



**GARMIN LTD.**

**NOTICE AND PROXY STATEMENT  
FOR  
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD  
FRIDAY, JUNE 10, 2022**

**YOUR VOTE IS IMPORTANT!**

Please mark, date and sign the enclosed proxy card  
and promptly return it in the enclosed envelope.  
If you reviewed your materials electronically or through a broker  
or other nominee,  
please follow the instructions provided.

**THIS NOTICE AND PROXY STATEMENT, THE ACCOMPANYING PROXY CARD AND THE 2021  
ANNUAL REPORT ON FORM 10-K ARE FIRST BEING FURNISHED ON APRIL 25, 2022.**





Garmin Ltd.  
Mühlentalstrasse 2  
8200 Schaffhausen  
Switzerland

# Notice of Annual General Meeting of Shareholders

## To be held on June 10, 2022

To the Shareholders of Garmin Ltd.:

The 2022 Annual General Meeting (the "Annual Meeting") of Shareholders of Garmin Ltd., a Swiss company ("Garmin" or the "Company"), will be held at 4:00 p.m. Central European Summer Time (9:00 a.m., U.S. Central Daylight Time) on Friday, June 10, 2022. In accordance with article 27 of the Swiss Federal Council Ordinance 3 on Measures to Combat the Coronavirus dated June 19, 2020, as amended (the "COVID-19 Ordinance"), we have determined that it will not be possible for shareholders to attend the Annual Meeting in person at the venue (i.e., the offices of the law firm Homburger Ltd., Prime Tower, Hardstrasse 201, 8005 Zurich, Switzerland). Shareholders may exercise their voting rights only by giving voting instructions to the independent voting rights representative, the law firm of Wuersch & Gering LLP, 100 Wall Street, 10<sup>th</sup> Floor, New York, NY 10005, USA, or its designee, as further described in the accompanying proxy statement. We regret these measures, but believe they are necessary and appropriate to protect our employees and shareholders from the risk of contagion with the COVID-19 virus.

The purpose of the meeting is to consider and vote upon the following matters:

### PROPOSALS

**1. Approval of Garmin's 2021 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 and the statutory financial statements of Garmin for the fiscal year ended December 25, 2021**

The Board of Directors proposes to the Annual Meeting to approve Garmin's 2021 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 and Garmin's statutory financial statements for the fiscal year ended December 25, 2021.

**2. Approval of the appropriation of available earnings**

The Board of Directors proposes to the Annual Meeting to approve the appropriation of available earnings as follows:

**Proposed Appropriation of Available Earnings: in Swiss Francs ("CHF")**

Balance brought forward from previous years	CHF	53,340,000
Net loss for the period (on a stand-alone unconsolidated basis):	CHF	(12,550,000)
Total available to the general meeting:	CHF	40,790,000

*Resolution proposed by the Board of Directors:*

*- RESOLVED, that the available earnings of CHF 40,790,000 shall be carried forward.*

**3. Approval of the payment of a cash dividend in the aggregate amount of U.S. \$2.92 per outstanding share out of Garmin's reserve from capital contribution in four equal installments**

The Board of Directors proposes to the Annual Meeting that Garmin pay a cash dividend in the amount of U.S. \$2.92 per outstanding share as follows:

Reserve from Capital Contribution as per December 25, 2021	CHF 4,800,205,000
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**Resolutions proposed by the Board of Directors:**

- RESOLVED, that Garmin, out of, and limited to the amount of, the Dividend Reserve (as defined below), pay a cash dividend in the amount of U.S. \$2.92 per outstanding share<sup>1</sup> out of Garmin's reserve from capital contribution payable in four equal installments at the dates determined by the Board of Directors in its discretion, the record date and payment date for each such installment to be announced in a press release<sup>2</sup> at least ten calendar days prior to the record date; and further
- RESOLVED, that the cash dividend shall be made with respect to the outstanding share capital of Garmin on the record date for the applicable installment, which amount will exclude any shares of Garmin held by Garmin or any of its direct or indirect subsidiaries; and further
- RESOLVED, that CHF 716,325,000<sup>3</sup> be allocated to dividend reserves from capital contribution (the "Dividend Reserve") from the reserve from capital contribution in order to pay such dividend of U.S. \$2.92 per outstanding share (assuming a total of 198,077,418 shares<sup>4</sup> eligible to receive the dividend); and further CHF (716,325,000)
- RESOLVED that if the aggregate dividend payment is lower than the Dividend Reserve, the relevant difference will be allocated back to the reserve from capital contribution; and further
- RESOLVED, that to the extent that any installment payment, when converted into Swiss francs, at a USD/CHF exchange rate prevailing at the relevant record date for the relevant installment payment, would exceed the Dividend Reserve then remaining, the U.S. dollar per share amount of that installment payment shall be reduced on a pro rata basis, provided, however, that the aggregate amount of that installment payment shall in no event exceed the then remaining Dividend Reserve.

Reserve from Capital Contribution after Dividend Reserve Allocation	CHF 4,083,880,000
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- (1) In no event will the dividend payment exceed a total of U.S. \$2.92 per share.
- (2) The announcements will not be published in the Swiss Official Gazette of Commerce.
- (3) Based on the currency conversion rate of 0.9174 as of December 25, 2021, with a total of 198,077,418 shares eligible for payout (based on the number of shares issued as at December 25, 2021), the aggregate Dividend Reserve would be CHF 716,325,000. The amount of the Dividend Reserve, calculated on the basis of the Company's issued shares as at December 25, 2021, includes a margin of approximately 35% to accommodate (i) unfavorable currency fluctuation and (ii) new share issuance (see footnote 4 below) that may occur between the time when the dividend is approved by shareholders and when the last installment payment is made. Unused Dividend Reserves will be returned to the reserve from capital contribution after the last installment payment.
- (4) This number is based on the registered share capital as at December 25, 2021. The number of shares eligible for dividend payments may change due to the repurchase of shares, the sale of treasury shares or the issuance of new shares, including (without limitation) from the conditional share capital reserved for the employee profit sharing program.

