

2016



SUSTAINABILITY REPORT

 Printed on recycled paper

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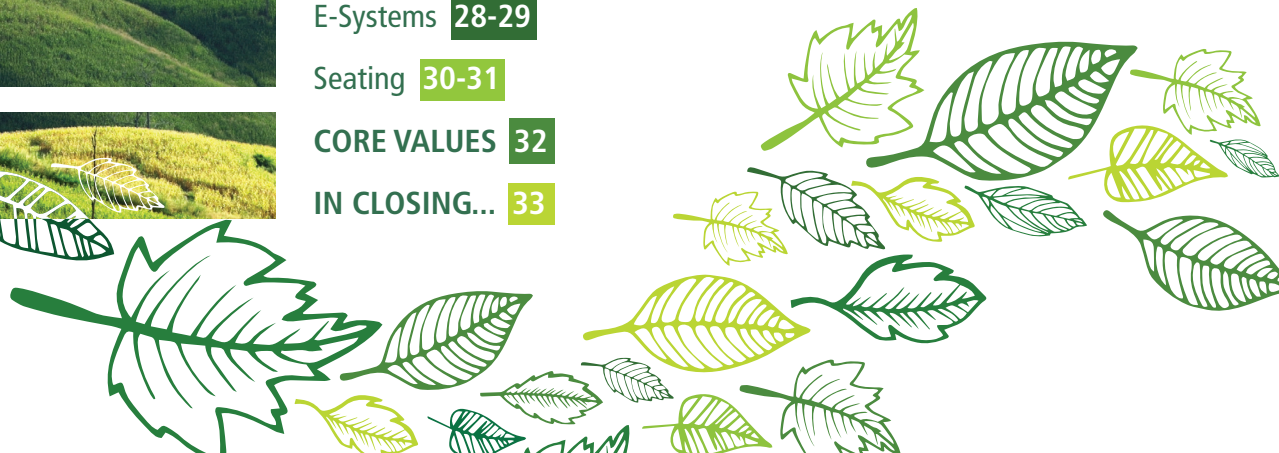
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WELCOME



Lear Corporation, as one of the world's leading suppliers of automotive seating and electrical systems, is dedicated to providing our customers with the highest quality products and delivering superior shareholder value. We are committed to providing each of our approximately 156,000 employees a safe working environment along with fair market wages and benefits in all 38 countries in which we do business. I am proud of the performance-driven culture whereby we strive to deliver great results, to get these results the right way and to sustain our success.

Lear's diverse team is committed to operational excellence, efficiency and continuous improvement in everything we do. In parallel with efforts towards more sustainable operations, we continue to bring to market innovative products that reduce consumption of natural resources and deliver environmental benefits throughout the life of our products. Everywhere Lear does business, we strive to be good corporate stewards of the earth and to support the local communities where we operate.

In the pages that follow, we provide an overview of our 2016 results. We are encouraged by this performance and we will continue to focus on sustainability initiatives, including supporting each of our community's future health and vitality. Lear urges supplier partners, our customers and other associates with whom we conduct business to contribute towards our objective of sustaining our environment for future generations.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Simoncini', with a long, sweeping horizontal line extending to the right.

Matt Simoncini
President and Chief Executive Officer

SUSTAINABILITY

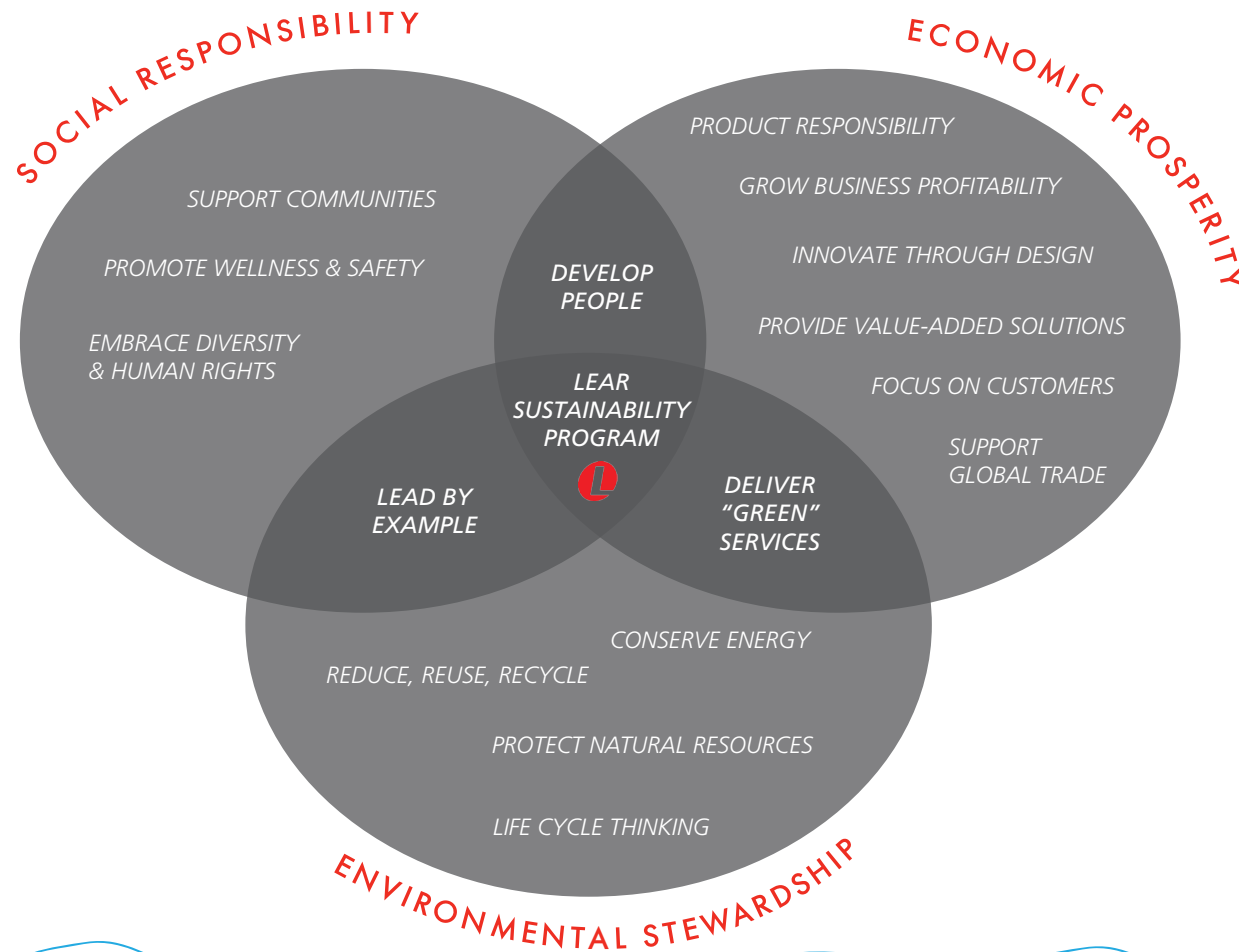
Sustainability means **“meeting the needs of the present without compromising the ability of future generations to meet their own needs”**.

Lear incorporates this philosophy into our business strategy to provide an awareness of our impacts and understanding how these affect the world around us. Our goal is to reduce these impacts while increasing the profitability and longevity of our company.



