

## Risk Factors Comparison 2024-02-22 to 2023-02-22 Form: 10-K

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Safe Harbor for Forward- Looking Statements. This Annual Report on Form 10- K contains forward- looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The statements contained in this communication that are not purely historical are forward- looking statements. Forward- looking statements give the Company’ s current expectations or forecasts of future events. These forward- looking statements generally can be identified by the use of words such as “ anticipate, ” “ believe, ” “ could, ” “ estimate, ” “ expect, ” “ forecast, ” “ future, ” “ goal, ” “ guidance, ” “ hope, ” “ intend, ” **“ likely ”**, “ may, ” “ opinion, ” “ optimistic, ” “ plan, ” “ poised, ” “ predict, ” “ project, ” “ should, ” “ strategy, ” “ target, ” “ will, ” “ work to, ” and variations of such words and similar expressions. Such statements are subject to risks and uncertainties that are often difficult to predict and beyond the Company’ s control, and could cause the Company’ s results to differ materially from those described. These risks and uncertainties include, without limitation: changes in general industry or regional market conditions, including the impact of inflation; changes in consumer and customer preferences for our products (such as cameras replacing mirrors and / or autonomous driving); our ability to be awarded new business; continued uncertainty in pricing negotiations with customers and suppliers; loss of business from increased competition; changes in strategic relationships; customer bankruptcies or divestiture of customer brands; fluctuation in vehicle production schedules (including the impact of customer employee strikes); changes in product mix; raw material and other supply shortages; labor shortages, supply chain constraints and disruptions; our dependence on information systems; higher raw material, fuel, energy and other costs; unfavorable fluctuations in currencies or interest rates in the regions in which we operate; costs or difficulties related to the integration and / or ability to maximize the value of any new or acquired technologies and businesses; changes in regulatory conditions; warranty and recall claims and other litigation and customer reactions thereto; possible adverse results of pending or future litigation or infringement claims; changes in tax laws; import and export duty and tariff rates in or with the countries with which we conduct business; negative impact of any governmental investigations and associated litigation, including securities litigation relating to the conduct of our business; and **force majeure events** ~~the length and severity of the COVID- 19 (coronavirus) pandemic, including its impact across our business on demand, operations, and the global supply chain.~~ Readers are cautioned not to place undue reliance on these forward- looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward- looking statement, whether as a result of new information, future events or otherwise, except as required by law or the rules of the NASDAQ Global Select Market. Accordingly, any forward- looking statement should be read in conjunction with the additional information about risks and uncertainties identified under the heading “ Risk Factors ” in the Company’ s latest Form 10- K and Form 10- Q filed with the SEC, which risks and uncertainties ~~now include the impacts of COVID- 19 (coronavirus) pandemic and supply chain constraints that have affected, are affecting, and will continue to affect, general economic and industry conditions, customers, suppliers, and the regulatory environment in which the Company operates.~~ Includes content supplied by S & P Global Mobility / ~~IHS Markit~~ Light Vehicle Production Forecast **of January 16, 2024** (<http://www.gentex.com/forecast-disclaimer>). The following risk factors, together with all other information provided in this Annual Report on Form 10- K should be carefully considered. Automotive Industry. Customers within the auto industry comprise approximately ~~97~~ **98** % of our net sales. The automotive industry has always been cyclical and highly impacted by levels of economic activity. The current economic environment, including inflation, continues to be uncertain, and continues to cause financial and production stresses evidenced by volatile automotive production levels, volatility with customer orders, supplier part and material shortages (especially electronics components), automotive and Tier 1 supplier plant shutdowns, customer and supplier financial issues, commodity raw material cost increases, supply constraints, tariffs, consumer vehicle preference shifts (where we have a lower penetration rate and lower content per vehicle), and supply chain stresses, ~~all of which have been exacerbated by the COVID- 19 pandemic and the fallout therefrom.