**4. Discharge of the members of the Board of Directors and the Executive Management from liability for the fiscal year ended December 25, 2021**

The Board of Directors proposes to the Annual Meeting that the members of the Board of Directors and the Executive Management be discharged from personal liability for the fiscal year ended December 25, 2021.

**5. Re-election of six directors**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting that each of Jonathan C. Burrell, Joseph J. Hartnett, Min H. Kao, Catherine A. Lewis, Charles W. Pepper, and Clifton A. Pemble be re-elected as directors, each for a term extending until completion of the next annual general meeting.

**6. Re-election of the Chairman**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting that Min H. Kao be re-elected as Executive Chairman of the Board of Directors for a term extending until completion of the next annual general meeting.

**7. Re-election of four Compensation Committee members**

The Board of Directors proposes to the Annual Meeting that each of Jonathan C. Burrell, Joseph J. Hartnett, Catherine A. Lewis and Charles W. Pepper be re-elected as members of the Compensation Committee, each for a term extending until completion of the next annual general meeting.

**8. Re-election of the independent voting rights representative**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting that the law firm of Wuersch & Gering LLP be re-elected as the independent voting rights representative for a term extending until completion of the next annual general meeting, including any extraordinary general meeting of shareholders prior to the 2023 annual general meeting.

**9. Ratification of the appointment of Ernst & Young LLP as Garmin's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2022 and re-election of Ernst & Young Ltd as Garmin's statutory auditor for another one-year term**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting that the appointment of Ernst & Young LLP as Garmin's independent registered public accounting firm for the fiscal year ending December 31, 2022 be ratified and that Ernst & Young Ltd be re-elected as Garmin's statutory auditor for another one-year term.

**10. Advisory vote on executive compensation**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting to approve an advisory resolution approving the compensation of Garmin's Named Executive Officers, as disclosed in Garmin's proxy statement for the Annual Meeting pursuant to the executive compensation disclosure rules promulgated by the Securities and Exchange Commission ("SEC").

**11. Binding vote to approve Fiscal Year 2023 maximum aggregate compensation for the Executive Management**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting to approve the maximum aggregate compensation that can be paid or granted to the members of the Executive Management in Fiscal Year 2023 in an amount not to exceed U.S. \$8,950,000.

**12. Binding vote to approve maximum aggregate compensation for the Board of Directors for the period between the 2022 Annual General Meeting and the 2023 Annual General Meeting**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting to approve the maximum aggregate compensation that can be paid or granted to the members of the Board of Directors between the 2022 Annual General Meeting and the 2023 Annual General Meeting in an amount not to exceed U.S. \$1,600,000.

**13. Amendment of 2005 Equity Incentive Plan to increase the maximum number of shares authorized for issuance under the Plan that may be delivered as Restricted Shares or pursuant to Performance Units or Restricted Stock Units from 10 million to 12 million**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting to approve an amendment to the Company's 2005 Equity Incentive Plan, as last amended and restated on June 7, 2019 to increase the number of shares authorized under the Plan that may be delivered as Restricted Shares or pursuant to Performance Units or Performance Shares or restricted Stock Units from 10,000,000 to 12,000,000. The text of the proposed amendment is contained in Annex 1, on which the proposed amendments are marked with a strikethrough to indicate text that would be deleted and with an underline to indicate text that would be added.

**14. Renewal of Authorized Share Capital**

**Proposal of the Board of Directors**

The Board of Directors proposes to the Annual Meeting to renew the authorized share capital in the amount of CHF 1,980,774.10, corresponding to 19,807,741 registered shares with a nominal value of CHF 0.10 each, until June 10, 2024. The text of the proposed shareholder resolution and the proposed amendment to the Articles of Association are contained in Annex 2.

Information concerning the matters to be acted upon at the Annual Meeting is contained in the accompanying Proxy Statement.

A proxy card is being sent with this proxy statement to each holder of shares registered in Garmin's share register with voting rights at the close of business, U.S. Eastern Time, on April 14, 2022. In addition, a proxy card will be sent with this proxy statement to each additional holder of shares who is registered with voting rights in Garmin's share register as of the close of business, U.S. Eastern Time, on May 31, 2022. Shareholders registered in Garmin's share register with voting rights as of the close of business, U.S. Eastern Time, on May 31, 2022 are entitled to notice of, and to exercise voting rights by giving instructions to our independent voting rights representative (in the manner as further set out in the accompanying proxy statement) with respect to the matters to be resolved upon at, the Annual Meeting and any adjournments thereof.

We are pleased to again take advantage of the Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their shareholders on the Internet. We are sending a Notice of Internet Availability of Proxy Materials (the "Notice") to our beneficial owners of shares held in "street name" through a broker or other nominee as of April 14, 2022 and to participants in the Garmin International, Inc. Retirement Plan (the "Retirement Plan") with a beneficial interest in our shares as of April 14, 2022, and we are mailing our proxy materials to shareholders whose shares are held directly in their names with our transfer agent, Computershare Trust Company, N.A. as of May 31, 2022. We believe these rules allow us to provide our shareholders with the information they need, while lowering costs of delivery and reducing the environmental impact of our Annual Meeting. Garmin's Annual Report on Form 10-K for the fiscal year ended December 25, 2021 which contains the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021, the Swiss statutory financial statements of Garmin for the fiscal year ended December 25, 2021, and the Auditor's Reports for Fiscal Year 2021, are available in the Investor Relations section of Garmin's website [www.garmin.com](http://www.garmin.com), and will also be available (subject to any limitations arising from the COVID-19 Ordinance and any other applicable laws and regulations to combat COVID-19 as may be enacted or amended from time to time), together with the Swiss Compensation Report for Fiscal Year 2021, for physical inspection by the shareholders at Garmin's registered office at Mühlentalstrasse 2, 8200 Schaffhausen, Switzerland, as of May 20, 2022. Copies of the Annual Report on Form 10-K for the fiscal year ended December 25, 2021, the Swiss statutory financial statements of Garmin for the fiscal year ended December 25, 2021, and the Auditor's Reports may also be obtained without charge by contacting Garmin's Investor Relations department at +1 (913) 397-8200.