THREE PILLARS OF SUSTAINABILITY

Lear recognizes 3 PILLARS OF SUSTAINABILITY as our basis for sustainability activities - ENVIRONMENTAL STEWARDSHIP, ECONOMIC PROSPERITY and SOCIAL RESPONSIBILITY.





ENVIRONMENTAL STEWARDSHIP

Lear Corporation is committed to environmental stewardship and reducing the environmental footprint of our products and operations and of our supply chain. Our commitment to environmental stewardship is outlined in our Environmental, Health, Safety and Sustainability Policy.





ENVIRONMENTAL STEWARDSHIP

Environmental, Health, Safety & Sustainability Policy

Lear Corporation is dedicated to environmental protection, employee health and safety, compliance with legal requirements and other obligations, pollution prevention and sustainability through a strategy of continual improvement of the environmental management system to enhance environmental performance and teamwork. The foundation for achieving our commitment is based upon:

- Striving for the prevention of pollution and the elimination of health and safety hazards by maintaining environmental, health and safety management as core values;
- Providing leadership for environmental, health and safety improvement through management example and employee involvement and empowerment;
- Developing and utilizing environmentally acceptable, safe, sustainable and efficient production methods and processes; and
- Enhancing environmental stewardship, social responsibly and economic prosperity.

Lear's EHS&S Policy in Action

- Lear's Environmental Management System (EMS) focuses on reducing our impact on the environment. The EMS prompts examination of our operations and related environmental impact. The EMS helps Lear plants to improve by identifying targets to reduce our environmental impact and enhance our public profile, both globally and locally. All Lear manufacturing facilities worldwide are certified to the extent practicable to the internationally recognized environmental standard ISO 14001:2004, with new facilities tasked with achieving certification within one year of start of production or acquisition.
- With each new model of automotive seating system, Lear generates weight savings which translate into CO2 reductions, thereby reducing our impact on the environment.
- We pride ourselves on maintaining safe and clean workspaces in all of our plants globally and attractive wages and benefits for all of our employees.
- Lear is committed to providing a safe and healthy work environment for its employees.

ENVIRONMENTAL STEWARDSHIP

Clean Corporate Citizen/MBP3 Recognition

Lear's Corporate Campus has been awarded the Michigan Clean Corporate Citizen Certificate of Recognition annually since 2005. The Clean Corporate Citizen (C3) program allows regulated establishments that have demonstrated environmental stewardship and a strong environmental ethic throughout their operations in Michigan to be recognized as Clean Corporate Citizens. The C3 program is voluntary and requires performance in three significant areas: environmental management, pollution prevention and environmental compliance.

Additionally, Lear's Corporate Campus was once again recognized for environmental stewardship through the Michigan Business Pollution Prevention Partnership (MBP3). Developed jointly by the business community and state government, the MBP3 program is managed by the Michigan Department of Environmental Quality's Office of Pollution Prevention and Compliance Assistance. The Partnership promotes the application of cost-effective, innovative techniques that lead to reductions in waste. Source reduction is the key to sustainable business along with reuse and recycling efforts.





ENVIRONMENTAL STEWARDSHIP

By-Product Management

Lear's sustainability efforts focus on by-product management within operation, R&D and offices. Through identification and reduction of wastes generated, reusing materials wherever possible, segregating materials for recycling and standardizing our data-tracking process for our facilities globally, Lear is able to demonstrate stewardship and care regarding natural resource impacts of our actions.

Lear's global Environmental Management System (EMS) leverages by-product management as one of its significant tools. Plants track and report their by-product volumes and costs through a third-party sustainability data management program. By-product volumes and related costs and revenues are leveraged by the facilities in developing goals and objectives, as well as used to produce enterprise-wide reports of recycling performance.

Lear recycled 533,855 tons of paper and cardboard in 2016 which saved:

10 million trees;

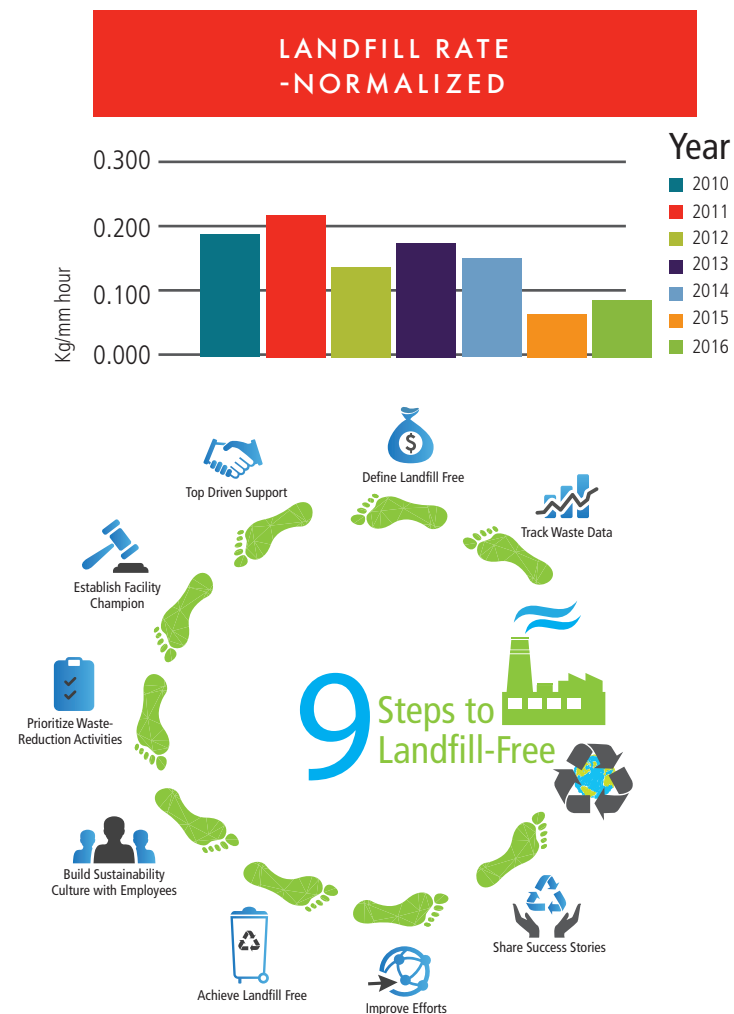
4.1 million gallons of water;

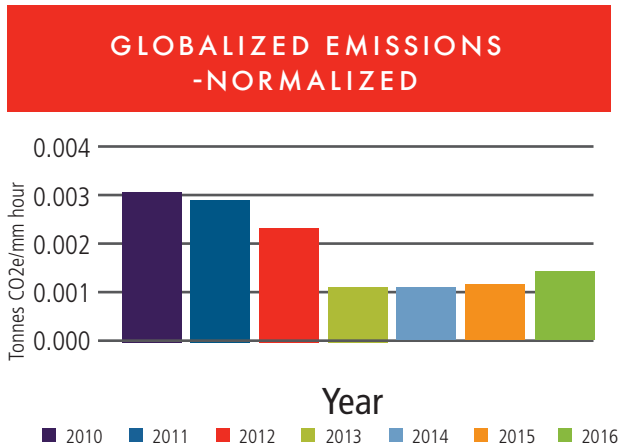
2.4 million kW of electricity; and,

467,123 metric tons of CO₂ prevented.

