

# CORPORATE GOVERNANCE GUIDELINES

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GARMIN LTD.

Amended and Restated as of December 7, 2021

# CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “Board”) of Garmin Ltd. (the “Company”) has adopted these Corporate Governance Guidelines (“Guidelines”), in order to assist the Board in the exercise of its responsibilities and to serve the best interests of the Company and its shareholders.

The Guidelines are necessarily subject to review and modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its shareholders, and as required by applicable laws and regulations.

## I. ROLE OF THE BOARD

The Board’s primary responsibility to the Company shall be to provide effective governance over the Company’s affairs for the benefit of the shareholders. In all actions taken by the Board, the directors shall be expected to exercise their business judgment in what they reasonably believe to be the best interests of the Company. In discharging their obligations, the Board and each of its committees, and each member of the Board and such committees, shall be entitled to rely, in good faith, on information, opinions, reports or statements, or other information prepared or presented to them by officers and other employees of the Company or its subsidiaries, or counsel, public accountants or other persons as to matters which the Board or committee believes to be within the professional competence of such person.

## II. SPECIFIC FUNCTIONS OF THE BOARD

At Board meetings, the Board shall review and discuss reports by management, board committees, outside auditors and other consultants. Such reports shall address the performance of the Company, its business plans and long-term strategy, potential opportunities, as well as challenges facing the Company. In addition to its general oversight of management, the Board or a committee thereof shall also perform a number of specific functions, including:

1. Selecting, evaluating and determining the compensation of the CEO, overseeing CEO succession planning, and taking other appropriate actions, including removal, when warranted
2. Providing counsel and oversight regarding the selection, evaluation and development of, and determining the compensation of, executive officers
3. Reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions
4. Overseeing risk assessment and risk management, including assessing major risks facing the Company and reviewing options for their mitigation
5. Ensuring processes are in place for maintaining the integrity of the Company and its financial statements, compliance with law, high ethics and relationships with customers, suppliers, and shareholders
6. Reviewing, and where appropriate, approving and evaluating policies for corporate conduct, including maintenance of disclosure controls and procedures, accounting, financial and other controls, and reviewing the adequacy of compliance systems and controls
7. Evaluating periodically the overall effectiveness of the Board

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## III. BOARD COMMITTEES

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The Board has three committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The Board may add new committees or remove existing committees as it deems advisable for purposes of fulfilling its primary responsibilities. Each of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee consists solely of independent directors. The Board shall recommend the members of the Compensation Committee for annual election by the shareholders. The Board shall appoint all other committee members and all committee chairpersons (including the Compensation Committee) according to criteria that it determines to be in the best interest of the Company and its shareholders, upon the recommendation of the Nominating and Corporate Governance Committee. The charters of each of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, which may be published on the Company's website at [www.garmin.com](http://www.garmin.com), are fully incorporated herein and set forth, among other things, the purposes, duties and responsibilities, composition of, and qualifications of the members of, each such committee. The duties of the three committees may be described briefly as follows:

- **Audit Committee.** The Audit Committee oversees the Company's internal accounting and financial reporting processes and external audit processes. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the performance, independence and qualifications of the Company's independent registered public accounting firm. The Audit Committee may also assist with oversight of and monitoring of the Company's risk management practices and legal and regulatory compliance as may be directed by the Board from time to time.
- **Compensation Committee.** The Compensation Committee oversees the Company's compensation programs and practices for executive officers and ensures that the Company's compensation programs and practices are competitive and effective in attracting, retaining and motivating executives. The Compensation Committee shall be informed as to market levels of compensation and, based on evaluations and the Company's performance (based on appropriate long-term and short-term goals), shall determine executive compensation levels and packages, subject to compliance with applicable Swiss law and the Company's Articles of Association. Compensation of the Executive Chairman, the Chief Executive Officer and the Company's other executive officers will be determined by the Compensation Committee.
- **Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee takes a leadership role in establishing and overseeing the governance policies of the Company and is responsible for recommending to the Board individuals to be nominated as directors. The Committee evaluates new candidates and current directors. The Nominating and Corporate Governance Committee also reviews the committee structure of the Board and the membership of the various committees at least annually and makes recommendations for any changes to the Board. The Nominating and Corporate Governance Committee performs other duties as described elsewhere in these Guidelines, including assisting the Board with general oversight of the Company's corporate governance.

Each Board committee shall perform the functions set forth in its respective charter and annually evaluate its performance.