~~ If automotive customers (including their Tier 1 suppliers) and suppliers experience significant plant shutdowns, work stoppages, strikes, part shortages, etc., it will further disrupt our shipments to these customers, which could adversely affect our business, financial condition, and / or results of operations. Automakers continue to experience volatility and uncertainty in executing planned new programs on time, due in part to continued vehicle complexity increases and supply chain constraints. This brings increased risk of delays or cancellations of new vehicle platforms, package configurations, and inaccurate volume forecasts. This makes it challenging for us to forecast future sales and manage costs, inventory, capital, engineering, research and development, and human resource investments, in addition to the aforementioned factors. Key Customers. We have a number of large customers, including three automotive customers which each account for 10 % or more of our annual net sales in ~~2022~~ **2023** (including direct sales to OEM customers and sales through their Tier 1 suppliers): Volkswagen Group, Toyota Motor Company, and General Motors. The loss of all or a substantial portion of the sales to, or decreases in production by, any of these customers (or certain other significant customers) could have a material adverse effect on our business, financial condition, and / or results of operations. Pricing Pressures. We continue to experience ongoing pricing pressures from our automotive customers and competitors, which have affected, and which will continue to affect our profit margins to the extent that we are unable to offset the pricing pressures with price adjustments, engineering and purchasing cost reductions, productivity improvements, increases in unit shipments of mirrors and electronics with advanced features, and / or new or advanced technologies, each of which pose ongoing challenges, which ~~could~~ continue to adversely impact our business, financial condition, and / or results of operations. Raw Materials and Other Product Component Costs. Increasing costs in raw materials, energy, commodities, labor, and other product component costs adversely affects our business, financial condition

and / or results of operations. These costs have generally increased as a result of supply chain disruptions, constrained labor availability, global economic factors, as well as inflationary impacts. When these prices rise and we are unable to recover such cost increases from our customers, those increases have an adverse effect on our business, financial condition and / or results of operations; Tariffs. The geopolitical environment between the United States and other jurisdictions, most significantly China, continues to cause uncertainty on tariffs and trade. Previously enacted tariffs have increased the Company's input costs ~~and have the potential to~~ challenge the Company's competitive position in foreign markets. The continuance of these tariffs and / or escalation of disputes in the geopolitical environment ~~could continue to interfere~~ **interferes** with automotive supply chains and ~~may~~ have a continued negative impact on the Company's business, financial condition, and / or results of operations, especially since the Company primarily manufactures and ships from one location. We cannot predict what further action may be taken with respect to tariffs or trade relations between the U. S. and other governments, and any further changes in U. S. or international trade policy could have a further adverse impact on our business. Competition. We recognize that Magna Mirrors, our main competitor, **has** ~~may have~~ considerably more resources available to it, and ~~may present~~ **presents** a formidable competitive threat. Additionally, other companies have demonstrated products that are competitive to our **FDM Full Display Mirror**® system and other products. We acknowledge that dimming device (e. g., electrochromic) technology is the subject of research and development efforts by numerous third parties ~~. For example, our SmartBeam® product is a driver-assist feature for headlamp lighting control that competes with other multiple-function driver-assist features that include headlamp lighting control as one of the multiple functions. While we believe SmartBeam® is a low-cost solution for a safety feature that makes nighttime driving safer by maximizing a vehicle's high-beam usage, competition from multiple-function driver-assist products has already and could continue to impact the success of SmartBeam®.~~ On March 31, 2014 the Alliance of Automobile Manufacturers petitioned the National Highway Traffic Safety Administration ("NHTSA") to allow automakers to use **camera monitoring systems ("CMS")** as an option to replace conventional rearview mirrors within North America, however, no final rule or legislation was made in response to this petition. At the annual SAE Government- Industry Meeting in January 2017, NHTSA requested that SAE develop Recommended Procedures for test protocols and performance criteria for CMS that would replace mirror systems on light vehicles in the U. S. market. SAE assigned the task to the Driver Vision Committee, and the SAE Driver Vision Committee created a CMS Task Force to draft the Recommended Procedures. NHTSA published a report dated October 2018 related to camera monitoring systems for outside mirror replacements. On October 10, 2019, an Advanced Notice of Proposed Rulemaking (ANPRM) was published seeking public comment on permitting camera- based rear visibility