If you received the Notice, you can access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a printed copy by mail may be found in the Notice.

If you received these proxy materials through the mail, please use the enclosed proxy card to direct the vote of your shares. Please date the proxy card, sign it and promptly return it in the enclosed envelope, which requires no postage if mailed in the United States, or you may exercise your voting rights by Internet or by telephone using the instructions provided on the proxy card. If you received the Notice and reviewed the proxy materials on the Internet, please follow the instructions included in the Notice.

**Please note that under the current rules of the New York Stock Exchange, your broker will not be able to exercise voting rights with respect to your shares at the Annual Meeting on the election of directors and on certain other proposals described in the attached proxy statement if you have not given your broker instructions on how to exercise voting rights with respect to your shares. Please be sure to give instructions to your broker so that your vote can be counted on the election and such proposals.**

April 25, 2022

By Order of the Board of Directors,



Andrew R. Etkind

Vice President, General Counsel and Secretary

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be Held on June 10, 2022**

This Proxy Statement and Garmin's Annual Report on Form 10-K for the fiscal year ended December 25, 2021, are available at <http://materials.proxyvote.com/H2906T>

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# #BEAT YESTERDAY.

*At Garmin we make products that are engineered on the inside for life on the outside. We bring GPS navigation and wearable technology to the automotive, aviation, marine, outdoor and fitness markets. We think every day is an opportunity to innovate, and a chance to beat yesterday.*

## Garmin's Mission Statement, Vision and Values

### Our Mission

To be an enduring company by creating superior products for automotive, aviation, marine, outdoor, and sports that are an essential part of our customers' lives.

### Our Vision

We will be the global leader in every market we serve, and our products will be sought after for their compelling design, superior quality, and best value.

### Our Values

The foundation of our culture is honesty, integrity, and respect for associates, customers, and business partners. Each associate is fully committed to serving customers and fellow associates through outstanding performance and accomplishing what we say we will do.

*Garmin's values are a direct reflection of the values of our founders, Gary Burrell and Dr. Min Kao. The values they embodied and instilled in Garmin at the time of its founding remain the values that drive everything we do.*



# PROXY STATEMENT

The accompanying proxy is solicited by the Board of Directors (“Board”) of Garmin Ltd., a Swiss company (“Garmin” or the “Company”), for use at the Annual General Meeting of Shareholders (the “Annual Meeting”) to be held at 4:00 p.m. Central European Summer Time (9:00 a.m. U.S. Central Daylight Time) on Friday, June 10, 2022, and at any adjournment(s) or postponement(s) thereof for the purposes set forth herein and in the accompanying Notice of the Annual General Meeting of Shareholders. This Proxy Statement and the accompanying proxy card are first being furnished to shareholders on or about April 25, 2022.

## INFORMATION CONCERNING SOLICITATION AND VOTING

We are sending a Notice of Internet Availability of Proxy Materials (the “Notice”) to our beneficial owners of shares held in “street name” through a broker or other nominee (“Broker Customers”) and to participants in the Garmin International, Inc. Retirement Plan (the “Retirement Plan”) with a beneficial interest in our shares (“Plan Participants”), and we are mailing our proxy materials to shareholders whose shares are held directly in their names with our transfer agent, Computershare Trust Company, N.A. (“Record Holders”).

### Proposals

At the Annual Meeting, the Board intends to ask you to exercise your voting rights with respect to the following matters:

1. Approval of Garmin’s 2021 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 and the statutory financial statements of Garmin for the fiscal year ended December 25, 2021;
2. Approval of the appropriation of available earnings;
3. Approval of the payment of a cash dividend in the aggregate amount of U.S. \$2.92 per outstanding share out of Garmin’s reserve from capital contribution in four equal installments;
4. Discharge of the members of the Board and the Executive Management from liability for the fiscal year ended December 25, 2021;
5. Re-election of six directors;
6. Re-election of the Chairman;
7. Re-election of four Compensation Committee members;
8. Election of the independent voting rights representative;
9. Ratification of the appointment of Ernst & Young LLP as Garmin’s independent registered public accounting firm for the fiscal year ending December 31, 2022 and re-election of Ernst & Young Ltd as Garmin’s statutory auditor for another one-year term;
10. Advisory vote on executive compensation;
11. Binding vote to approve Fiscal Year 2023 maximum aggregate compensation for the Executive Management;
12. Binding vote to approve maximum aggregate compensation for the Board of Directors for the period between the 2022 Annual General Meeting and the 2023 Annual General Meeting;
13. Amendment of 2005 Equity Incentive Plan to increase the maximum number of shares authorized for issuance under the Plan that may be delivered as Restricted Shares or pursuant to Performance Units or Restricted Stock Units from 10 million to 12 million; and
14. Renewal of Authorized Share Capital.

### Shareholders Entitled to Exercise Voting Rights

April 14, 2022 is the record date (the “Record Date”) for the Annual Meeting. On the Record Date there were 193,124,823 shares (excluding shares held by Garmin or any of its direct or indirect subsidiaries) outstanding and entitled to exercise voting rights with respect to the matters to be resolved upon at the Annual Meeting. Shareholders registered in our share register at the close of business, U.S. Eastern Time, on the Record Date are entitled to exercise voting rights with respect to the matters to be resolved upon at the Annual Meeting, except as provided below.