Lear's waste minimization philosophy involves reducing waste production to promote a more sustainable society. Our program involves redesigning products and/or changing production processes to prevent waste creation. The most environmentally resourceful, economically efficient and cost-effective way to manage waste is to not create waste in the first place.

Lear has rolled out a "Zero Waste to Landfill" initiative worldwide to encourage recycling, promote composting and eliminate by-products being disposed in a landfill. Lear defines "land-fill free" as eliminating production waste being disposed in a landfill. Currently 36 landfill-free plants are documented with more progressing towards being land-fill free as they reduce these contributions.





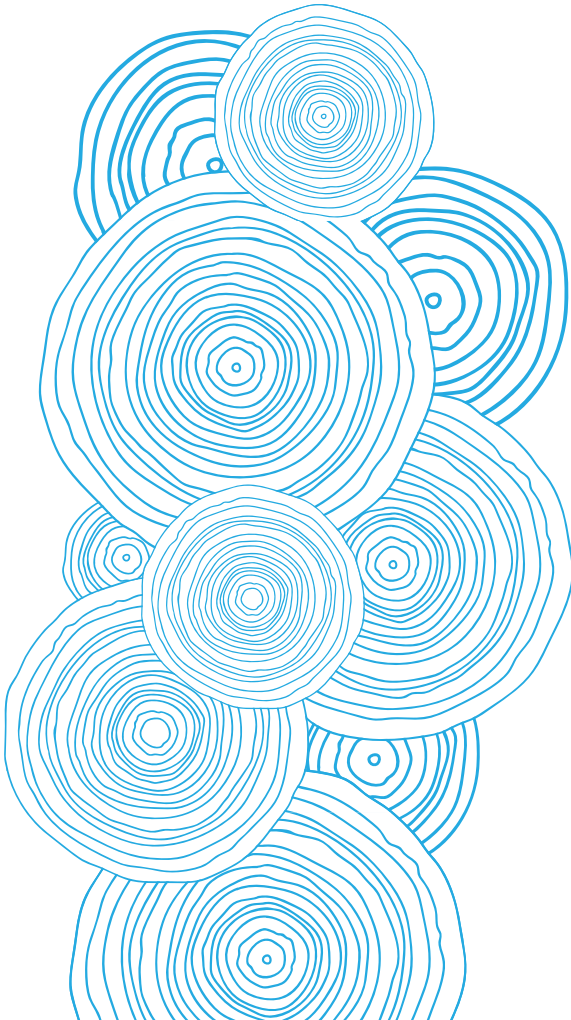
ENVIRONMENTAL STEWARDSHIP

Greenhouse Gases

A key component of Lear's sustainability commitment is to reduce greenhouse gas emissions (GHG) from our plants around the globe. According to the Intergovernmental Panel of Climate Change (IPCC) Fifth Assessment Report, Summary for Policy-makers (2014), "Human influence on the climate system is clear and recent anthropogenic emissions of greenhouse gases are the highest in history. Recent climate changes have had widespread impacts on human and natural systems."

Lear plants participate in corporate-wide data collection efforts and reporting on GHG emissions. The data is used to track, analyze and develop plans to reduce the GHG footprint and overall sustainability strategy. In response to numerous customer requests, Lear participates in the CDP (formerly the Carbon Disclosure Project) supply chain survey, a reporting platform for assessing an organization's performance, risks and opportunities related to greenhouse gases.

Lear established a baseline level in 2013 and set greenhouse gas reduction targets for 2020 at 15%. Continual growth and establishment of new facilities create a challenge to reducing our GHG emissions; however, Lear's commitment to continual improvement in energy efficiency and GHG reduction will help achieve the 2020 goals on schedule.



Emission Summary by Scope

Lear's emissions of greenhouse gases are categorized into two Scopes in alignment with the WRI/WBCD Greenhouse Gas Protocol: Scopes 1 and 2. An operational control approach for fully consolidated facilities is used for reporting boundaries.

Scope 1: Direct Greenhouse Gas (GHG) Emissions

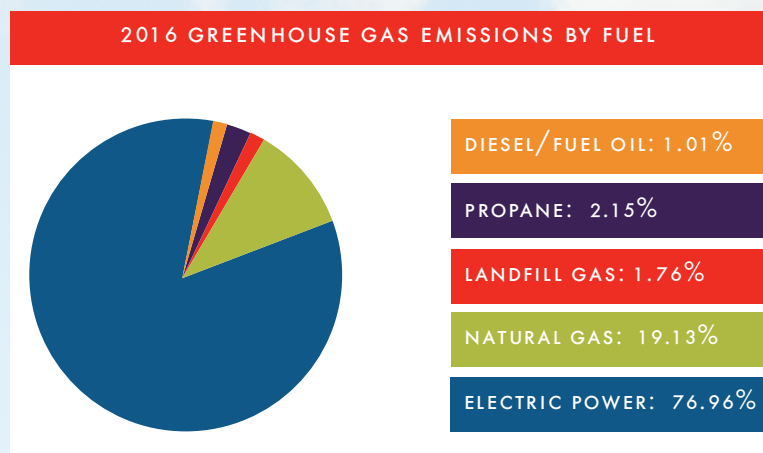
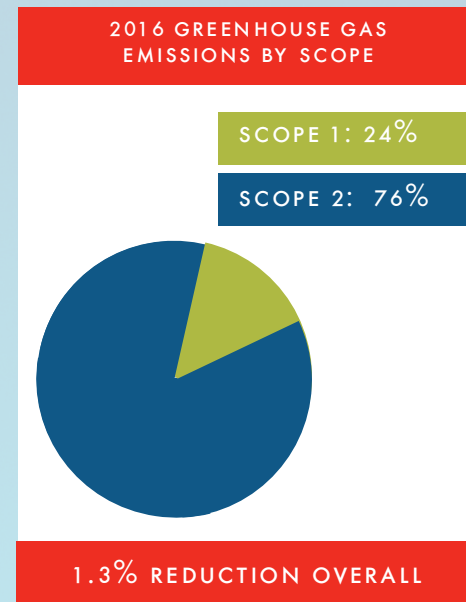
109,899 metric tons of CO₂-e

Scope 1 includes emissions occurring from sources that are owned or controlled by the company. This includes emissions from combustion in company-owned or -controlled boilers, generators and furnaces, as well as emissions from other mobile internal combustion equipment.

Scope 2: Indirect GHG Emissions

374,160 metric tons of CO₂-e

Scope 2 accounts for GHG emissions from generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company.