systems, as an alternative to inside and outside rearview mirrors required under Federal motor vehicle safety standard (FMVSS) No. 111, "Rear Visibility," which currently requires that vehicles be equipped with rearview mirrors to provide drivers with a view of objects that are to their side or to their side and rear. This ANPRM builds on NHTSA's prior efforts to obtain supporting technical information, data, and analysis on CMS so that the agency can determine whether these systems can provide the same level of safety as the rearview mirrors currently required under FMVSS No. 111. The ANPRM states that one reason NHTSA is seeking additional information is because research conducted by NHTSA and others between 2006 and 2017 has consistently shown that prototype and preproduction camera- based rear visibility systems can exhibit safety- relevant performance issues. In November 2022, NHTSA conducted a public meeting and discussed the on- going research of this technology. In July 2016, a revision to UN- ECE Regulation 46 was published with an effective date of June 18, 2016, which allows for camera monitor systems to replace mirrors within Japan and European countries. Since January 2017, camera monitoring systems are also permitted as an alternative to replace mirrors in the Korean market. **In 2023,** China ~~has now~~ **released and made effective** an updated version of its GB15084, which ~~will be effective later in 2023, and~~ allows for camera monitoring systems, frameless mirrors and aspheric (free- form) glass surfaces. Notwithstanding the foregoing, the Company continues to believe rearview mirrors provide a robust, simple and cost effective means to view the surrounding areas of a vehicle and remain the primary safety function for rear vision today. Cameras, when used as the primary rear vision delivery mechanism, have some inherent limitations such as: electrical failure; cameras being blocked or obstructed; depth perception challenges; and viewing angle of the camera. Nonetheless, the Company continues designing and manufacturing not only rearview mirrors, but CMOS imagers and video displays as well. The Company believes that combining video displays with mirrors provides a more robust product by addressing all driving conditions in a single solution that can be controlled by the driver. The Company has been in production with the Company's **FDM Full Display Mirror**® since 2015 and has, in the ordinary course of business, been awarded programs with fourteen (14) OEM customers. The Company is currently shipping production **FDM Full Display Mirrors**® to all fourteen of these customers ~~. In 2022, the Company began shipping Full Display Mirror® on 18 new nameplates and are currently shipping Full Display Mirror® on 86 nameplates.~~ The Company's CMS solution uses three cameras to provide a comprehensive view of the sides and rear of the vehicle while still providing the traditional safety of interior and exterior mirrors, that still function when cameras are obstructed, or not functioning. The Company has previously announced that the Company continues to develop in the areas of imager performance, camera dynamic range, lens design, image processing from the camera to the display, and camera lens cleaning. The Company acknowledges that as such technology evolves over time, such as cameras replacing mirrors and / or autonomous driving, there ~~could~~ **will** be increased competition. Supply Chain Disruptions. As a result of just- in- time supply chains within our business and the automotive industry, disruptions in our supply chain have occurred, are occurring, and **may** ~~are expected to~~ continue to occur due to the industry- wide parts shortages, labor shortages, and other global supply chain constraints. We have and continue to take a number of steps to mitigate the current supply chain challenges, which include strategies involving the additional procurement of available raw materials to prepare for assembling finished goods more quickly when supply constraints ease for certain common components. These inventory strategies further introduce obsolescence risk that impacts our business, financial conditions, and / or results of operations. As our customers' forecasted demand changes, inventory becomes obsolete and write-offs or write- downs of our inventory are exacerbated. Disruptions can also occur due to natural disasters, ~~other~~ pandemics, work

stoppages, strikes, bankruptcy, etc. Such circumstances have disrupted, are disrupting, and will continue to disrupt our shipments to automakers and Tier 1 customers, which adversely affects our business, financial condition, and / or results of operations. Workforce Disruptions. We have experienced, and may continue to experience in the future, disruptions to our workforce as a result of a tight labor market, employee illness, quarantines, ~~and absenteeism~~, ~~and restrictions on certain of our employee's ability to work as a result of the COVID-19 pandemic~~. The impacts of continued disruptions to our workforce have affected, are affecting, and are expected to continue to affect our business, financial condition, and / or results of operations. Product Mix. We sell products that have varying profit