Any additional shareholders who are registered in Garmin’s share register on May 31, 2022 will receive a copy of the proxy materials after May 31,

2022 and are entitled to exercise voting rights by giving instructions to our independent voting rights representative (in the manner as further set out in the proxy statement) with respect to the matters to be resolved upon at the Annual Meeting. Shareholders not registered in Garmin’s share register as of May 31, 2022 will not be entitled to exercise voting rights with respect to the matters to be resolved upon at the Annual Meeting. No shareholder will be entered in Garmin’s share register as a shareholder with voting rights between the close of business on May 31, 2022 and the opening of business on the day following the Annual Meeting. Computershare Trust Company, N.A., which maintains Garmin’s share

register, will, however, continue to register transfers of Garmin's shares in the share register in its capacity as transfer agent during this period. Shareholders who are registered in Garmin's share register on May 31,

2022 but have sold their shares before the Annual Meeting date are not entitled to exercise voting rights with respect to the matters to be resolved upon at the Annual Meeting.

## Solicitation of Proxies

The cost of soliciting proxies will be borne by Garmin. In addition to soliciting shareholders by mail and through its regular employees not specifically engaged or compensated for that purpose, Garmin will request banks and brokers, and other custodians, nominees and fiduciaries to solicit their customers who have shares of Garmin registered in the names of

such persons and, if requested, will reimburse them for their reasonable, out-of-pocket costs. Garmin may use the services of its officers, directors and others to solicit proxies, personally or by telephone, facsimile or electronic mail, without additional compensation.

## Voting

Each shareholder is entitled to one vote on each proposal presented in this Proxy Statement for each share held. There is no cumulative voting in the election of directors. The required presence quorum for the transaction of business at the Annual Meeting is the presence by proxy of shareholders holding not less than a majority of the shares entitled to vote at the meeting with abstentions, invalid ballots and broker non-votes regarded as present for purposes of establishing the quorum.

A shareholder who purchases shares from a registered holder after the Record Date but before May 31, 2022 and who wishes to exercise voting rights with respect to the matters to be resolved upon at the Annual Meeting must ask to be registered as a shareholder with respect to such shares in our share register prior to May 31, 2022. Registered holders of our shares (as opposed to beneficial shareholders) on May 31, 2022 who sell their shares prior to the Annual Meeting will not be entitled to exercise voting rights with respect to those shares in relation to the matters to be resolved upon at the Annual Meeting.

Proposals 1 through 13 each require the affirmative vote of a majority of the share votes cast (in person or by proxy) at the Annual Meeting, excluding unmarked, invalid and non-exercisable votes and abstentions. Proposal 14 requires the affirmative vote of at least two-thirds of the votes

and the absolute majority of the par value of shares, each as represented at the Annual Meeting. An abstention, blank or invalid ballot will have the effect of a vote "AGAINST" this proposal.

Members of our Board and members of Executive Management are not allowed to exercise their shareholder voting rights with respect to Proposal 4, the proposal to discharge the members of the Board and the Executive Management from liability for the fiscal year ended December 25, 2021.

Shareholder ratification of the appointment of Ernst & Young LLP as Garmin's independent registered public accounting firm for the fiscal year ending December 31, 2022 is not legally required, but shareholders' views are important to the Audit Committee and the Board. If shareholders do not ratify the appointment of Ernst & Young LLP, our Audit Committee will reconsider the appointment of Ernst & Young LLP as Garmin's independent registered public accounting firm.

The proposal relating to the advisory vote on executive compensation is advisory and non-binding on Garmin. However, the Compensation Committee of our Board will review voting results on this proposal and will give consideration to such voting.

## Broker Non-Votes

Although brokers have discretionary authority to exercise voting rights with respect to shares of Broker Customers on "routine" matters, they do not have authority to exercise voting rights with respect to shares of Broker Customers on "non-routine" matters pursuant to applicable New York Stock Exchange ("NYSE") rules. We believe that the following proposals to be resolved upon at the Annual Meeting will be considered to be "non-routine" under NYSE rules and, therefore, brokers will not be able to exercise voting rights with respect to shares owned by Broker Customers in relation to these proposals unless the broker receives instructions from such customers:

- Proposal No. 4 (discharge of the members of the Board and Executive Management from liability for the fiscal year ended December 25, 2021);
- Proposal No. 5 (re-election of six directors);
- Proposal No. 6 (re-election of the Chairman);
- Proposal No. 7 (re-election of four Compensation Committee members);

- Proposal No. 10 (advisory vote on executive compensation);
- Proposal No. 11 (binding vote to approve Fiscal Year 2023 maximum aggregate compensation for the Executive Management);
- Proposal No. 12 (binding vote to approve maximum aggregate compensation for the Board of Directors for the period between the 2022 Annual Meeting and the 2023 Annual Meeting); and
- Proposal No. 13 (approval of an amendment to the 2005 Garmin Ltd. Equity Incentive Plan to increase the number of shares that may be delivered as certain types of awards under the Plan).

The voting standard required to pass all of the above "non-routine" proposals is a simple majority of the votes cast by proxy at the Annual Meeting on the applicable proposal. Abstentions, broker non-votes (if any) or blank or invalid ballots are not counted for such purposes and do not have any impact on the approval of such agenda item.

## How Shareholders Vote

Shareholders, Plan Participants and Broker Customers may exercise voting rights (or in the case of Plan Participants, may direct the trustee of the Garmin International, Inc. Retirement Plan to exercise voting rights) with respect to their shares as follows:

### Shares of Record

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In accordance with article 27 of the COVID-19 Ordinance shareholders of record must appoint as their proxy the independent voting rights representative, the law firm of Wuersch & Gering LLP, 100 Wall Street, 10<sup>th</sup> Floor, New York, NY 10005, USA, or its designee, to vote their shares. Shareholders do so by checking the appropriate box on the enclosed proxy card. The independent voting rights representative will vote all shares for which it is the proxy in accordance with the instructions specified by the shareholders on the proxy card.

In accordance with the COVID-19 Ordinance, it will not be possible for a registered shareholder to name as proxy someone other than the independent voting rights representative.