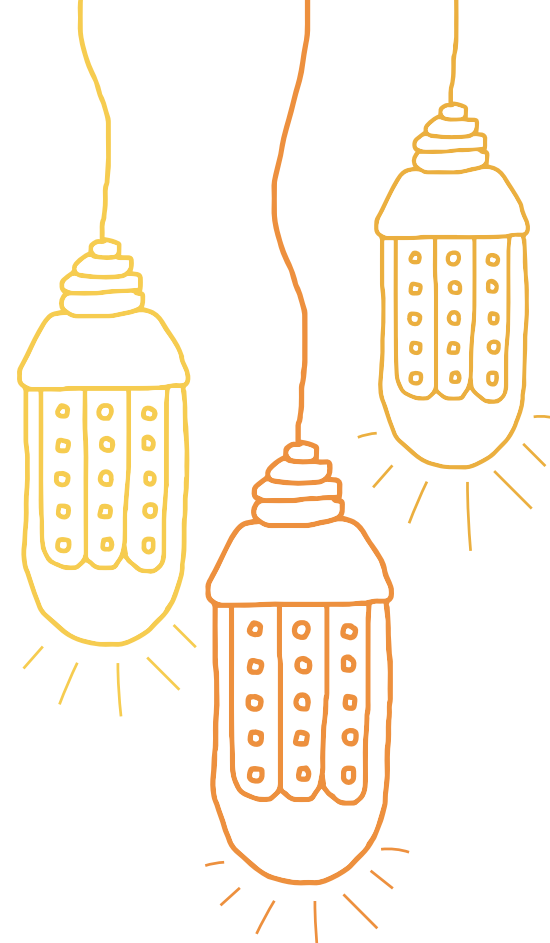


Energy Reduction Activities

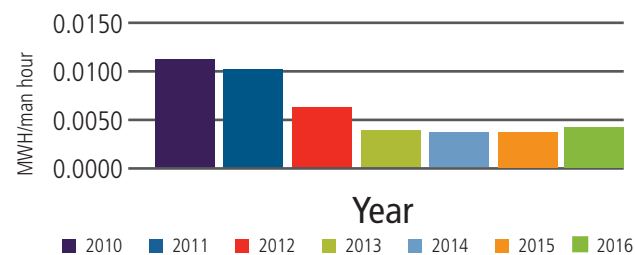
Lear's Global Continuous Improvement teams strongly support our sustainability efforts using lean manufacturing processes to identify energy and waste reduction projects, track progress and operate a best practice website to share successful efforts. A sampling of energy reduction projects undertaken at several representative plants around the globe during 2016 include:

- Conducted energy treasure hunts at various plants identifying opportunities of CO2 reduction.
- Elimination of compressed air losses by conducting audits, detecting leaks detection with repair programs, replacing motors with variable speed motors and using management programs.
- Continue to manage print program in corporate offices to reduce wasted print copies saving electricity, toner and paper.
- Implemented an energy-saving awareness program for employees to identify and act upon opportunities to reduce electrical consumption such as: lighting on when area not in use, computers on after working hours, fans and equipment operating during lunch time in production areas.
- Continued delivery on our commitment to replace lighting systems using LED lamps for illumination overtime. Over 35 lighting projects were implemented to reduce electricity and maintenance cost and to increase lifetime of bulbs.
- Continued evaluation and installation of occupancy sensors or timers for lights in warehouse or office areas.
- Continued programmable thermostat installation to control heating and air conditioner systems during evenings, weekends and holidays.
- Improved building envelopes to reduce heat loss and maintain building heat. Use of zip doors that remain closed until a material is to be exchanged, then open to allow a bin to pass through and then close again.

Lear contributed to global GHG reductions by realizing weight savings in seating systems which translate into CO2 reductions. As an example, on average Lear saved 63 K tons of CO2e-/year globally due to model year weight reductions in the seating systems. In addition to weight reduction, Lear contributed to weight reductions and improvements in recliners for automotive seating systems which generated savings of 1.4 M tons of CO2e-/year globally.



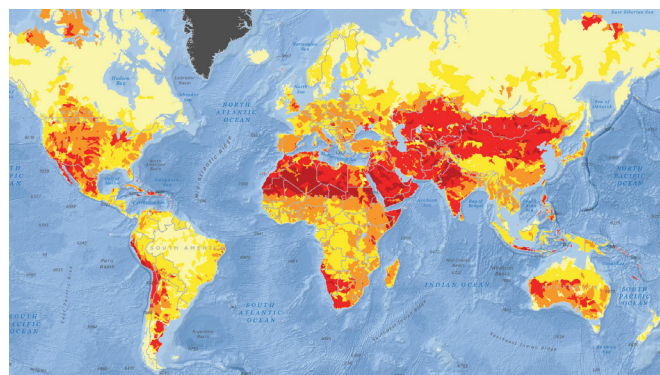
GLOBAL ENERGY CONSUMPTION -NORMALIZED





WATER STEWARDSHIP

Water scarcity increasingly threatens many parts of the world, especially as global demand rises from growing populations, economic development and the impacts of climate change. Water stewardship is about business understanding the risks they face from water scarcity and pollution and acting to help ensure water is managed sustainably as a shared, public resource. While this challenge is concerning, Lear believes the world has sufficient water supply to meet everyone's needs if we all work together to better manage it. As a water consumer, we take our commitment seriously to be a responsible steward of this precious, shared resource.



Overall Water Risk

- Low risk (0-1)
- Low to medium risk (1-2)
- Medium to high risk (2-3)
- High risk (3-4)
- Extremely high risk (4-5)
- No data

Source: **WRI Aqueduct 2014**

Lear promotes water reduction projects to at all locations around the world. Our Continuous Improvement and Environmental teams share best practices in order to benefit from projects that have been found to be successful with water reduction activities. Some 2016 projects include:

- A water recycling project to improve our wastewater treatment process provides 57 cubic meters per day of recycled water to be reused at the facility in non-potable processes, including landscape watering, thus reducing the overall demand for fresh water.
- Installed filtered drinking water dispensers and provided reusable water bottles to employees.
- Installed and optimized water-saving bathroom fixtures and implemented taps with automatic shut-off to reduce water consumption.
- Installed water meters to identify inefficiencies and leaks.
- Volunteered in clean-up activities for rivers and shorelines in South America and Asia.

Lear continues to identify and implement water-saving programs at our facilities to meet our new 2020 goal of an additional 10% water use reduction over our 2013 baseline.

ENVIRONMENTAL STEWARDSHIP EXAMPLES FROM AROUND THE GLOBE



United States

Household Hazardous Waste / Recycling Event On Earth Day

Lear's Environmental, Health and Safety Department provided an opportunity for Southfield Campus team members to dispose of household chemicals and e-waste from their homes. The Southfield employees dropped off almost ten tons of materials to be safely handled and recycled. Amounts included almost 9700 lbs of household chemicals including paint; more than 1400 lbs of oil; and more than 7700 lbs of electronics. With the aim of encouraging Southfield employees to increase recycling and proper handling of household wastes, Lear managed and recycled or properly dispose of potentially hazardous household items to contribute toward Lear's goal of increase in recycling.



Bio Fiber Reinforced Plastic (BFRP)

Guilford manufactures a range of fabrics that contain renewable, recycled or recyclable materials to reduce environmental impact. Polyethylene terephthalate (polyester) fibers may be virgin polyester (100% derived from petroleum products); bio-based polyester (30%+ derived from plant-based products); or recycled polyester (100% derived from old polyester products such as bottles, yarn, etc.).



ENVIRONMENTAL STEWARDSHIP EXAMPLES FROM AROUND THE GLOBE



Mexico

Earth Day

For Earth Day, Lear Leon employees and their families assisted to a reforestation campaign where more than 500 trees were planted in the Nuevo Valle de Moreno area and the Hermosillo donated needed trash cans to help protect the environment.