margins. Our financial performance can be impacted depending on the mix of products we sell and to which customers, during a given period. The automotive industry is subject to rapid technological change, vigorous competition, short product life cycles and cyclical, ever- changing consumer demand patterns. When our customers are adversely affected by these factors, we may be similarly affected to the extent that our customers reduce the volume of orders for our products. As a result of such changes and circumstances impacting our customers, our sales mix can shift, which may have either favorable or unfavorable impact on revenue and would include shifts in regional growth, in OEM sales demand, as well as in consumer demand related to vehicle segment purchases, and content penetration. A decrease in consumer demand for specific types of vehicles where we have traditionally provided higher value content ~~could~~ ~~would~~ have a significant effect on our business, financial condition, and / or results of operations. Our forward guidance and estimates assume a certain geographic sales mix as well as a product sales mix. When actual results vary from this projected geographic and product mix of sales, our business, financial condition, and / or results of operations are impacted. Business Combinations. ~~We anticipate that acquisitions~~ ~~Acquisitions~~ of businesses, ~~technologies~~, and assets ~~may~~ play a role in our future growth. We cannot be certain that we will be able to identify attractive acquisition targets, have resources available for or obtain financing for acquisitions on satisfactory terms, successfully acquire identified targets or manage timing of acquisitions with capital obligations across our businesses. Additionally, we may not be successful in integrating acquired businesses into our existing operations, achieving projected synergies, and / or maximizing the value of acquired technologies and businesses. Competition for acquisition opportunities in the various industries in which we operate already exists and may increase, thereby ~~potentially~~ increasing our costs of making acquisitions or causing us to refrain from making further acquisitions. We are also subject to applicable antitrust laws and must avoid anticompetitive behavior. These and other acquisition- related factors may negatively and adversely impact our business, financial condition, and / or results of operations. Intellectual Property. We believe that our patents and trade secrets provide us with a competitive advantage in automotive rearview mirrors, variable dimmable devices, certain electronics, and fire protection products, although no single patent is necessarily required for the success of our products. The loss of any significant combination of patents and trade secrets regarding our products could adversely affect our business, financial condition, and / or results of operations. Lack of intellectual property protection in a number of countries, including China, represents a current and ongoing risk for the Company. New Technology and Product Development. We continue to invest significantly in engineering, research and development projects. Should these efforts ultimately prove unsuccessful, our business, financial condition, and / or results of operations could be adversely affected. Intellectual Property Litigation and Infringement Claims. A successful claim of patent or other intellectual property infringement and damages against us could affect business, financial condition, and / or results of operations. If a person or company claims that our products infringed their intellectual property rights, any resulting litigation ~~could~~ ~~would~~ be costly, time consuming, and would divert the attention of management and key personnel from other business issues. The complexity of the technology involved in our business and the uncertainty of intellectual property litigation significantly increases these risks and makes such risk part of our ongoing business. To that end, we periodically obtain intellectual property rights, in the ordinary course of business, to strengthen our intellectual property portfolio and minimize potential risks of infringement. The increasing tendency of patents granted to others on combinations of known technology is a potential threat to our Company. Any of these adverse consequences could potentially have an effect on our business, financial condition and / or results of operations. Credit Risk. Certain automakers and Tier 1 customers from time to time may consider the sale of certain business segments or bankruptcy as a result of financial stress. Should one or more of our larger customers (including sales through their Tier 1 suppliers) declare bankruptcy or sell their business, it could adversely affect the collection of receivables, our business, financial condition, and / or results of operations. The current economic environment continues to cause increased financial pressures and production stresses on our customers, which could impact the timeliness of customer payments and ultimately the collectability of receivables. Our allowance for doubtful accounts primarily relates to financially distressed automotive mirror and electronics customers. We