Reasons
3-year cumulative EBITDA 3-year cumulative ROIC (using performance shares and restricted stock)	⇨	3-year cumulative EBITDA 3 year cumulative ROIC (using performance shares and restricted stock)	EBITDA and ROIC have been identified by the Compensation Committee as key measures for management to drive growth and create shareholder value. These metrics provide clear measures of our long-term performance

*As adjusted to avoid impact of certain one-time or unusual events.

Base Salaries

The Compensation Committee continues to consider market median of an appropriately selected peer group in determining base salaries of our officers. In both 2020 and 2021, however, at the request of the CEO and other NEOs, the Compensation Committee and the Board decided not to increase NEO base salaries. In lieu thereof, the Board, based on a recommendation of the Compensation Committee, has provided the NEOs additional upside under the Long-Term Incentive Plan as discussed below.

See below for additional information on 2021 NEO compensation.

RELATIONSHIP BETWEEN PAY & PERFORMANCE

Comparator Compensation Data

One of the factors our Compensation Committee uses in setting officer compensation is an evaluation of how our target compensation and benefit levels compare to those of similarly-situated executives at companies that comprise our officer compensation peer group ("Peer Group"). Our philosophy for officer pay, including NEO pay, is to target the 50th percentile of our Peer Group and to use general industry market data as provided by the Compensation Committee's independent compensation consultant as appropriate. In addition to market data, other factors such as an individual's experience, responsibilities, and long-term strategic value are also considered when making recommendations and decisions on compensation.

The Peer Group used for benchmarking officer pay, including for NEO's, is made up of companies that are:

- in similar industries where we compete for talent, customers and capital;
- of similar size (as measured by annual revenue, profitability and market capitalization); and
- of similar complexity.

The Peer Group is reviewed by the Compensation Committee every year and modifications are made to ensure each company in the group meets the above comparison criteria. The companies shown in the table below comprise our Peer Group:

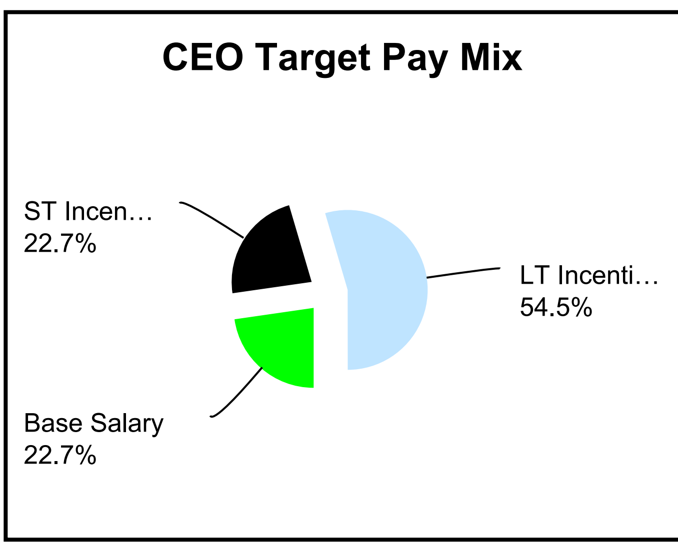
Allison Transmission Holdings, Inc.	Cooper-Standard Holdings
Franklin Electric Co., Inc.	Gentherm Incorporated
Hillenbrand, Inc.	ITT Incorporated
LCI Industries	Meritor, Inc.
Modine Manufacturing Company	Standard Motor Products
Superior Industries International, Inc.	The Timken Company

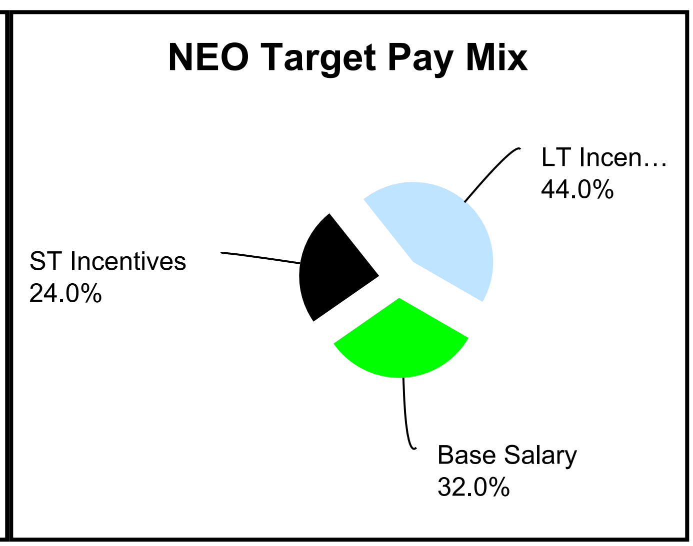
Pay for Performance

As part of adopting the Long-Term Incentive Plan, the Compensation Committee considered the correlation between NEO realizable compensation and Company performance. The Compensation Committee will continue to review the alignment between pay of our NEO's and our performance on a short and long-term basis.

NEO Pay Mix

To align pay levels for our NEOs with the Company's performance, the compensation program places the greatest emphasis on performance-based incentives. A significant majority (In 2020, 77% of our CEO's target compensation and 68% of the average target compensation of our other NEOs) is performance-based.





ELEMENTS OF THE EXECUTIVE COMPENSATION PROGRAM

Our executive compensation program has three primary pay components: base salary; annual performance-based cash bonuses (under the Annual Incentive Plan); and long-term equity incentives (under existing plans and the Long-Term Incentive Plan). The Long-Term Incentive Plan was adopted in 2019, which implements the use of performance share awards.

Cost	Element	Key Characteristic	Why We Pay this Element	How we Determine the Amount
Fixed	Base Salary	Fixed compensation payable in cash. Reviewed annually and adjusted when appropriate.	Provide a base level of competitive cash compensation for attracting and retaining officer talent.	Experience, job scope, individual performance, and market data, including market median of our Peer Group.
Variable	Annual cash incentive award	Variable compensation payable in cash based on annual performance-related financial goals.	Motivate high performance and award results, in the near term.	Based on financial performance metrics (revenue, operating income, and earnings per diluted share) and market data, including market median of our Peer Group.
	Performance Share Award ("PSA")	PSAs vest after a three-year performance period based on meeting cumulative performance related to financial objectives.	Align the interests of officers with long-term shareholder value and retain officer talent. Minimize risk taking behaviors for positive long-term results.	Target awards based on job scope and market data, including market median of our Peer Group. Payouts are based on our performance on financial metrics (EBITDA and ROIC), on a cumulative basis over a three-year period.
	Restricted Stock ("RS")	RS vests on the third anniversary of the grant date.	Increase equity-ownership and focus officers on providing shareholders with appropriate returns. Vesting terms and Stock Ownership Guidelines promote retention and a linkage to the interest of shareholders.	Target award based on job scope and market data, including market median of our Peer Group.

Base Salary

We provide base salaries to compensate our officers, including NEOs, for their primary roles and responsibilities and to provide a stable level of annual compensation. Actual NEO salary levels and adjustments thereto vary based on the NEOs role, level of responsibility, experience, individual performance, future potential and market value, and market data including market median of our Peer Group. In addition, salary increases may be warranted because of a promotion or change in responsibilities.