Clean Industry Certification

The Federal Environmental Protection Agency (PROFEPA) awards Clean Industry Certification to facilities that demonstrate satisfactory accomplishment of legal requirements regarding environmental protection. Currently, 77% of Mexico plants have been awarded with the Clean Industry Certification (27 plants), four additional sites are on target to receive their certification by the end of 2017 and eight new plants will be added to the program in 2018.



“Purple Line” Treated Water System

Recently the Juarez area's local water supplier JMAS gave special recognition to Lear Mexico's Monarca and Triunfo plants, due to the usage of the “purple line”, a treated water system used in restrooms and green areas water distribution. Aligned to Lear's Sustainability strategy, E-Systems Mexico has been using this “purple line” since 2012, reducing by 35% (22,800 m3 annual average) in consumption of potable water. This system is used by only 37 other companies in Juarez, which is Mexico's first border city treating 100% of its residual water. In belonging to this network these two plants contribute to the saving of potable water in the city of Juarez and also realize an economic impact for the plants that realize a significant cost savings of more than \$54,000 annually.

ENVIRONMENTAL STEWARDSHIP EXAMPLES FROM AROUND THE GLOBE

Vietnam

Lear Haiphong held an environmental clean up activity at Doson Beach.



Thailand

Lear Thailand's Korat donated tree seedlings, equipment and funds for the historic At Wat Pa Salawan Nakhon Ratchasima area to help preserve it as a traditional sanctuary for contemplation.



Philippines

As part of Lear's Environmental Management Program to support the community, Lear Cebu held a coastal clean-up event and mangrove and coffee seedling planting campaigns to further sustainable ecological programs for the area.



Brazil

The Lear Navegantes team celebrated World Water Day with several projects about water preservation and pollution avoidance. The plant participated in a local community initiative called "Together by the River", which gathered people from businesses and several non-governmental organizations for a task force to clean the Itajaí Açu River.



Russia

Double gates and insulation were installed in the shipping area to reduce heat loss during winter in Nizhny Novgorod.



SOCIAL RESPONSIBILITY

From senior leadership to our newest team member, Lear employees contribute to a wide range of charitable and service organizations in the communities around the world where we do business. Our long tradition of civic involvement continues as our employees volunteer time, financial support and provide gifts of goods and services to help those in need and causes that benefit society at large. The following pages reflect diverse examples globally of the many ways Lear facilities give back as part of our commitment to make a positive impact.





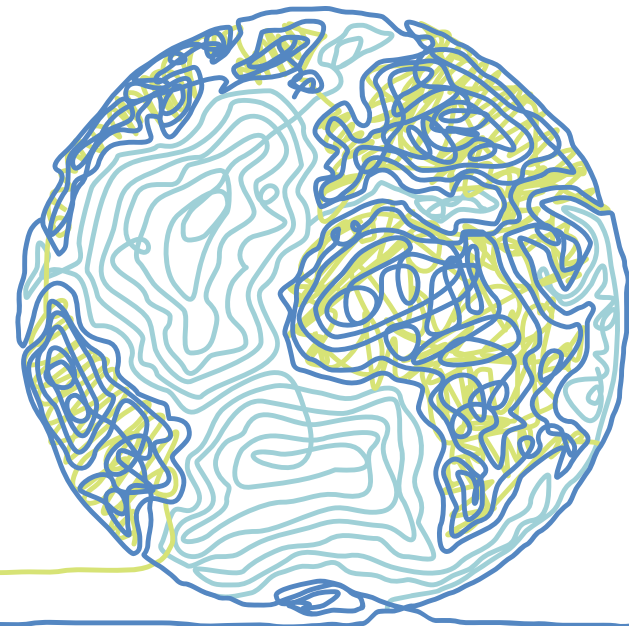
SOCIAL RESPONSIBILITY

Conflict Minerals

Lear cares about our impact on this planet and has developed and adopted a “Conflict Minerals Sourcing Policy” that is part of a broader approach to help ensure the protection of both people and the environment where we do business but also in places very far removed from our direct supply base.

Lear requires legal and ethical sourcing of materials in our supply chain and part of the Policy imposes an obligation on Lear’s suppliers to engage in due diligence of their respective supply chains to understand and report the content of the parts such suppliers provide to Lear.

Lear performs due diligence on its supply chain and makes annual disclosures concerning its use of conflict minerals originating in the Democratic Republic of the Congo and adjoining countries and has an active conflict minerals mapping process to ensure that the company is driving towards conflict-free sourcing of materials used in all products.





SOCIAL RESPONSIBILITY

United Way

With employees serving as volunteers leading efforts to contributing consistently with a dedication of time and resources, Lear Corporation has supported the United Way since 1977 and its mission to improve lives and empower families by focusing on education, economic prosperity and health issues.

United States

For the 5th consecutive year, we achieved 100% participation by our salaried employees in Southeast Michigan. Overall, 2016 was our Company's most successful United Way campaign. Highlights include:

- In total, Lear employees pledged a record \$1.45 million, up 14% from last year.
- A Lear record of 88 Alexis de Tocqueville Society members (those that pledging to contribute \$10,000 or more annually) and
- A Lear record of 301 Leadership Level contributors (those that pledging to contribute \$1,000 or more annually).



Volunteers from the Lear Southfield Seating team and Eagle Ottawa helped run a United Way "Meet Up and Eat Up Block Party" at a park just outside of Detroit to raise further awareness of United Way's summer food program to assist the community while at the same time removing the stigma associated with requesting food help.





SOCIAL RESPONSIBILITY

United Way

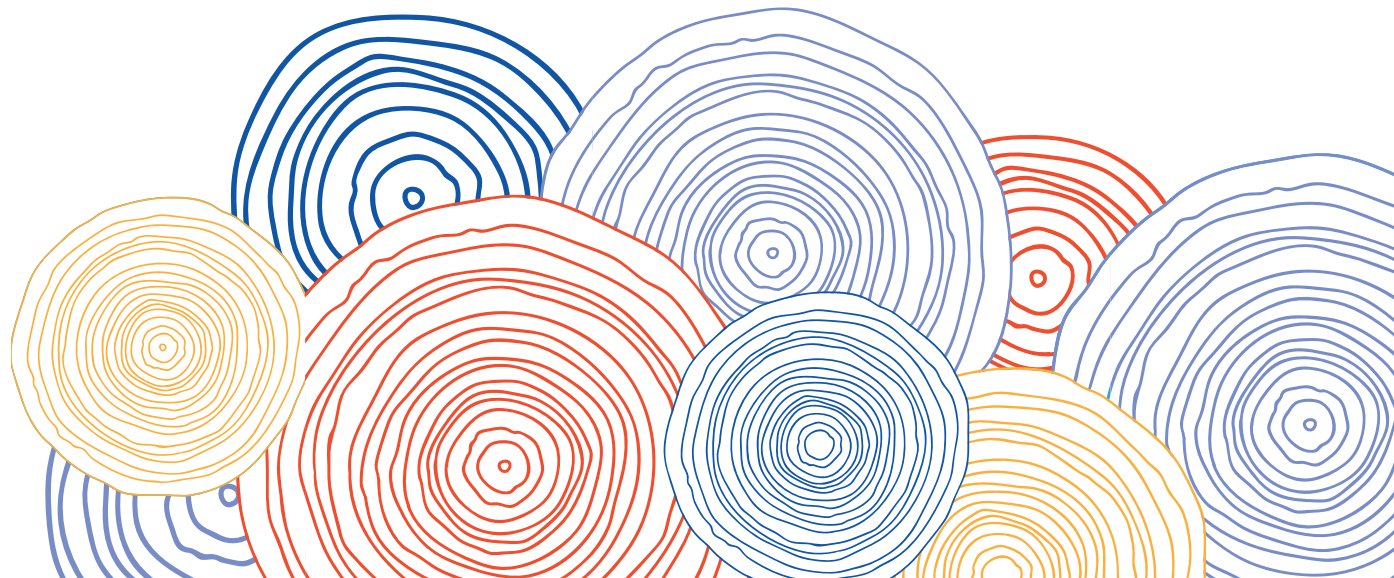
Brazil

This year in order to standardize Lear volunteer activities that have in the past supported the community and sustainability, Lear South America Operations created the “Sustainability Lear” program, which partners with United Way Brazil. Actions by the plants focused on the environment, local donations and new community support regarding children’s education.