continue to work with these financially distressed customers in collecting past due balances. Refer to Note 1 of the Consolidated Financial Statements. Business Disruptions. Manufacturing of our proprietary products employing electro- optic technology is performed primarily at our manufacturing facilities in Zeeland and Holland, Michigan. One of our manufacturing facilities is located in Holland, Michigan, which is approximately three miles from our other primary manufacturing facilities in Zeeland, Michigan. Should a catastrophic event occur, our ability to manufacture product, complete existing orders and provide other services could be severely impacted for an undetermined period of time. We have purchased business interruption insurance to address some of these risks. Our inability to conduct normal business operations for a period of time may have an adverse impact on our business, financial condition, and / or results of operations. IT Infrastructure and Cybersecurity. ~~A~~ ~~Any~~ failure of our information technology ("IT") infrastructure ~~could~~ ~~adversely impact~~ ~~impacts~~ our business, financial condition, and / or results of operations. We rely upon the capacity, reliability and security of our information technology infrastructure and our ability to expand and continually update this infrastructure in response to the changing needs of our business. For example, we have implemented enterprise resource planning and other IT systems in certain aspects of our business over a period of several years and continue to update and further implement new systems going forward. Like many systems, these systems may not always perform as expected. We also face the challenge of supporting our older systems and implementing necessary upgrades. ~~When~~ we experience a problem with the functioning of an important IT system or a security breach of our IT systems, the

resulting disruptions ~~could~~ have an adverse effect on our business, financial condition, and / or results of operations. We face certain security threats, including threats to the confidentiality, availability and integrity of our data and systems. We maintain an extensive network of technical security controls, policy enforcement mechanisms, monitoring systems and management **and Board** oversight in order to address these threats. While these measures are designed to prevent, detect and respond to unauthorized activity in, or otherwise compromise of, our systems, certain types of attacks, including cyber- attacks, could result in significant financial or information losses and / or reputational harm. We, and certain of our third- party vendors, receive and store personal information in connection with our human resources operations and other aspects of our business. Despite our implementation of security measures, our IT systems, like all IT systems, are vulnerable to damages from computer viruses, natural disasters, unauthorized access, cyber- attack and other similar disruptions. Any **such** system failure, accident or security breach ~~could result results~~ in disruptions to our operations. A material network breach in the security of our IT systems could include the theft of our intellectual property, trade secrets or customer information. To the extent that any disruptions or security breach results in a loss or damage to our data, or an inappropriate disclosure of confidential or customer information, it could cause significant damage to our reputation, affect our relationships with our customers, lead to claims against the Company and ultimately harm our business, reputation, financial condition, and / or results of operations. In addition, we ~~may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future.~~ Government Regulations. The Dodd- Frank Wall Street Reform and Consumer Protection Act contains provisions to improve transparency and accountability concerning the supply of certain minerals, known as conflict minerals, originating from the Democratic Republic of Congo (" DRC") and adjoining countries. As a result, in August 2012 the SEC adopted annual disclosure and reporting requirements for those companies who use conflict minerals mined from the DRC and adjoining countries in their products. These requirements necessitate due diligence efforts, and the Company has disclosed its findings annually to the SEC on Form SD around May 30 each year since 2012. As there ~~are may be~~ only a limited number of suppliers offering " conflict free" minerals necessary for our products, the Company cannot **always** be **absolutely** certain that we will be able to obtain necessary conflict minerals from such suppliers in sufficient quantities or at competitive prices. Also, the Company may face reputational challenges if we determine that certain of our products contain minerals not determined to be conflict free or if the Company is unable to sufficiently verify the origins for all conflict minerals used in the Company' s products through the procedures the Company ~~may has implement implemented~~. On December 8, 2015, NHTSA proposed changes to the Administration' s 5- Star Safety Ratings for new vehicles (also known as the New Car Assessment Program or NCAP) and initiated a comment period. The