As previously disclosed, the Compensation Committee, intended to move base salaries for NEOs toward the market median of the Company's established peer group over a three-year period beginning in 2018. At the request of the CEO and other NEOs, the Compensation Committee and the Board decided not to increase base salaries in 2020 or in 2021. In lieu thereof, the Board, based on a recommendation of the Compensation Committee, has provided the NEOs additional upside under the Long-Term Incentive Plan as discussed herein. 2021 Base Salary as approved by the Board is set forth below as follows:

Executive Officer	2021 Base Salary	2020 Base Salary
Steve Downing	$750,000	$750,000
Neil Boehm	$407,000	$407,000
Kevin Nash	$400,000	$400,000
Matt Chiodo	$380,000	$380,000
Scott Ryan	$350,000	$350,000

Annual Incentive Plan

The Annual Incentive Plan is a cash-based plan intended to motivate and reward employees based on Company performance metrics (revenue, operating income, and earning per diluted shares) that we believe drive shareholder value.

The Annual Incentive Plan covers all officers, including our NEOs. At the beginning of each year, the Compensation Committee reviews and approves an annual cash bonus target for each NEO, as a percentage of base salary for the year, as set forth in further detail below. The NEOs may earn from 0% to 200% of base salary. The performance-related targets for revenue, operating income, and earnings per diluted share, are set by, and achievement of targets are approved by, the Compensation Committee and/or the Board.

For our NEOs, the 2020 Annual Incentive Plan target payout opportunities and results weightings are shown in the table below:

Executive Officer	Threshold	Target	Maximum
Steve Downing	50%	100%	200%
Neil Boehm	37.5%	75%	150%
Kevin Nash	37.5%	75%	150%
Matt Chiodo	37.5%	75%	150%
Scott Ryan	37.5%	75%	150%

No changes were made to the Annual Incentive Plan target opportunities for NEOs in 2021, as the target and maximum opportunity levels remain within the competitive pay range for each position. The foregoing payout opportunities are multiplied by the weighting factor of a particular performance metric to determine the amount of cash bonuses payable to the extent the threshold, target, or maximum performance for each metric is exceeded. Linear interpolation is used to determine prorated Annual Incentive Plan bonuses for performance in between threshold and target and in between target and maximum. The Compensation Committee and/or the Board have discretion to increase or decrease such performance based cash bonuses using their judgment, provided such bonuses are not to exceed 250% of applicable base salary.

Those certain financial performance metrics (for 2020 and 2021) determine overall Annual Incentive Plan awards for the officers, including NEOs weighted as follows: Revenue (33.33%), Operating Income (33.33%) and Earnings per Diluted Share (33.33%). These metrics are not only appropriate measures of our underlying performance, but also align with our overall business strategy.

2020 Annual Incentive Plan Performance

In determining whether annual cash bonuses are paid under the Annual Plan, actual performance for the year is measured against specified target levels for each performance metric. Generally, the target for the three performance metrics reflects a level of performance, which at the time set would be anticipated to be challenging but achievable. The threshold level is set to be reflective of performance at which the Compensation Committee believed a portion of the award opportunity should be earned. The maximum level was set well above the target, requiring significant achievements and reflecting performance at which the Compensation Committee believed an additional 100% of the target award was warranted.

The above goals for setting target levels for each performance metric were affected because such target levels were established prior to the COVID-19 pandemic, which has had a significant negative impact on the macroeconomic environment and, in particular, on the Company's industries. The macroeconomic impact, including the impact on global light vehicle production, of the COVID-19 pandemic was entirely outside of the control of the officers of the Company. Had the very significant impact of the COVID-19 pandemic been known when targets for performance metrics were set under the Annual Plan, that knowledge would have directly informed such target setting. Revenue, Operating Income, and Earnings per Diluted Share are intended to measure performance and align with overall business strategy in normal times.

After performance targets had been set and then the impact of the COVID-19 pandemic became widespread, the Compensation Committee met later in 2020 and 2021 to consider not only the macroeconomic environment and industry conditions, (especially decreased global light vehicle production), but also management's response thereto. That response included initiating and executing structural cost reductions of approximately $35 million on an annualized basis, all implemented in 2020 so the full impact of the same will be fully realized in 2021 and beyond. The benefits of those actions have already been seen through the Company's entire income statement in the second half of 2020. Given the changes that occurred in 2020 were outside of the control of officers, the performance metrics meant to incentivize operational performance did not necessarily appropriately reflect this performance as intended by the Compensation Committee and the Board of Directors.

As such, in February of 2021, the Compensation Committee recommended to the Board of Directors, who subsequently approved (on February 18, 2021) a revision to pre-established targets under the Annual Plan for calendar year 2020, to ensure officers are properly acknowledged, recognized, rewarded, and, incentivized for operational performance and aligning the business with current realities and strategies for the benefit of all stakeholders. With that said, the Compensation Committee still desires performance-based compensation to be as objective as possible. As such, instead of using discretion with respect to adjusting targets for performance metrics under the Annual Plan, the Compensation Committee took into account the IHS Markit light vehicle production forecast estimates at the time the performance targets were set (which did not incorporate the full impact of the COVID-19 pandemic since that was unknown), versus the actual global light vehicle production for the same time period. This percentage of change was then applied against the original targets for performance metrics as disclosed below for the Annual Plan:

IHS Markit Light Vehicle Production:

Region	Actual 2020	Mid-January 2020 Forecast	Unit Change	% Change
North America	13.0	16.7	(3.7)	(22.2)%
Europe	16.6	20.7	(4.1)	(19.8)%
Japan/Korea	11.2	12.9	(1.7)	(13.2)%
China	23.6	24.5	(0.9)	(3.7)%
Other	10.1	13.8	(3.7)	(26.8)%
Total	74.5	88.6	(14.1)	(15.9)%

The Compensation Committee, before making any adjustments to targets for performance metrics, confirmed that threshold performance was in fact achieved for all performance metrics under the Annual Plan, notwithstanding relevant factors outside of management's control. Then, based on the 15.9% reduction from the IHS Markit mid-January 2020 global light vehicle production forecast for calendar year 2020 to actual global light vehicle production for calendar year 2020, the Compensation Committee and the Board adjusted the performance metrics for the Annual Plan as follows:

Revenue	Threshold	Target	Maximum
Original	$ 1,554,207	$ 1,942,759	$ 2,331,311
COVID-19 related adjustment	$ (247,176)	$ (308,970)	$ (370,765)
As Adjusted	$ 1,307,031	$ 1,633,789	$ 1,960,546
Percentage Change	(15.9)%	(15.9)%	(15.9)%

Operating Income	Threshold	Target	Maximum
Operating Income	$ 409,970	$ 512,463	$ 614,956
COVID-19 related adjustment	$ (65,200)	$ (81,500)	$ (97,801)
As Adjusted	$ 344,770	$ 430,963	$ 517,155
Percentage Change	(15.9)%	(15.9)%	(15.9)%

Diluted Earnings Per share	Threshold	Target	Maximum
Operating Income	$ 1.44	$ 1.80	$ 2.16
COVID-19 related adjustment	$ (0.23)	$ (0.29)	$ (0.35)
As Adjusted	$ 1.21	$ 1.51	$ 1.81
Percentage Change	(16.0)%	(16.1)%	(16.2)%

For 2020, the target performance (along with the thresholds, adjusted for purposes of linear interpolation since all were exceeded in any event and maximums) and actual results for the performance metrics are as follows:

AIP Performance Metrics	Weight	Threshold*	Target*	Maximum*	Actual*
Revenue	33.33 %	$ 1,307,031	$ 1,633,789	$ 1,960,547	$ 1,677,861
Operating Income	33.33 %	$ 344,770	$ 430,963	$ 517,156	$ 411,995
Earnings per Diluted Share	33.33 %	$ 1.208	$ 1.510	$ 1.812	$ 1.460

** amounts in thousands (000) except for per share amounts. Threshold, Target, and Maximum for Operating Income and Earnings per Diluted Share were also adjusted to address the estimated impact of tariffs and the Actual Performance was similarly adjusted with respect to the actual impact of tariffs.