Shares owned by shareholders who have timely submitted a properly executed proxy card and who have specifically instructed how their votes shall be cast will be voted by the independent voting rights representative

in accordance with the instructions indicated on the shareholders' proxy cards. Shares owned by shareholders who have timely submitted a properly executed proxy card and have not specifically indicated how their votes shall be cast are deemed to have instructed the independent voting rights representative to vote in the manner recommended by the Board. If any modifications to agenda items or proposals identified in the Notice of the Annual Meeting or other matters on which voting is permissible under Swiss law are properly presented at the Annual Meeting for consideration, a shareholder, in the absence of other specific instructions on the proxy card, is deemed to have instructed the independent voting rights representative, to vote in accordance with the recommendations of the Board.

We urge you to return your proxy card by the close of business, U.S. Eastern Time on June 6, 2022 to ensure that your proxy can be timely submitted.

### Shares Held Under the Garmin International, Inc. Retirement Plan

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On the voting instructions card, Plan Participants may instruct the trustee of our Retirement Plan how to vote the shares allocated to their respective participant accounts. The trustee will vote all allocated shares accordingly. Shares for which inadequate or no voting instructions are received will not be voted by the trustee. The trustee of our Retirement Plan will vote shares allocated to the accounts of the Plan Participants by giving instructions to the independent voting rights representative accordingly.

### Shares Held Through a Broker or Other Nominee

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Each broker or nominee must solicit from the Broker Customers directions on how to vote the shares, and the broker or nominee must then vote such shares through voting instructions relayed to the independent voting rights representative in accordance with such directions. Brokers or nominees are to forward the Notice to the Broker Customers, at the reasonable expense of Garmin if the broker or nominee requests reimbursement. See "Broker Non-Votes".

### Revoking Proxy Authorizations or Instructions

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Until the polls for a particular proposal on the agenda close (or in the case of Plan Participants, until the trustee of the Retirement Plan has submitted its voting instructions), voting instructions of Record Holders and voting instructions of Plan Participants may be revoked or recast with a later-dated, properly executed and delivered proxy card or, in the case of Plan Participants, a voting instruction card. Otherwise, shareholders may not revoke a vote, unless: (a) in the case of a Record Holder, the Record

Holder delivers a written revocation to the independent voting rights representative at any time before the Chairman of the Annual Meeting closes the polls for a particular proposal on the agenda; (b) in the case of a Plan Participant, the revocation procedures of the trustee of the Retirement Plan are followed; or (c) in the case of a Broker Customer, the revocation procedures of the broker or nominee are followed.

## Access to a Live Audio Webcast of the Annual Meeting; Webcast Question and Answer Session

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In accordance with article 27 of the COVID-19 Ordinance, it will not be possible for shareholders to attend the Annual Meeting in person.

Shareholders will, however, be able to listen to a live audio webcast of the Annual Meeting. The webcast can be accessed at [www.garmin.com/investors/AGMwebcast](http://www.garmin.com/investors/AGMwebcast).

We value the views and feedback of our shareholders. Since it is not possible for you to attend the meeting in person this year due to the COVID-19 pandemic, we are making alternative arrangements for you to ask questions to management. Garmin will accept pertinent pre-submitted questions to be answered at a question and answer session during the Annual General Meeting webcast. In accordance with Swiss company law, management will respond to questions to the extent possible without divulging confidential business information and may limit responses to protect other legitimate

corporate interests. Depending on the nature and number of questions submitted, all questions may not be answered. Garmin also reserves the right to select the questions most appropriate for the audience of the Annual General Meeting. Registered shareholders may submit questions in advance of the webcast by e-mailing [investor.relations@garmin.com](mailto:investor.relations@garmin.com) by June 1, 2022 and must include proof they are a Garmin shareholder (such as a copy of the proxy card that was received by the shareholder). Shareholders who hold their shares through a United States broker or bank may submit questions in advance of the webcast by visiting [www.proxyvote.com](http://www.proxyvote.com) by June 1, 2022. To log in to the proxyvote.com site to submit questions, you will need your 16-digit voting control number printed in the box marked by the arrow on the Notice of Internet Availability of Proxy Materials that you received and follow the menus to submit questions.

# STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of April 14, 2022 Garmin had outstanding 193,124,823 shares (excluding shares held by Garmin or any of its direct or indirect subsidiaries). The following table contains information as of April 14, 2022 concerning the beneficial ownership of shares by: (i) beneficial owners of shares who have publicly filed a report acknowledging ownership of more than 5% of the number of outstanding shares; (ii) each director and nominee; (iii) each

executive officer named in the Summary Compensation Table; and (iv) all the directors and executive officers as a group. No officer or director of Garmin owns any equity securities of any subsidiary of Garmin. Unless otherwise indicated, the address for each person named below is c/o Garmin International, Inc., 1200 East 151<sup>st</sup> Street, Olathe, Kansas 66062, USA.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership <sup>(1)</sup>	Percent of Class <sup>(2)</sup>
Douglas G. Boessen CFO and Treasurer	27,221	*
Jonathan Burrell <sup>(3)</sup> Director	20,071,277 <sup>(4)</sup>	10.39%
Patrick Desbois Executive Vice President, Operations	31,998	*
Andrew R. Etkind Vice President, General Counsel and Corporate Secretary	57,740	*
Joseph J. Hartnett Shareholder and Director	17,718 <sup>(5)</sup>	*
Min H. Kao, Ph.D. Director and Executive Chairman	18,859,060 <sup>(6)</sup>	9.77%
Catherine A. Lewis Director	3,743 <sup>(7)</sup>	*
Charles W. Peffer Director	26,668 <sup>(8)</sup>	*
Clifton A. Pemble Director, President and CEO	118,373 <sup>(9)</sup>	*
Philip I. Straub Executive Vice President - Managing Director, Aviation	60,551.15 <sup>(10)</sup>	*
BlackRock, Inc. <sup>(11)</sup> Institutional Shareholder	13,187,637	6.83%
The Vanguard Group <sup>(12)</sup> Institutional Shareholder	16,910,405	8.76%
<b>Directors and Executive Officers as a Group (10 persons)</b>	<b>39,274,349.15<sup>(13)</sup></b>	<b>20.34%</b>

\* Less than 1% of the outstanding shares

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission ("SEC"). In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares subject to options or stock appreciation rights held by that person that are currently exercisable as of April 14, 2022 or within 60 days of such date and shares of restricted stock units that will be released to that person within 60 days of April 14, 2022 upon vesting of restricted stock unit awards, are deemed to be outstanding and beneficially owned by that person. The holders may disclaim beneficial ownership of any such shares that are owned by or with family members, trusts or other entities. Except as indicated in the footnotes to this table and pursuant to applicable community property laws, to Garmin's knowledge, each shareholder named in the table has sole voting power and dispositive power with respect to the shares set forth opposite such shareholder's name. In addition, except as indicated in the footnotes to this table, to Garmin's knowledge, each shareholder named in the table owns the shares set forth opposite such shareholder's name directly.