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## IV. COMPOSITION OF THE BOARD

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- A. Size of the Board.** In accordance with the Company's Articles of Association and applicable Swiss law, the Board shall consist of the number of directors that is approved by the Company's shareholders. The Nominating and Corporate Governance Committee evaluates the size and composition of the Board and makes recommendations to the Board regarding changes to the size and composition of the Board, subject to approval by shareholders under applicable Swiss law.
- B. Election of the Board and Chairman.** In accordance with the Company's Articles of Association and applicable Swiss law, the shareholders shall elect the members of the Board and the Chairman of the Board annually at each General Meeting of Shareholders for a term of office extending until completion of the next Annual General Meeting of Shareholders.
- C. Independent Directors.** The Board shall be comprised of at least a majority of directors who, upon the determination of the Board, are independent of the Company and its management, in accordance with the listing standards of the New York Stock Exchange and any other applicable laws and regulations. The Nominating and Corporate Governance Committee and the Board shall review, on an annual basis, the independence of members of the Board.
- D. Qualifications.** Candidates for the Board shall be recommended annually to the Board by the Nominating and Corporate Governance Committee in accordance with the policies and criteria adopted by the Nominating and Corporate Governance Committee.

## V. CONFLICTS OF INTEREST

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The Board expects its members, as well as officers and employees of the Company, to act ethically at all times and to acknowledge their adherence to the Company's Code of Business Conduct and Ethics and the Company's Policy and Procedures with respect to Related Person Transactions.

## VI. MEETINGS OF THE BOARD OF DIRECTORS

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- A. Meetings of the Board.** The Board shall have a regular meeting at least four times a year, as determined by the Board, and may have special meetings as called pursuant to the Company's Articles of Association. A director is expected to regularly attend meetings of the Board, and of those committees of the Board on which a director may sit, with the understanding that on occasion a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the chairperson of the appropriate committee in advance of such meeting. Each member of the Board is expected to attend the Annual General Meeting of Shareholders.
- B. Meeting Materials.** Information, data and other materials relevant to the matters to be considered at each meeting of the Board shall be, to the extent practicable, distributed in writing or electronically to the Board sufficiently prior to the meeting to permit review by members of the Board in advance of the meeting. Directors are expected to review these materials before the meeting. The Board acknowledges that certain items to be discussed at Board meetings are of an extremely sensitive nature and that the distribution of materials on these matters prior to Board meetings may not be appropriate.

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- C. Meetings of Independent Directors.** The independent directors of the Company shall regularly meet in executive session, without the presence of the Company's management or non-independent directors. These executive session discussions may include such topics as the independent directors determine.
  
- D. Director Access to Employees.** The Board expects that senior officers of the Company will regularly attend Board and committee meetings, present proposals and otherwise assist in the work of the Board. The Board shall have access to the Company employees for the purposes of obtaining all the information necessary for the Board to fulfill its duties. The Company's management, at the discretion of the Board, is permitted to invite any employee to any meeting of the Board at which such employee's presence and expertise would be helpful to the Board in having a full understanding of an issue under consideration.
  
- E. Access to Independent Advisors.** The Board shall also have the authority to obtain advice and seek assistance from internal and external legal, accounting and other advisors as it deems appropriate. The Board shall have sole authority to approve the fees of such consultants or advisors and other retention terms as it deems appropriate, all at the Company's expense.

## VII. COMPENSATION OF DIRECTORS

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Employees of the Company who serve on the Board, other than the Executive Chairman, shall not receive any additional compensation from the Company for such service. Compensation of non-employee directors shall be determined by the Board after considering the recommendation of the Compensation Committee, subject to compliance with applicable Swiss law and the Company's Articles of Association. The Compensation Committee shall periodically review the Company's director compensation in view of director compensation in companies deemed to be peers of the Company or that have boards of directors performing functions similar in scope or complexity to those performed by the Board.

## VIII. SUCCESSION PLANNING

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The Board or a committee thereof shall be responsible for overseeing the preparation of a succession plan for the position of CEO and other executive officers and revising the plan on an ongoing basis, as needed.

## IX. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

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The Board shall be responsible for orienting new members concerning the Company's business and risk profile and as to the practices and procedures of the Board and committees on which the new member serves. The Company may from time to time suggest to its directors continuing education programs, and the General Counsel, Chief Financial Officer and others may incorporate continuing education topics into Board and committee meeting agendas.

The Nominating and Corporate Governance Committee shall create and implement a process for the Board and each committee to annually evaluate its own performance.

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## X. INDEMNIFICATION OF DIRECTORS AND OFFICERS

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The Company shall provide reasonable directors' and officers' liability insurance for directors and officers and shall indemnify directors and officers to the fullest extent permitted by law and the Company's Articles of Association.

## XI. CODE OF BUSINESS CONDUCT AND ETHICS

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The Company has adopted a Code of Business Conduct and Ethics ("Ethics Code"). The Ethics Code applies to all employees of the Company and its subsidiaries as well as to directors and officers of the Company. The Ethics Code establishes procedures for notification to the Company and the Audit Committee of any occurrences raising ethical or legal concerns. The Audit Committee shall periodically review the Ethics Code, including a review of whether at a minimum it contains the elements required by applicable laws and regulations.