2020 Annual Incentive Plan Payments

The Annual Incentive Plan payments for 2020, based on actual Revenue, Operating Income, and Earnings per Diluted Share (adjusted as appropriate by the Compensation Committee) and performance of the NEOs are shown in the table below:

Executive Officer	2020 Annual Award Performance Bonus	2020 Discretionary Bonus
Steve Downing	$ 748,370	$ —
Neil Boehm	$ 304,587	$ —
Kevin Nash	$ 299,348	$ —
Matt Chiodo	$ 284,381	$ —
Scott Ryan	$ 261,930	$ —

These Annual Plan results appropriately reflect management's excellent work in addressing the COVID-19 pandemic, yet at less than 100% of target still align with comparable year-over-year bonuses paid generally to employees under the Company's profit-sharing plan.

The performance and payout range (threshold, target and maximum incentive opportunity) of annual cash incentives for reaching 2020 performance goals under the Annual Incentive Plan for each of our NEOs is provided in the table titled "Grants of Plan-Based Awards." The actual performance bonus paid, as shown in the table above, is also provided in the "Non-Equity Incentive Plan Compensation" column of the "Summary Compensation Table" below.

For 2021, the Compensation Committee has established thresholds, targets, and maximums for Revenue, Operating Income, and Earnings per Diluted Share as the Annual Incentive Plan performance metrics.

Long-Term Incentive Plan

2020. We continue to believe that our long-term performance is driven through an ownership mentality and culture that rewards officers for creating and maximizing shareholder value. That is a philosophy that permeates our organization as evidenced by the fact that over 1,400 employees receive stock option and/or RS awards. The Long-Term Incentive Plan provides officers, including our NEOs, with incentive awards that serve an important role by balancing other applicable short-term goals with long-term shareholder value creation while minimizing risk-taking behaviors that could negatively affect long-term results.

The Board and/or the Compensation Committee approves the amount of the long-term incentive awards, which are based on a percentage of the officers, including NEO's, base salary. Each officer's, including NEO's, award opportunity is based on a target dollar value (determined toward the beginning of the performance period) as a percentage of base salary assigned to his or her position based on market comparisons for similar positions, using both Peer Group and general industry market data. The following target opportunities apply for the 2020-2022 performance period under the Long-Term Incentive Plan:

Executive Officer	Long-Term Plan Target Opportunity Percentage of Base Salary for 2020-2022
Steve Downing	240%
Neil Boehm	150%
Kevin Nash	140%
Matt Chiodo	130%
Scott Ryan	125%

2021. For 2021, the Target was moved to 285% for Mr. Downing, and 185% for the other named executive officers in lieu of base salary increases, which were deferred for the second year in a row. The Compensation Committee had intended to move base salaries for NEOs toward the market median of the Company's established Peer Group (as previously discussed and disclosed), but instead provided more upside under the Long-Term Plan for the 2021-2023 performance period. Such changes were also deemed appropriate in light of there being no adjustments to outstanding Long-Term Incentive Plan awards, though the Compensation Committee believes such adjustments could be justified as a result of the impact of the COVID-19 pandemic in order to achieve the goals of the Long-Term Incentive Plan. No other changes were made in 2021 with respect to the Long-Term Incentive Plan.

Achievement at threshold performance yields 50% of the target award and achievement of maximum performance yields another 100% of the target award. To the extent performance exceeds threshold or target, as applicable, for an applicable performance objective, but does not meet or exceed the established target or maximum, as applicable, linear interpolation is used to determine the pro rata portion of such award.

Seventy percent (70%) of the total value of the target long-term incentive opportunity is delivered through PSAs and the other thirty percent (30%) through RS. We believe both PSAs and RS are forms of performance-based incentive compensation because PSAs provide direct alignment with shareholder interests and the value of RSUs fluctuates based on stock price performance.

In addition to requiring achievement of performance objectives in respect to PSAs, PSAs and RS require the NEO to remain employed with the Company for three years from the grant date, unless the NEO attains retirement age, departs for good reason, dies, or becomes disabled whereby an award may be paid or partially paid.

Performance Shares

The Long-Term Incentive Plan is designed to provide PSAs for officers, including our NEOs. PSAs, which are 70% of the total long-term incentive opportunity, are tied to the achievement of two performance objectives, each weighted equally: EBITDA (50%) and ROIC (50%), adjusted as determined by the Compensation Committee. Each performance objective is based on a three-year performance period (2020-2022) with a performance range that can result in PSAs of 0% to another 100% of the target opportunity. Under the Long-Term Incentive Plan, PSAs are generally granted in February to certain officers, including NEOs and vest based on achievement of the performance objectives and remaining employed until the third anniversary of the grant.

EBITDA drives the ability to commit resources to continued growth, but is also a measure of ability to provide shareholder return. It also drives profitable sales growth and optimizes our cost structure. ROIC ensures management uses our capital in an effective manner that drives shareholder return. Since the value of PSAs is also tied to our actual performance in key performance objectives over a three year period, PSAs align the officers' interests with those of shareholders. The target opportunities of PSAs for the NEOs are shown in the table below:

Executive Officer	Number of PSAs awarded in 2020 (Target) for 2020-2022
Steve Downing	41,516
Neil Boehm	14,081
Kevin Nash	12,916
Matt Chiodo	11,394
Scott Ryan	10,091

Restricted Stock Awards

The other 30% of the total value of the long-term incentive opportunity consists of RS awards. RS incents and rewards executives for improving long-term stock value and serve as a retention tool. Under the Long-Term Incentive Plan, RS is generally granted in February to certain officers, including our NEOs, and cliff vest on the third anniversary of the grant, provided the recipient remains employed on the third anniversary of the grant. The RS awarded in 2020, based on the target opportunities, for the NEOs are shown in the table below:

Executive Officer	Number of RS Awarded in 2020 for 2020-2022
Steve Downing	17,792
Neil Boehm	6,035
Kevin Nash	5,535
Matt Chiodo	4,883
Scott Ryan	4,325

Equity awards granted to our NEOs are shown in the "Grant of Plan-Based Awards" table and in the "Summary Compensation Table" below.

Retirement and Deferred Compensation

Each of the NEOs is eligible to participate in the following retirement and deferred compensation benefit plans:

- Retirement Savings Plan
- Deferred Compensation Plan

The Gentex Corporation Retirement Savings Plan is a tax-qualified, "safe harbor" 401(k) plan for our U.S.-based employees of the Company, including NEOs. Participants may elect to contribute a portion of their earnings to the plan each year. We match 100% on an employee's contributions up to 3% of compensation and 50% on an employee's contributions on the next 2% of compensation. The matching amounts for the NEOs is listed in the "Summary Compensation Table" in the Proxy Report.

The Gentex Corporation Non-Qualified Deferred Compensation Plan (the "Deferred Compensation Plan") provides a vehicle for key employees and officers to defer compensation on a tax-favored basis. The Deferred Compensation Plan is intended to enhance retirement savings among a select group of management and highly compensated employees who contribute significantly to the success of the Company. Only select management and highly compensated employees, including NEOs, are eligible to participate allowing them to elect, on a pre-tax basis, to defer receipt of certain compensation by making an election in accordance with the terms of the Deferred Compensation Plan. Participants are immediately vested in their own deferrals and related earnings. The Company may, but is not required, to match participant deferrals. Participants are generally vested in any such matching contributions 50% after two years but before three years of service and 100% after three years of service. A participant's vested credit balance will generally be paid on the earliest to occur of: a separation from service; a fixed date or event; a change of control; or a plan termination. A participant can elect whether to receive his or her vested credit balance in a lump sum on the relevant payment date or in installments thereafter. The Deferred Compensation Plan maintains a "rabbi trust" to assist the Company in meeting its obligations under the Deferred Compensation Plan. The assets in such trust remain subject to the creditors of the Company and are not property of any participant. The Deferred Compensation Plan is intended to comply with Section 409A of the Internal Revenue Code.

