

GENTEX CORPORATION

Mid-Year ESG Addendum

Items Covered in this Addendum will be incorporated into future sustainability reports, found at <https://ir.gentex.com/financials-and-filings/annual-reports-and-proxy-statements>:

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Employee Safety:

At Gentex, employee safety is always top of mind. While we maintain a Total Recordable Incident Rate (TRIR) of 0.42 as of 10/20/22, which is well below the industry average, we remain diligent in finding ways to improve our safety protocols and practices. TRIR is reported annually in several places, including our Sustainability Report. Gentex is actively working to attain ISO 45001 Health and Safety Management certification, in addition to our standards already in place. We anticipate completion of this certification in 2023, with implementation of these standards applied to all our US manufacturing facilities.

Data Security:

Gentex is an industry leader in quality, and we believe a robust Information Security Management System (ISMS) plays a key part in continuing that leadership and our reputation in the industry. The ongoing mission of our ISMS is to ensure that appropriate levels of security are being applied to all assets, across domains; whether that involves data privacy requirements for our products, or securing physical assets provided by our customers.

In 2019, we partnered with an industry leading third-party organization, with expertise in cyber security, to align our policies and technology standards with the NIST Cybersecurity Framework, to better protect our operations.

In 2020, we expanded this framework to include innovative and effective platforms, along with a dedicated team of security analysts to maintain constant vigilance over our information.

In 2021, we evolved our Information Security Policy to formally identify the Information Security Committee charged with aligning our policies and procedures with both ISO 27001 and TISAX standards, which had been meeting and conducting this business for years prior.

Early in 2022, Gentex launched an Information Security Management System (ISMS) as a critical benchmark in the pursuit of certification in both standards. The Company has targeted 2023 for its ISO 27001 certification and 2025 for its TISAX certification

Our Vice President of Information Technology and Information Security Officer (ISO) oversees our Information Security Program and reports out to senior leadership on a quarterly basis, and our Vice President and General Counsel oversee the auditors for these certifications. The Board is routinely updated on the targets, progress, and updates our teams have made.

Our Cybersecurity Team is responsible for securing Gentex systems and information and coordinates with various groups to ensure they are following best practices. In order to help monitor and address potential cybersecurity threats, they have a number of procedures, programs and tools in place, including:

- Information security training for all employees
- Data leak prevention monitoring
- Early detection and response antivirus tools
- Managed security service that monitors security logs for indications of compromise
- Routine vulnerability assessments
- External and internal penetration testing
- Distributed Denial of Service (DDOS) mitigation
- Ransomware mitigation and recovery tools

The management and protection of individual user data of our employees, customers, and suppliers is incredibly important to Gentex. We remain committed to the security and protection of the data we hold, and to implementing the appropriate updates to our safeguards and security standards moving forward. Gentex works to ensure that the data we collect is obtained in alignment with local law, and that it is obtained using explicit consent if required. Third party vendors and contractors that work with Gentex are required to adhere to our standards of data protection and security, as well as their local legal requirements.

Board Oversight of ESG Performance and Practices

Board members are kept up to speed with ongoing and new ESG initiatives and programs during quarterly meetings and on an as-needed basis depending on timing of targets. Our Vice President and Sustainability Officer leads these ESG initiatives, and provides the board with updates and progress and areas for improvement. Our Nominating and Corporate Governance Committee provides oversight for our environmental, sustainability, and governmental initiatives as needed. Our Compensation Committee provides oversight for our HR, diversity, equity and inclusion initiatives and practices. Our Audit Committee provides oversight for our financial endeavors and ensures that our reporting practices meet the required governmental standards. Our performance is then record and updated annually in our Sustainability reports, which can be found on the main [Gentex website](#) and our [Investor website](#).

Product Safety and Regulatory Compliance

Gentex technologies have long been focused on convenience and safety. From our roots in fire protection to our glare eliminating technology in vehicles, Gentex has worked to make life safer for our customers. We work hard to ensure that our products themselves are also safe for our customers, and that they function per regulatory and customer requirements, holding ourselves to industry standards and best practices wherever possible. Gentex has a robust process to ensure regulatory compliance, which is a combination of Product Compliance team and our accredited Corporate Labs. In addition, Gentex maintains multiple certifications such as ISO 17025 and IATF:16949, which ensure that our manufacturing and product testing facilities are operating at the highest levels of quality and integrity.