For “Live United Day”, the first action in partnership with United Way, all plants launched a volunteer enrollment and children’s books campaign and each week participants gathered for storytelling training in preparation for volunteering at a nearby educational institution. Volunteers collected 2600 books to benefit more than 1100 children.

Mexico

In partnership with Fondo Unido Chihuahua, Lear Villa Ahumada donated materials for the remodeling of the facade of CAM (Multiple Adaptation Center) and for electrical installation of related support for the School Venustiano Carranza.





SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

Emergency Response

Germany

Lear Oberding team members responded to assist a local non-profit organization to provide emergency assistance to those in need after massive flooding struck the nearby city of Simbach am Inn and the surrounding area.



Guilford

Guilford Performance Textiles team members raised funds for the American Red Cross in response to the disastrous effects of Hurricane Matthew in North Carolina, which contributed to helping the organization provide more than 35,000 overnight stays in shelters, 800,000 meals and snacks and the distribution of more than 15,000 clean-up kits.



Parks and Rec

Mexico

In Hermosillo, the Lear team volunteered to beautify the Francisco I. Madero Park by planting trees and donating trash cans and Toluca employees joined efforts to reforest 14 hectares of the Sierra Morelos Park. Our Victoria team beautified a public park and planted seeding as well and the Ramos Arizpe plant in Coahuila also worked to reforest a park in the Analco area.



United States

Lear Southfield partnered with the private sector, non-profit organizations and the Cody Rouge Community Action Alliance to support the Grow Cody Rouge Project, a large-scale initiative to make a positive impact on the beauty and safety of the Cody Rouge neighborhoods located in west Detroit. Lear funded an outdoor living space for the residents featuring a concrete pad, gazebo, barbecue grills and picnic tables, which was installed by Lear volunteers.



SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

Diversity

United States



Lear Corporation's GROW (Global Resources & Opportunities for Women) speaker series hosted Dr. Mary Lou Jepsen, member of the Lear Board of Directors and the founder of Openwater, a start-up company focused on replacing Magnetic Resonance Imaging (MRI) functionality with a consumer electronic wearable using novel opto-electronics to achieve comparable resolution.



United States

In 2016 Lear was inducted into the Billion Dollar Roundtable, which recognizes and celebrates corporations that achieve spending of \$1 billion or more with diverse suppliers, including minority- and woman-owned companies.



China and United Kingdom

Lear served as a presenting sponsor for the annual POWER: Opening Doors for Women conferences in Shanghai and London to help bring together preeminent thought leaders and business executives to discuss the importance of inclusivity to spur creativity, innovation and leadership. Lear's Shari Burgess (Chief Diversity Officer & Vice President, Treasury) is pictured in the group's center after speaking in Shanghai.



South Africa

Lear Port Elizabeth in South Africa participated once again in a regional effort with the Association for the Physically Disabled to raise awareness regarding accessibility in the business environment. With the loan of a wheelchair, team members experienced what issues may exist at work and in the community as a user or one who assists. The plant also contributed funds for a new wheelchair for a person in need.

SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

Basic Needs

Morocco

Lear Tangier's team in Morocco worked with the Al Awn Wa Al Ighata Association and visited a local orphanage after collecting donated items from employees to fulfill the children's needs.



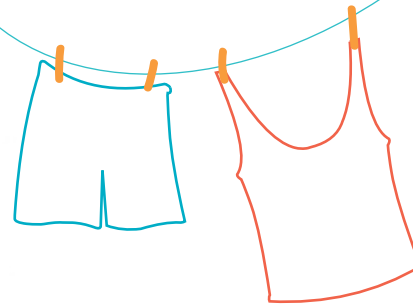
Spain

Lear Valls in Spain had four different campaigns where team members once again volunteered to help raise funds for child and breast cancer research and projects to integrate into society people with Down syndrome, intellectual disabilities and cerebral palsy.



United States

Lear Tuscaloosa in Alabama dedicated its community service to the Oak Hill Head Start program that focuses on early childhood development for families in need. In addition to donating supplies, team members read to the children, led them in arts and crafts projects and more.



Mexico

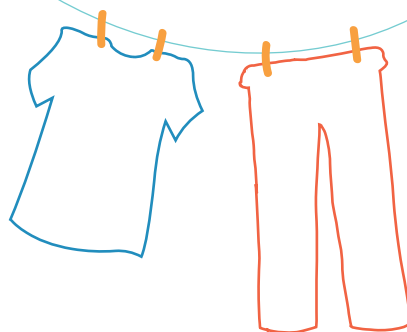
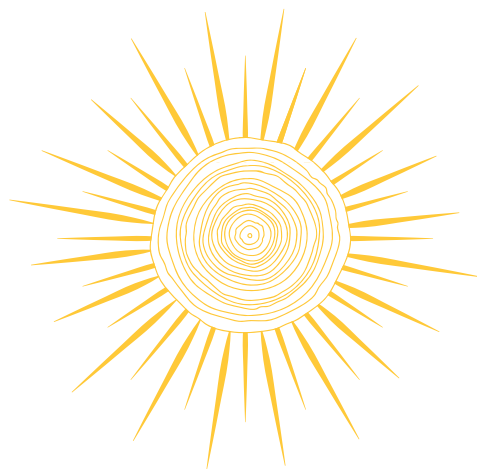
Lear Mexico's La Cuesta plant in Juárez selected to assist "Quien Amara a Los Niños" ("Who Will Love the Kids?"), a community diner service for low-income families with the main focus to feed children and provide them with a place where they can relax, eat and play in a safe environment. Team members collected and delivered non-perishable goods that would stock the diner's shelves.





United States

For almost two decades, Lear Southfield has supported HAVEN, a nationally recognized nonprofit leader and the only comprehensive program for domestic assault in Oakland County, which provides expertise in emergency shelter, counseling, court advocacy, response teams, personal protection and support groups, in its efforts to promote a world of safe, equal and accountable communities where sexual assault and domestic violence do not exist.



Germany

Lear Oberding continued its traditional support of the Münchner Tafel soup kitchen that supplies 18,000 people in need weekly when the finance team visited to donate food and cash donations that had been collected from employees.