(2) The percentage is based upon the number of shares outstanding as of April 14, 2022 (excluding shares held directly or indirectly in treasury) and computed as described in footnote (1) above.

(3) Mr. Burrell's address is P.O. Box 507, Stillwell, KS 66085.

(4) Mr. Burrell's beneficial ownership includes (i) 9,347 shares held in a revocable trust established by his mother, over which Mr. Burrell shares voting and dispositive power; (ii) 8,872,799 shares held in several charitable lead annuity trusts, over which Mr. Burrell has sole voting and dispositive power; (iii) 10,168,800 shares held in several grantor retained annuity trusts established by his mother, over which Mr. Burrell has sole voting and dispositive power; (iv) 30,000 shares held in Mr. Burrell's revocable trust, over which Mr. Burrell has sole voting and dispositive power; (v) 941,166 shares held in a GRAT remainder trust established for Mr. Burrell's benefit, over which Mr. Burrell shares voting and dispositive power; (vi) 43,478 shares held in a limited liability company that is wholly-owned by a GRAT remainder trust established for the reporting person's benefit, over which Mr. Burrell has sole voting and dispositive power; and (vii) 1,045 shares that will be released to him within 60 days of April 14, 2022 upon vesting of restricted stock unit awards.

(5) Mr. Hartnett's beneficial ownership includes 1,045 shares that will be released to him within 60 days of April 14, 2022 upon vesting of restricted stock unit awards.

## STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

- (6) *Of the 18,859,060 shares, (i) 6,410,753 shares are held by the M&F Trust 10/17/19, over which Dr. Kao has shared voting and dispositive power; (ii) 12,227,539 shares are held by revocable trusts established by Dr. Kao's children, over which Dr. Kao has shared voting and dispositive power; and (iii) 220,768 shares are held by the Kao Family Foundation, a charitable foundation of which Dr. Kao is president and director and in such capacity may be deemed to exercise shared voting and dispositive power over such shares. Dr. Kao disclaims beneficial ownership of the shares held by the Kao Family Foundation.*
- (7) *Ms. Lewis's beneficial ownership includes 1,045 shares that will be released to her within 60 days of April 14, 2022 upon vesting of restricted stock unit awards.*
- (8) *Mr. Peffer's beneficial ownership includes 1,045 shares that will be released to him within 60 days of April 14, 2022 upon vesting of restricted stock unit awards.*
- (9) *Of the 118,373 shares, 255 shares are held by a child of Mr. Pemble who shares the same household.*
- (10) *Of the 60,551.15 shares, 198.65 shares are held in a family trust over which Mr. Straub's spouse has shared voting and dispositive power. Mr. Straub disclaims beneficial ownership of the shares held in this trust.*
- (11) *According to Schedule 13G Amendment No. 6 filed by BlackRock, Inc. on February 3, 2022. According to the Schedule 13G Amendment No. 6, BlackRock, Inc.'s address is 55 East 52nd Street, New York, NY 10055, USA.*
- (12) *According to Schedule 13G Amendment No. 6 filed by The Vanguard Group on February 10, 2022. According to the Schedule 13G Amendment No. 6, The Vanguard Group's address is 100 Vanguard Blvd., Malvern, PA 19355, USA.*
- (13) *The number includes 4,180 shares that will be released upon vesting of restricted stock unit awards within 60 days of April 14, 2022. Individuals in the group have disclaimed beneficial ownership as to a total of 220,967 of the shares listed.*

## PROPOSAL ONE

# Approval of Garmin's 2021 Annual Report, including the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 and the statutory financial statements of Garmin for the fiscal year ended December 25, 2021

The consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 and the Swiss statutory financial statements of Garmin for the fiscal year ended December 25, 2021 are contained in the 2021 Annual Report of Garmin on Form 10-K which was mailed to all registered shareholders with this proxy statement. A copy of this Annual Report on Form 10-K is available in the Investor Relations section of Garmin's website at [www.garmin.com](http://www.garmin.com). The 2021 Annual Report on Form 10-K also contains the reports of Ernst & Young Ltd, Garmin's auditor pursuant to the Swiss Code of Obligations, and information on our business activities and financial situation.

Under Swiss law, the 2021 Annual Report on Form 10-K and the consolidated financial statements and Swiss statutory financial statements must be submitted to shareholders for approval at each annual general meeting.

Ernst & Young Ltd, as Garmin's statutory auditor, has issued a recommendation to the Annual Meeting that the statutory financial statements of Garmin for the fiscal year ended December 25, 2021 be approved. As Garmin's statutory auditor, Ernst & Young Ltd has expressed its opinion that such statutory financial statements and the proposed appropriation of available earnings comply with Swiss law and Garmin's Articles of Association.