In fiscal year 2020, participants were eligible to elect to defer up to 75% of their base pay and up to 75% of any incentive performance bonus, quarterly profit sharing bonus or look back performance bonus into the plan on a tax-deferral basis. For 2020,the Company elected to make discretionary company credit of 10% of contributions into all participants accounts. The deferral amount and the Company matching amounts for the NEOs are listed, respectively, in the "Summary Compensation Table" and the "Non-Qualified Deferred Compensation Table" each below.

HOW COMPENSATION DECISIONS ARE MADE

Role of the Compensation Committee and CEO

The Compensation Committee of the Board assists the Board in fulfilling its obligations related to the compensation of the Company's officers and, in general, with respect to equity compensation for all employees. Our current Compensation Committee consists of a chair and independent directors who are appointed annually by the Board. Under the Compensation Committee Charter, the Compensation Committee must have a minimum of three members who meet the requirements for independence as set forth by the Securities and Exchange Commission ("SEC") and the NASDAQ Stock Market Rules. Members of the Compensation Committee must also qualify as “non-employee directors” within the meaning of Exchange Act Rule 16b-3.

The Compensation Committee members during 2020 were: Richard Schaum (Chair), Gary Goode, and James Wallace.

The Compensation Committee’s responsibilities include, but are not limited to, reviewing our officer compensation philosophy and strategy, participating in the performance evaluation process for our President and CEO, setting base salary and incentive opportunities for our President and CEO and other NEOs, establishing the overarching pay philosophy for our management team, establishing incentive compensation and performance goals and objectives for our NEO's and other officers and determining whether performance objectives have been achieved. Executive sessions are held by the Compensation Committee without the participation of any member of management. Each year, the Compensation Committee reviews the performance and total compensation package of our NEOs. The Compensation Committee reviews and establishes each NEOs total target and actual compensation for the current year, which includes base salary, annual bonus opportunities, and long-term equity incentive awards as more fully described herein. The Compensation Committee also approves equity compensation for all employees.

Our President and CEO is responsible for making recommendations to the Compensation Committee regarding base salary and incentive opportunities for the NEOs, other than with respect to his own compensation, but does not vote with respect thereto.

Compensation decisions are made by the Compensation Committee using its sole judgment, but may be recommended to the full Board for approval as well. The Compensation Committee focuses primarily on each NEO's performance against financial and strategic objectives and the Company's overall performance.

Role of the Independent Compensation Consultant

The Compensation Committee Charter states that the Compensation Committee may retain outside compensation consultants, legal advisors, or other advisors in its discretion. Though it has in the past, during 2020, the Compensation Committee did not engage its independent compensation consultant Mercer(US) Inc.(of the Marsh & McLennan Companies), to provide it with any new or expanded services related to compensation matters beyond those services previously disclosed. When engaging Mercer(US) Inc., the Compensation Committee considers the relevant independence factors to ensure such work does not raise any conflict of interest.

COMPENSATION POLICIES & PRACTICES

Stock Ownership Guidelines

Our Stock Ownership Guidelines are intended to encourage executives to own a significant number of shares of our common stock. The Stock Ownership Guidelines are calculated based on a multiple of the NEO's annual base salary (five times for the President and CEO and three times for the other NEOs). Further, the stock ownership guidelines also apply to non-employee directors using a multiple of their annual retainer (five times).

Such Stock Ownership Guidelines provide for the NEOs and non-employee directors to achieve the targeted stock ownership levels on a schedule within five years. In determining if our NEOs and non-employee directors have satisfied the ownership requirements, we generally include RS that has been granted and any shares owned outright by the NEO or non-employee directors.

Clawback Provisions

To mitigate risk of paying either annual or long-term incentives including equity incentives based on faulty financial results, we have a Clawback Policy regarding adjustment of compensation in the event of a restatement of our financial results. It provides that the Compensation Committee will review all bonuses and other compensation paid or awarded to our executive officers based on the achievement of corporate performance goals during the period covered by a restatement. If the amount of such compensation paid or payable to any current or former executive officer based on the originally reported financial results differs from the amount that would have been paid or payable based on the restated financial results, the Company will seek recovery from the executive officer of any compensation exceeding that to which he or she would have been entitled based on the restated results.

Hedging and Pledging of Stock

Under the terms of our Anti-Hedging and Anti-Pledging Policy, no officer or director is permitted to engage in securities transactions that would allow them either to insulate themselves from or profit from, a decline in the Company's stock price. Similarly, no officer or director may enter into hedging transactions in the Company's stock. Such transactions include, but are not limited to, short sales as well as any hedging transactions in derivative securities (e.g. puts, calls, options, collars, etc.) or other speculative transactions relating to the Company's stock. Pledging of our stock is prohibited as well. This policy is intended to ensure our officers and directors have full risks and rewards of ownership of our stock.

Equity-Based Grant Practices

Under our equity-based grant practices, we make annual equity-based grants to certain officers, including NEOs, in the first quarter of the calendar year at a meeting of the Board. The exercise price, in the case of any stock options, or the value in the case of PSAs or RS, is now the average closing price of our common stock on the NASDAQ for the twenty (20) trading days preceding the day of the grant (but prior to that, the date of grant was used) for NEOs, officers, and non-employee directors. The Compensation Committee approves all equity-based grants, though the Board also approves all NEO compensation.

Mitigation of Potential Risk in Pay Programs

The Compensation Committee has reviewed our compensation policies and practices and determined that there are no risks arising from our compensation policies and practices for our employees that are reasonably likely to have a material adverse effect on the Company. To avoid excessive risk-taking behaviors, we have put in place several mechanisms, including, but not limited to:

- Stock Ownership Guidelines;
- Caps on annual incentive payouts;
- Financial performance-based annual incentive program;
- Long-term incentive awards (which are delivered in the form of equity) based on remaining with the Company and/or financial performance objectives;
- Mix of multiple types of awards;
- Use of multiple performance objectives to determine annual and long-term incentive payouts; and
- Clawback Policy and Anti-Hedging and Anti-Pledging Policy.

Impact of Accounting and Tax Treatments

Internal Revenue Code Section 162(m)

Subject to certain exceptions, Section 162(m) of the Internal Revenue Code limits our ability to deduct compensation in excess of $1 million per year paid to certain covered employees. The exemption from Section 162(m)'s deduction limit for performance-based compensation has been repealed, effective for taxable years beginning after December 31, 2017, such that compensation paid to our covered executive officers in excess of $1 million will not be deductible unless it qualifies for transition relief applicable to certain arrangements entered prior to November 2, 2017 and which are not materially amended thereafter. We do not believe the foregoing has had a material impact on the Company's compensation-related decision making or our results of operations.

Accounting for Stock-Based Compensation

We account for stock-based payments under our equity-based plans in accordance with the requirements of FASB ASC Topic 718. Further information about this accounting treatment can be found in Notes 1 and 5 of the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2020.

DIRECTOR COMPENSATION

Our Compensation Committee has responsibility for periodically assessing our director compensation program.