proposed changes will, for the first time, encompass assessment of crash- avoidance technologies, which includes lower beam headlamp performance, semi- automatic headlamp switching, and blind spot detection. NHTSA originally intended to implement the enhancements in NCAP in 2018 beginning with model year 2019 vehicles. The NCAP implementation has been delayed. Under these proposed changes, the Company believes that its SmartBeam ® technology will qualify with the semi- automatic headlamp NCAP rating system, and that its SmartBeam ® technology and exterior mirrors with blind spot alert lighting can be included in a system that qualifies with the lower beam headlamp performance and blind spot detection NCAP rating system, respectively. On October 16, 2019, NHTSA issued a press release comparing NCAP to other regions' version of NCAP, identified new technologies that are not currently included in NCAP, and suggested Congress legislatively direct actions to improve NCAP. On January 14, 2021, NHTSA issued a request for comment regarding NCAP with advanced driver assist features, including forward collision, lane keeping, blind spot detection and forward pedestrian impact avoidance technologies. ~~On October 12, 2018, NHTSA published a Notice of Proposed Rulemaking (" NPRM") for amendments to Federal Motor Vehicle Safety Standard (" FMVSS") No. 108: Lamps, reflective devices, and associated equipment, and initiated a comment period. The NPRM proposes amendments that would permit the certification of adaptive driving beam head- lighting systems, if the manufacturer chooses to equip vehicles with these systems. NHTSA proposes to establish appropriate performance requirements to ensure the safe introduction of adaptive driving beam head- lighting systems if equipped on newly manufactured vehicles. The Company believes that its dynamic SmartBeam ® lighting control system (dynamic forward lighting or DFL), which has been sold in markets outside of North America for several years, will meet the requirements of the new FMVSS No. 108 standards, if amended. The Company' s SmartBeam ® application has and will continue to be affected by increased competition suppliers of multi- function driver assist camera products, which are able to achieve some of the same functionality as SmartBeam ® but at a lower cost, due to other suppliers leveraging similar hardware costs, but offering products with multiple software features.~~ As noted, on October 10, 2019, an Advanced Notice of Proposed Rulemaking (" ANPRM") was published seeking public comment on permitting camera- based rear visibility systems, as an alternative to inside and outside rearview mirrors required under FMVSS No. 111, " Rear Visibility, " which currently requires that vehicles be equipped with rearview mirrors to provide drivers with a view of objects that are to their side or to their side and rear. This ANPRM builds on NHTSA' s prior efforts to obtain supporting technical information, data, and analysis on CMS so that the agency can determine whether these systems can provide the same level of safety as the rearview mirrors currently required under FMVSS No. 111. The ANPRM states that one reason NHTSA is seeking additional information is because research conducted by NHTSA and others between 2006 and 2017 has consistently shown that prototype and preproduction camera- based rear visibility systems can exhibit safety- relevant performance issues. In November 2022, NHTSA conducted a public meeting and discussed the ongoing research of this technology. **On February 1, 2022, NHTSA signed a Final Rule to allow for adaptive driving beam headlights, and the Final Rule is awaiting publication in the Federal Register. The Company believes its adaptive SmartBeam ® (dynamic lighting system), which has been manufactured and sold for many years in jurisdictions outside the United States, will be permitted under the NHTSA Final Rule.** Antitakeover Provisions. Our articles of incorporation, bylaws, and the laws of the state of Michigan include provisions that may provide our **board Board** of directors with adequate time to consider whether a hostile takeover offer is in our best interest and the best interests of our shareholders. These provisions, however, could discourage potential acquisition proposals and could delay or prevent a change in control.

Fluctuations in Market Price. The market price for our common stock has fluctuated, ranging from a low closing price of \$ 23-25 . 80-77 to a high closing price of \$ 36-34 . 18-33 during calendar year 2022-2023 . The overall market and the price of our common stock may continue to fluctuate. There may be a significant impact on the market price for our common stock relating to the issues discussed above or due to any of the following: • Variations in our anticipated or actual operating results or the results of our competitors; • Changes in investors' or analysts' perceptions of the risks and conditions of our business and in particular our primary industry; • Intellectual property litigation and infringement claims or other litigation; • The size of the public float of our common stock; • Market conditions, including the industry in which we operate; and • General macroeconomic conditions.