Ernst & Young Ltd has also issued a recommendation to the Annual Meeting that the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 be approved. As Garmin's statutory auditor, Ernst & Young Ltd has expressed its opinion that such consolidated financial statements present fairly, in all material respects, the consolidated financial position of Garmin, the consolidated results of operations and cash flows in accordance with accounting principles generally accepted in the United States (U.S. GAAP) and comply with Swiss law.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL OF THE 2021 ANNUAL REPORT, THE CONSOLIDATED FINANCIAL STATEMENTS OF GARMIN FOR THE FISCAL YEAR ENDED DECEMBER 25, 2021 AND THE STATUTORY FINANCIAL STATEMENTS OF GARMIN FOR THE FISCAL YEAR ENDED DECEMBER 25, 2021.**

## PROPOSAL TWO

# Appropriation of available earnings

Under Swiss law, the appropriation of available earnings as set forth in Garmin's statutory financial statements must be submitted to shareholders for approval at each annual general meeting. The Board proposes the following appropriation of available earnings:

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### Proposed Appropriation of Available Earnings in Swiss Francs ("CHF")

Balance brought forward from previous years	CHF	53,340,000
Net loss for the period (on a stand-alone unconsolidated basis):	CHF	(12,550,000)
Total available for the general meeting:	CHF	40,790,000

#### *Resolution proposed by the Board of Directors:*

*- RESOLVED, that the available earnings of CHF 40,790,000 shall be carried forward.*

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**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROPRIATION OF AVAILABLE EARNINGS.**



## PROPOSAL THREE

# Payment of a cash dividend in the aggregate amount of U.S. \$2.92 per outstanding share out of Garmin's reserve from capital contribution in four equal installments

Under Swiss law, the shareholders must approve the payment of any dividend or distribution at a general meeting. The Board proposes to the Annual Meeting that Garmin pay a cash dividend in the amount of U.S. \$2.92 per outstanding share out of Garmin's reserve from capital contribution payable in four equal installments at the dates determined by the Board in its discretion, as further specified in the proposed shareholder resolution set forth below. The Board currently expects that the dividend payment and record dates will be as follows:

Dividend Date	Record Date	\$ Per Share
June 30, 2022	June 20, 2022	\$ 0.73
September 30, 2022	September 15, 2022	\$ 0.73
December 30, 2022	December 15, 2022	\$ 0.73
March 31, 2023	March 15, 2023	\$ 0.73

The Board's dividend proposal has been confirmed to comply with Swiss law and Garmin's Articles of Association by Garmin's statutory auditor, Ernst & Young Ltd, a state-supervised auditing enterprise, representatives of which will be present at the Annual Meeting. The Board proposes the following resolutions with respect to the dividend:

Reserve from Capital Contribution as per December 25, 2021	CHF	4,800,205,000
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#### **Resolutions proposed by the Board of Directors:**

- RESOLVED, that Garmin, out of, and limited at a maximum to the amount of, the Dividend Reserve (as defined below), pay a cash dividend in the amount of U.S. \$2.92 per outstanding share<sup>1</sup> out of Garmin's reserve from capital contribution payable in four equal installments at the dates determined by the Board of Directors in its discretion, the record date and payment date for each such installment to be announced in a press release<sup>2</sup> at least ten calendar days prior to the record date; and further
- RESOLVED, that the cash dividend shall be made with respect to the outstanding share capital of Garmin on the record date for the applicable installment, which amount will exclude any shares of Garmin held by Garmin or any of its direct or indirect subsidiaries; and further
- RESOLVED, that CHF 716,325,000<sup>3</sup> be allocated to dividend reserves from capital contribution (the "Dividend Reserve") from the reserve from capital contribution in order to pay such dividend of U.S. \$2.92 per outstanding share (assuming a total of 198,077,418 shares<sup>4</sup> eligible to receive the dividend); and further
- RESOLVED that if the aggregate dividend payment is lower than the Dividend Reserve, the relevant difference will be allocated back to the reserve from capital contribution; and further
- RESOLVED, that to the extent that any installment payment, when converted into Swiss francs, at a USD/CHF exchange rate prevailing at the relevant record date for the relevant installment payment, would exceed the Dividend Reserve then remaining, the U.S. dollar per share amount of that installment payment shall be reduced on a pro rata basis, provided, however, that the aggregate amount of that installment payment shall in no event exceed the then remaining Dividend Reserve.

Reserve from Capital Contribution after Dividend Reserve Allocation	CHF	4,083,880,000
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- (1) In no event will the dividend payment exceed a total of U.S. \$2.92 per share.
- (2) The announcements will not be published in the Swiss Official Gazette of Commerce.
- (3) Based on the currency conversion rate of 0.9174 as of December 25, 2021, with a total of 198,077,418 shares eligible for payout (based on the number of shares issued as at December 25, 2021), the aggregate Dividend Reserve would be CHF 716,325,000. The amount of the Dividend Reserve, calculated on the basis of the Company's issued shares as at December 25, 2021, includes a margin of approximately 35% to accommodate (i) unfavorable currency fluctuation and (ii) new share issuance (see footnote 4 below) that may occur between the time when the dividend is approved by shareholders and when the last installment payment is made. Unused dividend reserves will be returned to the reserve from capital contribution after the last installment payment.
- (4) This number is based on the registered share capital as at December 25, 2021. The number of shares eligible for dividend payments may change due to the repurchase of shares, the sale of treasury shares or the issuance of new shares, including (without limitation) from the conditional share capital reserved for the employee profit sharing program.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE PAYMENT OF A CASH DIVIDEND IN THE AGGREGATE AMOUNT OF U.S. \$2.92 PER OUTSTANDING SHARE OUT OF GARMIN'S RESERVE FROM CAPITAL CONTRIBUTION IN FOUR EQUAL INSTALLMENTS.**

## PROPOSAL FOUR

# Discharge of the members of the Board of Directors and the Executive Management from liability for the fiscal year ended December 25, 2021

In accordance with Article 698, paragraph 2, item 5 of the Swiss Code of Obligations, it is customary for Swiss companies to request shareholders at the annual general meeting to discharge the members of the Board of Directors and the Executive Management from personal liability for their activities during the preceding fiscal year. This discharge is only effective with respect to facts that have been disclosed to shareholders and only binds shareholders who either voted in favor of the proposal or who subsequently acquired shares with knowledge that shareholders have approved this proposal. In addition, shareholders who vote against this proposal, abstain from voting on this proposal, do not vote on this proposal, or acquire their shares without knowledge of the approval of this proposal,

may bring, as a plaintiff, any claims in a shareholder derivative suit within six months after the approval of the proposal. After the expiration of the six-month period, such shareholders will generally no longer have the right to bring, as a plaintiff, claims in shareholder derivative suits against the directors and the management.