For 2020, each director who was not an employee at the Company received, as applicable:

Annual retainer - $80,000
Chair of the Board retainer - $75,000
Audit Committee Chair retainer - $12,500
Compensation Committee Chair retainer - $10,000
Nominating and Corporate Governance Committee Chair retainer - $10,000
Audit Committee Member retainer (non-chair) - $7,500
Compensation Committee Member retainer (non-chair) - $5,000
Nominating and Corporate Governance Committee Member (non-chair) - $5,000

All of the foregoing amounts are payable quarterly. As of 2019, directors elected at each Annual Meeting receive a grant of RS equal to $100,000 divided by the average closing price per share of the Company's common stock on the twenty (20) days preceding the date of the grant rounded to the nearest whole share of such RS. Each such RS grant will vest on the first anniversary of the grant.

PAY RATIO

As a result of rules adopted under the Dodd-Frank Act, the SEC requires disclosure of the CEO to median employee pay ratio. In 2020, the CEO's annual total compensation was $3,537,446 as reflected in the "Summary Compensation Table." Our median employee's annual compensation for 2020 was $50,506. As a result, we estimate that the CEO's annual total compensation was approximately 70 times that of our median employee in 2020. This pay ratio is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K.

For purposes of determining our CEO pay ratio, SEC rules allow us to use the same median paid employee for three years as long as there has been no change in our employee population or employee compensation arrangements that we reasonably believe would result in a significant change to our CEO pay ratio disclosure. We analyzed the 2018 gross earnings (as described in the following paragraph) for our employee population, and as a result of such analysis, we do not believe any such change occurred during 2020. Therefore, we have utilized the same median paid employee for this year's CEO pay ratio disclosure as we used for 2018.

To identify our median paid employee for 2018, we analyzed our employee population as of 12/31/2018. Our employee population was approximately 5,800. We identified our median paid employee based on gross annualized earnings for 2018, which included gross wages, bonus payments, stock compensation expense and taxable benefits. Compensation earned in currencies other than U.S. Dollars was translated into U.S. Dollars.

We determined the median paid employee's annual total compensation using the methodology for calculating total compensation for the Summary Compensation Table and compared that to the annual total compensation of our CEO, as disclosed in the Summary Compensation Table.

CONCLUSION

We have reached the conclusion that each individual element of compensation, as well as the total compensation, delivered to our NEOs and to our directors during 2020 are reasonable, appropriate, and in the best interests of the Company and our shareholders. We believe the elements of compensation for 2021 will be the same. That determination is based on a continuation of our compensation philosophy and practices which we believe align both the short-term and long-term interests of our officers with those of our shareholders. It remains the case that each element of our compensation program is important to accomplishing the Company's goals of creating an entrepreneurial environment so that our employees are motivated to remain with us, individually perform to the best of their abilities, and focus on our long-term success.

EXECUTIVE COMPENSATION

Summary Compensation

The following table sets forth the compensation earned by the principal executive officer, principal financial officer, and other executive officers for services rendered to the Company for the fiscal year ended December 31, 2020.

Summary Compensation Table for 2020

Name and Principal Position	Year	Salary ($)	Bonus ($)	(1) Stock Awards ($)	(2) Option Awards ($)	(3) Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-qualified Deferred Compensation Earnings ($)	(4) All Other Compensation ($)	Total ($)
Steve Downing, President and CEO	2020	764,423	—	1,843,293	—	748,370	—	181,360	3,537,446
	2019	733,846	—	1,444,748	—	735,272	—	145,836	3,059,702
	2018	618,173	180,000	1,559,920	636,017	323,989	—	109,351	3,427,450
Neil Boehm, Vice President - Engineering and CTO	2020	414,827	—	625,205	—	304,587	—	86,102	1,430,721
	2019	395,046	—	392,006	—	299,256	—	68,838	1,155,146
	2018	317,734	80,000	183,520	188,916	129,412	—	58,428	958,010
Kevin Nash, Vice President - Finance, CFO and Treasurer	2020	413,692	—	573,457	—	299,348	—	107,329	1,393,826
	2019	396,308	—	385,274	—	294,109	—	76,251	1,151,942
	2018	327,075	90,000	183,520	170,024	132,132	—	87,485	990,236
Matt Chiodo, Vice President - Sales	2020	387,308	—	505,889	—	284,381	—	105,495	1,283,073
	2019	372,893	—	365,996	—	279,403	—	63,193	1,081,485
	2018	321,270	80,000	183,520	188,916	130,578	—	50,949	955,233
Scott Ryan, Vice President, General Counsel and Corporate Secretary	2020	360,731	—	448,049	—	261,930	—	80,761	1,151,471
	2019	348,346	—	337,130	—	257,345	—	63,608	1,006,429
	2018	305,573	80,000	183,520	157,430	122,417	—	77,805	926,745

(1) The amounts shown in this column for 2020 include the aggregate grant date fair market value of RS granted in 2020 and the aggregate grant date fair market value of PSAs awarded for the 2020-2022 performance cycle at target. The value of the PSA at grant date if maximum performance is achieved would be as follows: Mr. Downing - $2,580,000; Mr. Boehm - $875,000, Mr. Nash - $803,000; Mr. Chiodo - $708,000; and Mr. Ryan - $627,000. The amounts in this column for 2019 and 2018 are solely the outstanding RS award with the value shown in the aggregate grant date fair value. The values in this column are computed in accordance with FASB ASC Topic 718 (as opposed to what is included in the Company's financial statements). See the Company's Annual Report (Footnote 5) for the years ended December 31, 2020, 2019 and 2018 for the assumptions made in the valuation of the RS grants and PSA grants. The actual number of RS shares granted and PSA shares granted is shown in the "Grants of Plan-Based Awards" table included in this Proxy Statement. Dividends for RS grants are and will be paid on the shares, if, and to the same extent, paid on the Company's common stock. Dividend equivalents are earned and accumulated over the performance period for PSAs, if, and at a similar rate and to the same extent, paid on the Company's common stock. NEOs are eligible to receive RS awards

(2) For each outstanding stock option award, the value shown is the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 (as opposed to what is included in the Company's financial statements). See the Company's Annual Report (Footnote 5) for the years ended December 31, 2020, 2019 and 2018 for the assumptions made in the valuation of stock options. The actual number of stock options granted is shown in the "Outstanding Equity Awards at Fiscal Year-End" table included in this Proxy Statement.

(3) Amounts set forth relate to performance-based bonuses earned under the Annual Incentive Plan based on the achievement of performance metrics set forth therein and are discussed further in the "Compensation Discussion and Analysis" section of this Proxy Statement.

(4) Other compensation includes the sum of RS dividends, PSA deemed dividends, matching contributions by the Company pursuant to its 401(k) Plan, matching contributions by the Company pursuant to its Deferred Compensation Plan, and the use of Company automobiles or reimbursement for the use of personal automobiles pursuant to the Company's policy for use of such vehicles, detailed in the table set forth below. Other compensation also includes membership fees at local country clubs and certain variable costs associated with the personal use of Company aircraft which is subject to income inclusion as a taxable fringe benefit.

Name	Restricted Stock Dividends ($)	Performance Share Deemed Dividends ($)	401(k) Employer Match ($)	NQDC Employer Match ($)	Personal Use of Automobiles ($)	Personal use of Aircraft ($)	Other Perquisites ($)	Total Other Compensation ($)
Steve Downing	$ 60,543	43,724	11,400	20,893	26,455	10,345	18,345	191,705
Neil Boehm	$ 11,824	13,215	11,400	5,575	20,756	19,331	4,001	86,102
Kevin Nash	$ 14,157	12,545	11,400	6,371	22,174	32,682	8,000	107,329
Matt Chiodo	$ 14,076	11,497	11,400	8,673	23,865	28,579	7,405	105,495
Scott Ryan	$ 10,862	10,396	11,400	6,115	25,122	9,529	7,337	80,761

Grant of Plan-Based Awards

The following table discloses the actual number of RS awards, PSAs, and stock options granted and the grant date of those awards. It also captures potential future payouts under the Company's non-equity and equity incentive plans.