~~General Risk Factors~~ **COVID-19 Pandemic.** ~~The COVID-19 pandemic has already significantly impacted worldwide economic and industry conditions and has had, is having, and is expected to continue to have, a material adverse effect on our business, financial condition, and / or results of operations. The extent and duration of such possible impacts will depend on numerous factors, including: • Duration and severity of any outbreaks and resulting actions taken by the Company or the various governments to contain or mitigate the spread of the coronavirus; • Global governmental, business and individual actions taken in response to COVID-19, such as work stoppages, quarantines, shutdowns, shelter-in-place orders or other limitations, as well as voluntary shutdowns and other restrictions; • The effect on our suppliers and companies throughout our supply chain, including industry-wide part shortages and created labor shortages; • Our ability to fulfill existing and future sales order backlog; • Reductions or volatility in demand for our products or services; • Increasing logistics costs and transportation challenges; • Costs of any additional preparedness plans or actions to help ensure the health and safety of our employees and continued operations; • Availability of employees to staff our operations and those of companies in our supply chain; • Our ability to establish and maintain appropriate estimates and assumptions used to prepare the Consolidated Financial Statements; and • The financial and credit markets and economic activity generally, all of which have harmed and could continue to harm our business, financial condition, and / or results of operations, including impacting the ability to access capital and comply with any financial covenants.~~ **Income Taxes.** The Company is subject to income taxes in the U. S. and other foreign jurisdictions. Changes in tax rates, adoption of new tax laws or other additional tax policies, and other proposals to reform United States and foreign tax laws could adversely affect the Company's operating results, cash flows, and financial condition. The Company's domestic and international tax liabilities are dependent upon the location of earnings among these different jurisdictions.

**Employees.** Our business success depends on attracting and retaining qualified personnel. Throughout our Company, our ability to sustain and grow our business requires us to hire, retain and develop a highly skilled and diverse management team and workforce. Failure to ensure that we have the leadership capacity with the necessary skill sets and experience and a skilled workforce could impede our ability to deliver our growth objectives and execute our strategic plan. Organizational and reporting changes within management could result in, and low unemployment has contributed to, increased turnover. Turnover, inability to attract and retain key employees, including managers, or government mandated remote work **has have had, is having, and may is expected to** continue to have a negative effect on our business, financial condition and / or results of operations.

**International Operations.** We currently conduct operations in various countries and jurisdictions, including purchasing raw materials and other supplies from many different countries around the world, which subjects us to the legal, political, regulatory and social requirements as well as various economic conditions in these jurisdictions. Some of these countries are considered growth markets. International sales and operations, especially in growth markets, subject us to certain risks inherent in doing business abroad, including: • Exposure to local economic, political and labor conditions; • Unexpected changes in laws, regulations, trade or monetary or fiscal policy, including interest rates, foreign currency exchange rates and changes in the rate of inflation in the U. S. and other foreign countries; • Tariffs (as discussed herein), quotas, customs and other import or export restrictions and other trade barriers; • Natural disasters, political crises, and public health crises (**e. g. such as the COVID-19 pandemic pandemics**), which have caused, are causing, and will likely continue to cause downtime and closures at both supplier and customer facilities; • **Brexit, and its impact**; • Expropriation and nationalization; • Difficulty of enforcing agreements, collecting receivables and protecting assets through non- U. S. legal systems; • Reduced intellectual property protection; • Withholding and other taxes on remittances and other payments by subsidiaries; • Investment restrictions or requirements; • Export and import restrictions; • Violence and civil unrest in local countries; • Compliance with the requirements of an increasing body of applicable anti-bribery laws, including the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act and similar laws of various other countries; and • Exposure related to buying, selling and financing in currencies other than the local currencies of the countries in which we operate.

**Other.** Other issues and uncertainties which could adversely impact our business, financial condition, and / or results of operations include: • Rising commodity prices and inflation generally, where we are unable to recover such increases from customers; • Increasing interest rates impact our financial performance due to an increase in realized losses on the sale of fixed income investments and / or recognized losses due to a corresponding impairment adjustment on investment securities and can impact customer demand as well; • General economic conditions continue to be of concern in many of the regions in which we do business, given that our primary industry is greatly impacted by overall general economic conditions. Any continued adverse worldwide economic conditions, currency exchange rates, trade war, war or significant terrorist acts, could each affect worldwide automotive sales and production levels, thereby impacting the Company; • **Public health crises (e. g. pandemics) that can result in part shortages, labor shortages, or other impacts to the supply chain or customers**; • Manufacturing yield issues; and • Obligations and costs associated with addressing quality issues or warranty claims.