China

Lear Beijing BHAP joint-venture team members selected the Shepherd Orphanage Village located in the city of Tianjin to pay a visit to children with special needs. Coming from 26 orphanages in China, the children have no guardians and were otherwise unable to receive any treatment or assistance. Employees provided supplies and gifts for the children and decorated the orphanage's hall for a special event.



Brazil

Lear's plants in Brazil launched "solidarity" campaigns where employees collected more than 10,000 items of clothing and shoes in the Caçapava, Betim, Joinville, Navegantes and Eagle Ottawa's Londrina locations and each plant selected an institution to support, including a nursing home and an association that welcomes and helps the homeless. The Camaçari plant collected non-perishable food for a local day care center and the Goiana plant painted the "Abrigo São José" senior citizens' home, which helps 43 older people in the region.



SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

Education

Philippines



As part of the Asia-Pacific region's One Heart, One Lear community service initiative, the Lear Philippine Engineering and Technology Center (PETC) team volunteered with supplies and painted a nearby elementary school as well as performing repair work and donating school supplies, books, four sets of wall fans and funds for the incoming students.



India

Lear India actively supports educational efforts as part of the One Heart, One Lear initiative across the country, ranging from donations for classroom construction in Halol, a van for transportation of children with special needs in Chennai and school supplies and support for those in need.



China

Lear's Yangzhou terminals and connectors plant in China delivered 96 sets of school uniforms, gift bags and school and recreational supplies to a primary school for "left-behind children", which refers to children who live in their hometowns or stay at relatives' homes because one or both parents work outside the home and the children live separately from their parents for a long time.

Germany

Team members in Germany have raised money for the "Samuel-Heinicke-Realschule" school for the deaf in Munich, the only such school in Bavaria where children that are severely hearing-impaired have an opportunity for a secondary school education.





SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

Arts and Culture

Slovakia

The Lear Prešov facility supported Margaréta Fest, a unique international festival for disabled artists in Slovakia, providing young people with disabilities the opportunity to show their talent in the categories: dance, singing, spoken word, theater and the culture of national minorities.



Malaysia

Lear Malaysia team members volunteered to support a charitable creative art and reading program for children in need. Employees volunteered for the creative art portion to help students understand concepts and guide them in creativity and helped teach a foreign language via phonics and writing.



United States

At the new Lear Innovation Center in downtown Detroit, Lear planned the site as a hub for art, creativity, automotive advanced concept development and hands-on learning for area college students from Wayne State University and the College for Creative Studies.

In continuing the tradition of supporting arts and culture in the communities where we do business, Lear commissioned local artists to express a vision as well as inspire artists of tomorrow. The Lear Innovation Center offers an open first floor gallery and showroom that has been utilized to benefit community organizations, including events regarding design, performances and arts programming for public television.



United States

Lear's longstanding commitment to creativity extends to continuing support for such cultural institutions as the Detroit Institute of Arts and the Michigan Opera Theatre, thus contributing to bringing masterpieces and emerging works in diverse media including the visual, sound, dance and more to the public.



SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

Health and Well-Being

United States

Lear continued participation as a corporate sponsor for the Southeast Michigan JDRF (Juvenile Diabetes Research Foundation), with multiple Michigan locations raising funds for the JDRF through employee donations and participation in JDRF events.



Moldova

Lear Moldova organized an informational campaign on the prevention of the A(H1N1) influenza virus, or swine flu, including risk factors affecting children, senior citizens and pregnant women and how the virus is transmitted.



Poland

The Mielec plant in Poland organized mammography tests for more than 180 women as well as a continuing plant blood donation campaign by hosting a mobile blood collection bus for two days on site.

France

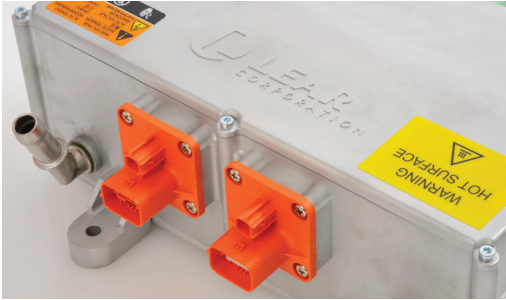
Near Paris, Lear France's Vélizy team continued its relationship with the Hospital Gustave Roussy, one of the world's leading cancer research institutes and one of Europe's biggest oncology centers. Neighboring companies were invited to join Vélizy's efforts to raise funds for sick children and the resulting donation focused on recreation that also served as physical therapy.



ECONOMIC PROSPERITY

Lear has grown to #151 on the Fortune 500, driven by Core Values including Innovation, Integrity, Community and Teamwork. The global Lear team designs, engineers and manufactures world-class automotive seating and electrical distribution systems products that appear on more than 400 nameplates for every major automaker in the world. Teamwork provides the drive for Lear's economic prosperity which benefits families and our neighbors in the communities where we do business.





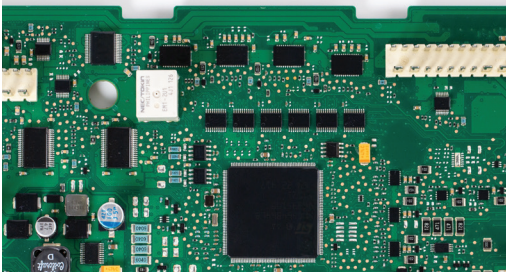
ECONOMIC PROSPERITY

E-Systems



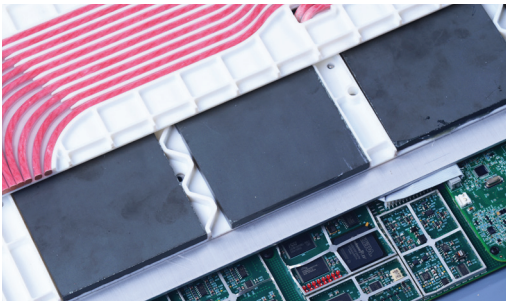
Advanced Power Management Creating a Path to an Electrified Future

Lear has established a market-leading position in high-voltage battery chargers and electric vehicle supply equipment, offering chargers with the industry's lowest mass, highest efficiency and smallest package size. Lear also provides technology for efficient high-power energy management, essential for today's electrified vehicles.



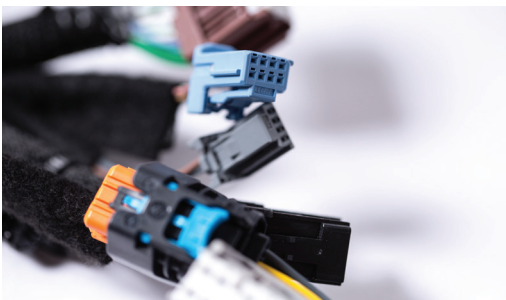
Energy Management for Electrified Vehicles

Lear offers a full product portfolio of standalone and fully integrated solutions for its OEM customers' electrified vehicle energy management requirements. Lear's technology includes DC to AC inverters that are used to generate energy to propel the vehicle's electrified drivetrain, as well as capture the kinetic energy created while braking to charge the vehicle's battery, and also DC to DC converters, which take high-voltage energy from the battery and steps it down to power vehicle systems that require lower voltage loads.