Grants of Plan-Based Awards for 2020

Name	(1) Grant Date	(2) Estimated Future Payouts Under Non-Equity Incentive Plans			(3) Estimated Future Payouts Under Equity Incentive Plan Awards			(4) All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	(5) Grant Date Fair Value of Stock and Option Awards ($)
		Thres-hold ($)	Target ($)	Maximum ($)	Thres-hold (#)	Target (#)	Maxi-mum (#)				
Steve Downing	02/20/20	$375,000	$ 750,000	$ 1,500,000	20,758	41,516	83,032	17,792	—	—	$ 1,843,293
Neil Boehm	02/20/20	$152,625	$ 305,250	$ 610,500	7,041	14,081	28,162	6,035	—	—	$ 625,205
Kevin Nash	02/20/20	$150,000	$ 300,000	$ 600,000	6,458	12,916	25,832	5,535	—	—	$ 573,457
Matt Chiodo	02/20/20	$142,500	$ 285,000	$ 570,000	5,697	11,394	22,788	4,883	—	—	$ 505,889
Scott Ryan	02/20/20	$131,250	$ 262,500	$ 525,000	5,046	10,091	20,182	4,325	—	—	$ 448,049

(1) The Grant Date is the date when the Compensation Committee's recommendation was approved by the entire Board.

(2) For 2020 under the Annual Incentive Plan, the Compensation Committee has established ratios of 50% of base salary for the President and CEO and 37.5% of base salary for the other NEOs upon achievement of the threshold, 100% of base salary for the President and CEO and 75% of base salary for the other NEOs upon achievement of the target, and another 100% of base salary for the President and CEO and another 75% of base salary for the other NEOs upon achievement of the maximum, representing potential payments to NEOs. At its February 2020 meeting, the Compensation Committee also established thresholds, targets, and maximums for the Revenue, Operating Income, and Earnings per Diluted Share performance metrics. As such, the columns reflect potential payments for each NEO under the Annual Incentive Plan.

(3) These columns reflect the potential issuance of shares of common stock for each NEO under the PSA component of the Long-Term Incentive Plan for 2020. PSAs accounted for seventy percent (70%) of the Long-Term Incentive Plan awards in 2020 as discussed in the Long-Term Incentive Plan section of "Compensation Discussion and Analysis". Such PSAs cliff vest at the end of a three year period based on the Company's performance against established metrics as discussed in "Compensation Discussion and Analysis".

(4) These RS awards represent the number of shares of restricted common stock awarded under the Long-Term Incentive Plan. RS accounted for thirty percent (30%) of the Long-Term Incentive Plan awards in 2020 as discussed in the Long-Term Incentive Plan section of "Compensation Discussion and Analysis." Such RS cliff vests three (3) years from the grant date.

(5) This column represents the fair value (at grant date) of RS awards and PSAs granted to each of the NEOs in 2020 at target. See the Company's Annual Report on Form 10-K, Note 5, for the year ended December 31, 2020 for the assumptions made in the valuation of RS awards and PSAs. See also the "Summary Compensation Table" for the value of PSAs at grant date if maximum performance is achieved.

Outstanding Equity Awards at Fiscal Year End

The following table shows outstanding stock option awards classified as exercisable and unexercisable as of December 31, 2020, for the NEOs. It also shows RS awards and PSAs not yet vested as of December 31, 2020.

Outstanding Equity Awards at Fiscal Year-End at December 31, 2020

	Option Awards					Stock Awards			
Name	(1) Number of Securities Underlying Unexercised Options (#) Exercisable	(1) Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	(2) Option Exercise Price ($)	Option Expiration Date	(3) Number of Shares or Units of Stock That Have Not Vested (#)	(4) Market Value of Shares or Units of Stock That Have Not Vested ($)	(5) Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	(6) Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Steve Downing	—	—	—		16-Feb-2021	6,384	216,609	—	—
	—	—	—		22-Feb-2021	6,300	213,759	—	—
	—	—	—		15-Feb-2022	31,000	1,051,830	—	—
	—	—	—		16-Feb-2022	7,560	256,511	—	—
	—	—	—		20-Feb-2022	21,246	720,877	49,575	1,682,080
	—	—	—		15-Feb-2023	37,000	1,255,410	—	—
	—	—	—		20-Feb-2023	17,792	603,683	41,516	1,408,638
	14,184	3,546	—	14.70	22-Feb-2023	—	—	—	—
	50,500	50,500	—	22.94	15-Feb-2028	—	—	—	—
	64,684	54,046	—			127,282	4,318,679	91,091	3,090,718
Neil Boehm	—	—	—		31-Mar-2021	2,053	69,658	—	—
	—	—	—		15-Feb-2022	8,000	271,440	—	—
	—	—	—		20-Feb-2022	5,765	195,606	13,451	456,392
	—	—	—		31-Mar-2022	4,500	152,685	—	—
	—	—	—		20-Feb-2023	6,035	204,768	14,081	477,768
	—	1,242	—	15.69	31-Mar-2023	—	—	—	—
	—	15,000	—	22.94	15-Feb-2028	—	—	—	—
	—	16,242	—			26,353	894,157	27,532	934,160
Kevin Nash	—	—	—		16-Feb-2021	2,922	99,143	—	—
	—	—	—		22-Feb-2021	3,150	106,880	—	—
	—	—	—		15-Feb-2022	8,000	271,440	—	—
	—	—	—		16-Feb-2022	3,630	123,166	—	—
	—	—	—		20-Feb-2022	5,666	192,247	13,220	448,555
	—	—	—		20-Feb-2023	5,535	187,803	12,916	438,240
	5,082	1,694	—	14.70	22-Feb-2023	—	—	—	—
	13,500	13,500	—	22.94	15-Feb-2028	—	—	—	—
	18,582	15,194	—			28,903	980,679	26,136	886,795
Matt Chiodo	5,000	—	—	15.69	31-Mar-2021	—	—	—	—
	—	—	—		31-Mar-2021	3,151	106,913	—	—
	—	—	—		31-Mar-2021	3,700	125,541	—	—
	—	—	—		15-Feb-2022	8,000	271,440	—	—
	—	—	—		20-Feb-2022	5,382	182,611	12,559	426,127
	—	—	—		31-Mar-2022	5,700	193,401	—	—
	—	—	—		20-Feb-2023	4,883	165,680	11,394	386,598
	15,000	15,000	—	22.94	15-Feb-2028	—	—	—	—
	20,000	15,000	—			30,816	1,045,586	23,953	812,725
Scott Ryan	—	—	—		16-Feb-2021	1,512	51,302	—	—
	—	—	—		22-Feb-2021	1,650	55,985	—	—
	—	—	—		15-Feb-2022	8,000	271,440	—	—
	—	—	—		16-Feb-2022	1,820	61,753	—	—
	—	—	—		20-Feb-2022	4,958	168,225	11,568	392,502
	4,580	—	—	16.01	31-Dec-2022	—	—	—	—
	—	—	—		20-Feb-2023	4,325	146,747	10,091	342,388
	3,664	916	—	14.70	22-Feb-2023	—	—	—	—
	12,500	12,500	—	22.94	15-Feb-2028	—	—	—	—
	20,744	13,416	—			22,265	755,452	21,659	734,890

(1) These options become exercisable, as long as employment with the Company continues, for 20 percent on each anniversary of the grant date commencing with the first anniversary of the grant date for all grants prior to 2018. For option grants during 2018, options become exercisable, as long as employment with the Company continues, for 25% on each anniversary of the grant date, with an expiration date ten years from grant date. Mr. Chiodo has 5,000 five-year options of which 5,000 are fully exercisable as of December 31, 2020, and were granted to Mr. Chiodo before he became a NEO of the Company.