Throughout our history, Gentex products have never been the source of a recall, voluntary or involuntary, and have outperformed the environments they function in. This, in part, is due to the rigorous standards we hold our products to in the design and testing phases. We incorporate substantial weather, stress, and durability testing on our products, using this to not only validate our products, but also to develop more robust designs and processes.

When non-conformances are found, our internal teams are quick to engage and work diligently through the problem-solving process to identify root cause as well as appropriate containment and corrective actions. Supported by world-class traceability throughout our manufacturing processes, our onsite subject matter experts from chemists to software engineers are able to quickly analyze failures and determine the point-of-cause. One of Gentex's greatest strengths when it comes to problem-solving is using the knowledge gained from solving a non-conformance to drive systemic design and process improvements, therefore, preventing failures from occurring in future products.

To ensure the success of our suppliers along with the safety and quality of goods purchased, Gentex requires that our suppliers develop, implement, and continually improve a quality management system. Gentex suppliers are thoroughly evaluated prior to being on-boarded, are measured on performance, and are subject to audits.

From the design phase all the way through process development and sourcing of materials, Gentex works to ensure that safety and the quality of our products are at the forefront in the decision-making process.

Product Quality

At Gentex, we are continually working to improve the quality of our product and the manufacturing processes we utilize. Using performance metrics like product longevity, product fail rates, and individual customer product feedback, we are looking for ways to improve our end-user's experience and create a product that exceeds their expectations. While many automotive suppliers may come and go, our goal is to continually innovate so that we remain the advanced technology supplier of choice for customers around the world.

Because Gentex literally invented the electrochromic mirror industry, we also developed the supply base, manufacturing techniques, equipment, and testing methods. It was a long learning curve. But today our experience, proprietary manufacturing techniques, and hard work has paid off, because no other glare-reduction mirror provider in the world can match our manufacturing capabilities - not in yields, quality, or volume.

In pursuit of this ongoing commitment to quality and consistency, Gentex utilizes industry specific certifications for our quality standards. For our fire protection products, we are ISO 9001:2015 certified. Gentex's automotive business is certified to IATF 16949:2016. Our aerospace products utilize AS9100D which is a QMS specific to the Aerospace Industry.

Each of these standards are internationally recognized, and provide organizations with frameworks for managing quality management systems. The standards are based on key quality management principals and outline the requirements that organizations must maintain in a quality management system to enhance customer satisfaction and meet customer requirements. Gentex utilizes these standards in our continual process, efficiency, and performance improvement initiatives.

As evidence of our success in this area, between 2018 and 2022, Gentex was awarded 18 awards for supplier excellence, quality or performance from our customers in varying markets and regions.

Our quality expectations and standards extend to our suppliers as well. The full supplier manual can be found in the supplier section of our website (<https://www.gentex.com/supplier-information>), and a few of our key requirements include:

- Supplier will be third party registered to all necessary Quality System Specifications which may include, but not limited to:
 - ISO-9001:2015
 - IATF 16949:2016
 - VDA 6.1:2010
 - ISO-IEC 17025:2015
 - AS9100D
- If supplier is not currently certified to IATF 16949:2016, then they are expected to show evidence of working toward certification per IATF 16949:2016 requirement 8.4.2.3 and must identify their current quality system state in the Gentex Supplier Assessment form as applicable.
- Gentex reserves the right to audit supplier's quality system at any time on-site at supplier's manufacturing, sales, technical, or distribution location upon twenty-four (24) hour notice.

Recent Supplier Quality Awards:

Honda Excellence in Delivery and Quality Award for Jan 2021 - Dec. 2021	Honda	2022
GM 2021 Supplier of the Year	GM	2022
#5/500 America's Best Midsize Employers	Forbes	2021
Toyota Technology & Development Award	Toyota	2021
Honda Quality and Delivery Award	Honda	2021
Supplier Quality and Delivery	Honda	2020
Supplier of the Year	GM	2020
Supplier of the Year	GM	2019
PPM Quality Excellence Award	Subaru of America	2019
GM Supplier Excellence Quality Award	GM	2019
PPM Quality Excellence Award	Subaru	2019
Value Improvement Performance	Toyota	2019
Excellence in Delivery and Quality	Honda	2019
Supplier of the Year	Fiat Chrysler	2018
Supplier Excellence Award	Jaguar Land Rover	2018
Superior VA Achievement Award	Toyota	2018
Supplier of the Year	GM	2018
Top 100 (91) OEM parts suppliers	Automotive News	2018
Manufacturing Innovation Excellence Award	MMA	2018