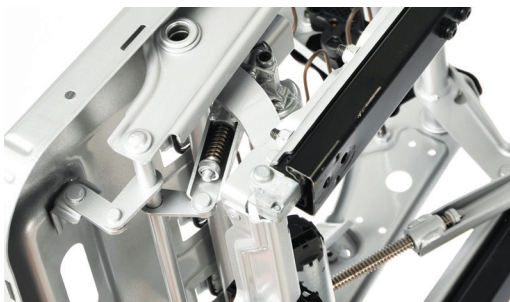
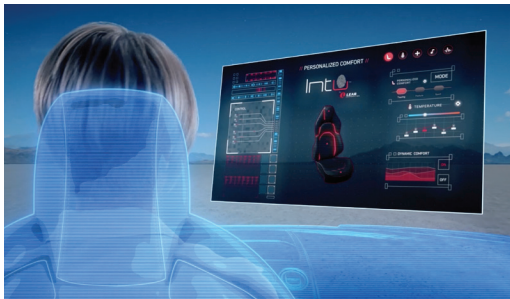
Charging More Efficiently Both Wired and Wirelessly

Lear supplies conductive, or wired, charging systems to multiple global OEMs and its wireless charging technology for plug-in hybrid (PHEV) and electric vehicles (EVs) rectifies the AC from the grid and inverts it to 85-kHz AC via a wall-mounted module. From there the 85-kHz AC is beamed wirelessly from floor pad to vehicle pad using magnetic resonance. This 85-kHz signal is then rectified on the vehicle side to charge the vehicle's battery.



Power Distribution System

Our industry-leading power distribution system technology for PHEVs and EVs enables the interconnection of all high-power components in a vehicle, products including terminals, connectors, wiring, power distribution boxes and manual service disconnect. Lear's proprietary terminal system has industry-leading current carrying capability and this unique system is significantly smaller than the competition and uses fewer materials, which reduces system cost.



ECONOMIC PROSPERITY

Seating

Lear Innovates with **Intu™**

In creating an automotive seating solution as unique as each and every body and with our proven track record as the world leader in premium luxury and performance automotive seating, Lear introduced the new Intu™ seat that stands apart as smarter than smart, based on extensive data from our proprietary research and collaboration with Lear's E-Systems business segment.

Within the categories of Comfort, Connectivity and Health & Wellness, Intu™ has relevance for sustainability topics, examples including:

- Our exclusive thermoelectric technology that heats and cools seats faster utilizes less energy than any other available system, which may result in an up to 20% increase in electrical vehicle range and a potential for up to 6 grams per mile of carbon credits.
- Considering that lower back pain is the single leading cause of disability worldwide and Americans spend about \$50 billion annually on back pain treatments, ProActive™ Posture Seating can provide recommended seat settings, simplifies seat control adjustment and is endorsed by leading international chiropractic associations.

Built Upon a History of Innovation **SoyFoam™**
Renewable Comfort

Innovation has been a hallmark of Lear's Seating business segment as it introduced and continues to promote the award-winning SoyFoam™, the first-to-market seating foam with hydroxyl-functionalized soybean oil in place of a petroleum-based ingredient, thus reducing carbon use a net 5.5 kg of CO2 per each kg used with 60% lower conversion energy to produce.

Additionally, Lear utilizes products to decrease waste with up to a 30% weight reduction that provides environmental benefits, including, lightweight structures, frames, soft wood lamination and more.

SEATING



ECONOMIC PROSPERITY

Seating

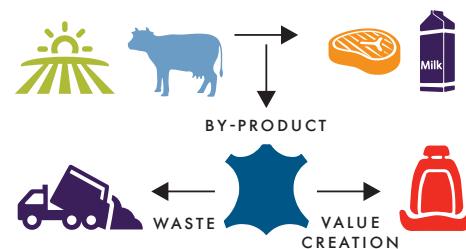
Eagle Ottawa

As the world's largest provider of premium automotive leather, Eagle Ottawa bridges environmental stewardship with its core business strategy, providing quality products driven by responsible practices. Highlights include:

- First automotive leather supplier to convert to water-based finishes, resulting in a 99% reduction in hazardous air pollutants.
- Investment in state-of-the-art finish roll coating, establishing an increased transfer efficiency and minimizing chemical waste and finish emissions globally.
- Our wet end formulations (used for retanning leather providing color and haptic properties) are made up of 40% natural ingredients, utilizing soy, lard and vegetable-based products.
- All synthetic wet end and finishing chemicals are water-based and the pH is neutralized internally before being sent to Waste Water Treatment.
- Continued operational improvements are realized through the efficient use of resources and by developing closed-loop processes in the manufacturing process.
- Scrap leather is provided for military veterans for the creation of inserts and soles of shoes through the non-profit organization Boots on the Ground.



VALUE CREATION THROUGH LEATHER PRODUCTION



OUR PHILOSOPHY IS THAT LEATHER IS A BY-PRODUCT SINCE 100% OF EAGLE OTTAWA'S RAW HIDES ARE NATURAL BY-PRODUCTS FROM THE MEAT PROCESSING INDUSTRY AND OUR PRODUCTION OF LEATHER REDUCES APPROXIMATELY 4.1 MILLION LBS (1.9 MILLION KG) FROM BECOMING LANDFILL WASTE ANNUALLY.

Source: Leather and Sustainability: From Contradiction to Value Creation, World Leather, 2014

Guilford Performance Textiles

In addition to automotive fabrics featuring recycled and recyclable fibers to filtration fabrics that aid in providing clean water, Guilford's product line includes textiles for performance apparel, footwear, medical goods, window fashions, print media, industry and more.

In addition to other measures, Guilford's Pine Grove, Pennsylvania, facility has implemented its Pine Grove Methane Project that reduces fuel oil consumption as well as harmful methane gas release by the local landfill. The plant uses methane gas piped in from the landfill to produce steam that runs the plant's boilers and 75% of all thermal needs are generated by landfill gas.



OUR CORE VALUES

QUALITY
INNOVATION
EFFICIENCY
CUSTOMER
DIVERSITY
TEAMWORK
INTEGRITY
COMMUNITY

ONE
LEAR

IN CLOSING...



Lear strives to be a leader in the management of environment, health, and safety, continually seeking to minimize the impact of our business activities and products have on the environment. Our overarching goal is to instill a “sustainability mindset” in all we do, which will be achieved by applying the three Pillars of Sustainability, (Environmental Stewardship, Economic Prosperity, and Social Responsibility) as our basis for sustainability activities.

We provided in this report an overview of our sustainability activities, and we are pleased to report continuous improvement of our performance and, most importantly, our culture. This report also highlights a sampling of employee community service activities around the globe. We very much appreciate the thousands of Lear employees who volunteered their time, financial, and other support to a wide range of community causes and are truly honored they are part of our team.

The Lear team is committed to doing its part to achieve a sustainable future for our environment and our business and looks forward to continuing our sustainability journey as a team - including not only Lear and its employees but also our customers and suppliers. Together we can achieve much more than any one of us can achieve individually, and future generations are counting on us to succeed.

Thank you for taking the time to read this report and for your interest in Lear and our sustainability efforts.

With kind regards,

A handwritten signature in black ink, appearing to read 'Jack Nunes'.

Jack Nunes

Vice President

Global Health, Safety and Environmental Management

CORPORATE HEADQUARTERS
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To consistently be recognized as:

- A Supplier of choice;
- An Employer of choice;
- The Investment of choice; and
- A Company that supports the communities where we do business.