(2) The exercise price is the closing price of the stock on the date the Compensation Committee met to approve the option grants, or when the Compensation Committee's recommendation was approved by the entire Board. The exercise price may be paid in cash, in shares of the Company's common stock, and/or by the surrender of the exercisable options valued at the difference between the exercise price and the market value of the underlying shares.

(3) As long as employment with the Company continues, restrictions on RS granted under the Long-Term Incentive Plan and Second Restricted Stock Plan lapse upon the expiration of three, four, or five years from the date of grant (shown in the Option Expiration Date column for convenience). Dividends on RS are, and will be, paid on these shares if, and to the same extent, paid on the Company's common stock. See "Grant of Plan Based Awards Table for 2019" for additional detail on RS awarded in 2020.

(4) The amounts in this column represent the market value as of December 31, 2020, of RS awarded under the Long-Term Incentive Plan and Second Restricted Stock Plan.

(5) PSAs granted in February 2019 and 2020, cliff vest after a three year performance period as long as the NEO remains employed by the Company. Dividend equivalents on PSAs are and will be deferred on these awards over the performance period, if, and at an equivalent value as, dividends are paid on the Company's common stock. The PSAs shown in this column reflect target performance under the Long-Term Incentive Plan as discussed in the Long-Term Incentive Plan section of "Compensation Discussion and Analysis," with maximum performance, if achieved, essentially doubling the same. See "Grant of Plan Based Awards Table

(6) For PSAs granted in 2019 and 2020, the amounts in this column reflect the market value as of December 31, 2020, of 100% (i.e., target performance) of PSAs awarded under the Long-Term Incentive Plan in 2019 and 2020, with maximum performance if achieved, essentially doubling the same.

Option Exercises and Stock Vested

The following table contains information regarding the exercise of stock options and vesting of restricted stock during the fiscal year ended December 31, 2020, by the following NEOs:

Option Exercises and Stock Vested for 2020				
	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Steve Downing	52,204	893,005	6,000	153,720
Neil Boehm	19,968	241,369	—	—
Kevin Nash	10,700	201,593	3,000	76,860
Matt Chiodo	—	—	—	—
Scott Ryan	—	—	1,650	56,199

Non-Qualified Deferred Compensation

The following table contains information regarding Deferred Compensation Plan contributions, earnings and withdrawals for the plan year ended December 31, 2020, by the following NEOs:

Non-Qualified Deferred Compensation					
Executive Officer	Executive Contributions Y/E 2020 (1)	Company Contributions in 2020 (2)	Aggregate Earnings in 2020 (3)	Aggregate Withdrawals/ Distributions	Aggregate Balance at Y/E 2020
Steve Downing	$ 246,430	$ 20,893	$ 103,863	$ -	$ 438,036
Neil Boehm	$ 71,409	$ 5,575	$ 23,648	$ -	$ 246,430
Kevin Nash	$ 71,583	$ 6,371	$ 26,146	$ —	$ 118,846
Matthew Chiodo	$ 96,962	$ 8,673	$ 35,312	$ —	$ 161,952
Scott Ryan	$ 55,236	$ 6,115	$ 15,786	$ —	$ 87,508

(1) Amounts in this column represent the deferrals of base salary earned in fiscal 2020 which are included in Summary Compensation Table under Salary, plus deferral of amounts earned in fiscal 2019 and paid in fiscal 2020 under the Annual Incentive Plan which was included in the fiscal 2019 Summary Compensation Table under Non-Equity Incentive Plan Compensation.

(2) Amounts in this column represent the Company's contribution and are included in the "All Other Compensation" column of the Summary Compensation Table.

(3) The amounts shown includes interest earned from cash deferrals. The earnings during 2020 were not above market or preferential; therefore, these amounts were not included in the 2020 Summary Compensation Table.

For further information, see the Deferred Compensation section of "Compensation Discussion and Analysis".

The Company does not have any contracts with its NEOs linked to a change in control of the Company other than with respect to vesting certain RS, stock option awards, or PSAs.

DIRECTOR COMPENSATION

The following table discloses the cash, stock option awards, and other compensation earned, paid, or awarded to each of the Company's directors during the fiscal year 2020.

Director Compensation for 2020							
Name	(1) Fees Earned or Paid in Cash ($)	(2) Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	(3) All Other Compensation ($)	Total ($)
Leslie Brown	85,000	102,743	—	—	—	2,009	189,752
Gary Goode	110,000	102,743	—	—	—	2,009	214,752
James Hollars	80,000	102,743	—	—	—	2,009	184,752
John Mulder	80,000	102,743	—	—	—	2,009	184,752
Richard Schaum	102,500	102,743	—	—	—	2,009	207,252
Kathleen Starkoff	86,563	102,743	—			2,009	191,315
Fred Sotok	43,750	—	—	—	—	1,035	44,785
James Wallace	175,000	102,743	—	—	—	2,009	279,752
Brian Walker	80,000	102,743	—	—	—	2,009	184,752

(1) Any Director who is also an employee of the Company receives no compensation for services as a director. Directors who are not employees of the Company received a director's cash retainer in the amount of $80,000 per year ($20,000 per quarter). The Chair of the Board received an additional cash retainer of $75,000 and directors who chaired the Audit Committee, Compensation Committee, and the Nominating and Corporate Governance Committee each received an additional cash retainer fee in the amounts of $12,500, $10,000, and $10,000, respectively during 2020. In addition, each director who served as a member of the Audit Committee, Compensation Committee or Nominating and Corporate Governance Committee each received an additional cash retainer in the amount of $7,500, $5,000, and $5,000, respectively in 2020.

(2) Immediately following each Annual Meeting, non-employee directors receive a grant of RS equal to $100,000 divided by the average closing price per share of the Company's common stock on the twenty (20) trading days preceding the date of grant of such RS and such RS will vest on the first anniversary of the grant. See the Company's Annual Report on Form 10-K (Footnote 5) for the year ended December 31, 2020 for the assumptions made in the valuation of RS awards.

(3) All other compensation includes RS dividends. The Company also makes Company aircraft available to directors for personal use if such use does not conflict with any business purpose for the aircraft. The cost of the flight is calculated using the same method as is the case for NEOs as well.

The following table summarizes securities issued and to be issued under the Company's equity compensation plans as of December 31, 2019:

Executive Compensation Plan Information			
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	**Weighted average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)**
Equity compensation Plans approved by Shareholders	4,765,669	22.96	35,131,420
Equity Compensation Plans not approved by Shareholders	—	—	—
Total	4,765,669	22.96	35,131,420

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee, which includes Messrs. Schaum (Chair), Goode, and Wallace, is currently comprised solely of members of the Company's Board who are independent under the applicable NASDAQ listing standards. The Compensation Committee is responsible for supervising the Company's executive compensation arrangements, including the making of decisions with respect to the award of stock-based incentives for executive officers.

CERTAIN TRANSACTIONS

The Audit Committee of the Company reviews and approves all related party transactions in accordance with its Charter. The Code of Business Conduct and Ethics requires directors, officers, and employees to report these types of matters. In addition, the Company uses questionnaires for its directors and officers annually in part to discover any unreported related-party transactions. The approval of the Audit Committee is required for related-party transactions.

RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS – PRINCIPAL ACCOUNTING FEES AND SERVICES

The Audit Committee and Board have selected, and submit to shareholders for ratification, Ernst & Young LLP to serve as the Company's independent auditors for the fiscal year ending December 31, 2021. The following fees were billed by Ernst & Young LLP, the Company's independent auditors, for the services provided to the Company during the fiscal years ended December 31:

	2020	2019
Audit Fees	$ 468,000	$ 540,000
Audit-Related	44,000	24,000
Tax Fees	—	—
All Other	48,000	92,500
Total	$ 560,000	$ 656,500

Audit fees include the annual audit of the Company's consolidated financial statements, the audit of internal control over financial reporting, and timely quarterly reviews. Audit-Related fees principally consist of consultations concerning accounting matters associated with the annual audit, incremental consent filings, and other out-of-scope work. Tax fees principally consist of fees for tax advice. All Other fees principally consist of diligence services pertaining to potential acquisitions, including tax due diligence (but not tax services related to structuring). All non-audit services, including those indicated above, are pre-approved by the Audit Committee pursuant to the Revised Audit Committee Procedures for Approval of Audit and Non-Audit Services by Independent Auditors, which is attached as Appendix A to this Proxy Statement. The Audit Committee considers the amount of fees for non-audit services in selecting and assessing the independence of the Company's auditors.

The Audit Committee periodically evaluates the Company's independent auditor. The quality of the staff of Ernst & Young LLP, historical and current performance, expertise in the Company's industries, reasonableness of fees, and independence are all factors that went into the Audit Committee's decision to select Ernst & Young LLP as the Company's independent auditors. The audit engagement partner for the Company rotates at least every five years and the Audit Committee is involved in the selection of a new audit engagement partner. Although ratification of the independent auditors by the Company's shareholders is not legally required, the Audit Committee and Board believe that submission of this matter to the shareholders follows sound business practice and is in the best interest of shareholders in the current environment. If the shareholders do not approve the selection of Ernst & Young LLP, the selection of such firm as our independent auditors will be reconsidered by the Audit Committee. Accordingly, you may vote on the following resolution at the 2020 Annual Meeting of Shareholders:

> RESOLVED, that Ernst & Young LLP be and hereby is ratified to serve as the independent auditors of the Company for the fiscal year ended December 31, 2021.

A representative of Ernst & Young LLP is expected to be present at the Annual Meeting to respond to appropriate questions and will have an opportunity to make a statement if they desire.

The Board unanimously recommends a vote FOR the ratification of Ernst & Young LLP to serve as the Company's independent auditors for fiscal year ended December 31, 2021.

ADVISORY VOTE ON EXECUTIVE COMPENSATION

As described in the detail in "Compensation Discussion and Analysis", the Company's compensation system is designed to balance short-term performance with long-term growth. Our compensation system must be competitive with compensation arrangements provided to executives at comparably sized companies with whom we compete for talent. We look to reward performance (with an increasing percentage of executive pay being performance based); emphasize long-term incentive compensation; drive ownership mentality; and attract, retain and reward the best talent to achieve desired results. Shareholders are encouraged to read "Compensation Discussion and Analysis", the Company compensation tables, and the related narrative disclosure.

In accordance with certain legislation, the Company is providing shareholders with an advisory (nonbinding) vote on compensation programs for named executive officers (sometimes referred to as "say-on-pay"). Accordingly, you may vote on the following resolution at the 2021 Annual Meeting of Shareholders:

> RESOLVED, that the compensation of the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including Compensation Discussion and Analysis, compensation tables, and narrative disclosure is hereby APPROVED.

This vote is non-binding. The Board and the Compensation Committee, which is comprised of independent directors, expect to take into account the outcome of this advisory vote when considering future executive compensation decisions, to the extent they can determine the cause or causes of any significant negative voting results.

The Board unanimously recommends that you vote FOR the approval, on an advisory basis, of the compensation of our named executive officers as disclosed pursuant to Item 402 of Resolution S-K, including Compensation Discussion and Analysis, compensation tables, and narrative disclosure.

DELINQUENT SECTION 16 REPORTS

Based upon a review of Forms 3, 4, and 5 furnished to the Company during or with respect to the preceding fiscal year and written representations from certain reporting persons, the Company is not aware of any failure by any reporting person to make timely filings of those Forms as required by Section 16(a) of the Securities Exchange Act of 1934, except that of non-employee director Mr. John Mulder who was late with reporting on Form 4 a gift of 1,000 shares held indirectly on November 23, 2016, which did not get reported until May 26, 2020.

SHAREHOLDER PROPOSALS

Any proposal of a shareholder intended to be presented at the 2022 Annual Meeting must be received by the Company at its headquarters, c/o Corporate Secretary's Office, 600 North Centennial Street, Zeeland, Michigan 49464, no later than December 9, 2021, if the shareholder wishes the proposal to be included in the Company's Proxy Statement relating to that meeting. In addition, the Company's Bylaws contain certain notice and procedural requirements applicable to shareholder proposals, irrespective of whether the proposal is to be included in the Company's Proxy materials. To be timely, such a shareholder's notice must be delivered, or mailed and received at, the Company's headquarters as set forth in the Company's Bylaws. A copy of the Company's Bylaws is filed with the Securities and Exchange Commission and can be obtained from the Public Reference Section of the Commission or the Company.

MISCELLANEOUS

The Company's Annual Report to Shareholders, including financial statements, is being delivered to shareholders with this Proxy Statement and can be found online at http://ir.gentex.com.

Management is not aware of any matters to be presented for action at the Annual Meeting other than as set forth in this Proxy Statement. If other business should come before the meeting, it is the intention of the persons named as Proxy holders in the accompanying Proxy to vote the shares in accordance with their judgment. Discretionary authority to do so is included in the Proxy.

The cost of the solicitation of Proxies will be borne by the Company. In addition to the use of the mail and e-mail, Proxies may be solicited personally or by telephone or facsimile by a few regular employees of the Company without additional compensation. The Company has not retained any third party to help solicit proxies but reserves the right to do so. In addition, the Company will reimburse brokers, nominees, custodians, and other fiduciaries for their expenses in connection with sending Proxy materials to registered and beneficial owners and obtaining their Proxies.

Shareholders are urged to promptly vote your shares either on the Internet (preferred method), via telephone, or by dating, signing, and returning the accompanying Proxy in the enclosed envelope.

BY ORDER OF THE BOARD OF DIRECTORS

Scott Ryan

Scott Ryan
Corporate Secretary

April 9, 2021

APPENDIX A

GENTEX CORPORATION

Revised Audit Committee
Procedures for Approval of Audit and Non-Audit Services by Independent Auditors

The following procedure is adopted by the Audit Committee relating to the approval of audit and non-audit services provided by the Company's independent auditors.

1. The Committee has reviewed and approved work to be performed by the independent auditors in the areas of tax, audit and advisory services and subcategories within each category as designated on the attached schedule.

2. Any additional audit and non-audit work performed by the independent auditors that is not included on the attached schedule must be specifically pre-approved as follows:

    a. If the proposed independent auditors' engagement is equal to or less than $50,000, the Chairman of the Audit Committee must pre-approve the work and will communicate his approval to the full Audit Committee at the next regularly scheduled meeting of the Audit Committee.

    b. If the proposed independent auditors' engagement is greater than $50,000, the full Audit Committee must pre-approve the work.

3. The independent auditors may not conduct any work that is prohibited by applicable SEC rules or regulations.

Effective February 20, 2014