Pursuant to Article 23.1 of the Organizational Regulations of Garmin Ltd., the Executive Management consists of the Chief Executive Officer and such other officers expressly designated by the Board to be members of the Executive Management. The Board has designated the Chief Executive Officer and the Chief Financial Officer to be the members of Executive Management.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE DISCHARGE OF THE MEMBERS OF THE BOARD AND THE EXECUTIVE MANAGEMENT FROM LIABILITY FOR THE FISCAL YEAR ENDED DECEMBER 25, 2021.**

## PROPOSAL FIVE

## Re-election of six directors

Pursuant to Swiss law and our Articles of Association, the members of our Board of Directors must be elected annually and individually for a term extending until completion of the next annual general meeting.

Garmin believes that the size of its board is appropriate considering the primary duties of the board, its governance structure, the experience of each board member, and the capabilities of the management team it oversees. Accordingly, our Board consists of six directors.

The Board has nominated the following persons, each of whom is currently a director of Garmin, to stand for re-election for a term extending until completion of the annual general meeting in 2023: Jonathan C. Burrell, Joseph J. Hartnett, Min H. Kao, Catherine A. Lewis, Charles W. Pepper, and Clifton A. Pemble.

References to the length of time during which (and, in the case of persons who are employees of Garmin, the positions in which they have served)

the nominees for re-election have served as directors and/or employees of Garmin in their biographies included in this section of this Proxy Statement refer to their service as directors and/or officers of both (i) Garmin Ltd., a Cayman Islands company ("Garmin Cayman") which was the ultimate parent holding company of the Garmin group of companies until June 27, 2010 and (ii) Garmin Ltd., a Swiss company, which became the ultimate parent holding company of the Garmin group of companies on June 27, 2010 pursuant to a scheme of arrangement under Cayman Islands law that was approved by the shareholders of Garmin Cayman on May 20, 2010.

Mr. Burrell, Mr. Hartnett, Dr. Kao, Ms. Lewis, Mr. Pepper, and Mr. Pemble, have each indicated that they are willing and able to continue to serve as directors if re-elected, and have consented to being named as nominees in this Proxy Statement.



**Jonathan C. Burrell**, age 58, has been a director of Garmin since June 2018. Mr. Burrell is the CEO of the Burrell Family Office. In this role, he manages and provides direction for the assets and investments of the Burrell family. In addition, he is an inventor and active investor in financial, technology and clean energy related businesses. Mr. Burrell is an inventor on 35 issued and pending U.S. patents, many of which are owned by Garmin. Mr. Burrell holds a Bachelor of Science in

Mechanical Engineering from Wichita State University. He has served on several boards of charitable organizations and currently serves as president of the Burrell family's charitable foundation.

The Board has concluded that Mr. Burrell should be nominated for re-election as a director of Garmin because: (1) his significant experience in product design and development provides the Board with valuable experience relevant to Garmin's products; (2) he has considerable knowledge of Garmin's business and operations from his previous service as a leader of Garmin's engineering department; (3) he meets the requirements to be an independent director under the listing standards of the NYSE and applicable SEC regulations, and (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".



**Joseph J. Hartnett**, age 66, has been a director of Garmin since June 2013. Mr. Hartnett was Interim President and Chief Executive Officer of Sparton Corporation (NYSE: SPA) from February 2016 to March 2019. Previously he served as President and Chief Executive Officer of Ingenient Technologies, Inc., and U.S. Robotics Corporation where he also served as Chief Financial Officer. Mr. Hartnett was a partner with Grant Thornton LLP where he was employed for

over 20 years in various leadership positions at the regional, national and international level. Mr. Hartnett is a registered Certified Public Accountant in the State of Illinois and holds a Bachelor's degree in Accounting from the University of Illinois at Chicago. Mr. Hartnett was a director of Sparton Corporation from September 2008 to March 2019 and was Chairman of its Board of Directors from October 2014 to February 2016. At Sparton Corporation Mr. Hartnett served as past chairman and member of the audit committee, past member of the compensation and nominating and corporate governance committees. He is also a former director of Crossroad Systems, Inc., Ingenient Technologies, Inc. and U.S. Robotics Corporation.

The Board has concluded that Mr. Hartnett should be nominated for re-election as a director of Garmin because: (1) his 20 years of experience as a Certified Public Accountant with Grant Thornton LLP and his experience as the chairman of the audit committee of two other public companies gives him strong qualifications to be a member of the Audit Committee of the Board, and he qualifies as an "audit committee financial expert" as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002; (2) he has significant industry experience as a senior executive in the areas of international business, operations management, executive leadership, strategic planning and finance, as well as extensive corporate governance, executive compensation and financial experience; (3) he meets the requirements to be an independent director under the listing standards of the NYSE and applicable SEC regulations; (4) through his years of service on our Board he has obtained a thorough knowledge of Garmin's business and culture which enables him to provide effective advice and oversight to management consistent with our goal of long-term value creation for shareholders and (5) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".



**Min H. Kao**, age 73, has served as Executive Chairman of Garmin since January 2013. Dr. Kao served as Chairman of Garmin from September 2004 to December 2012 and was previously Co-Chairman of Garmin from August 2000 to August 2004. He served as Chief Executive Officer of Garmin from August 2002 to December 2012 and previously served as Co-Chief Executive Officer from August 2000 to August 2002. Dr. Kao has served as a director and officer of various subsidiaries

of Garmin since August 1990. Dr. Kao holds Ph.D. and MS degrees in Electrical Engineering from the University of Tennessee and a BS degree in Electrical Engineering from National Taiwan University. Dr. Kao has not

been a member of the board of directors of any entity other than Garmin or various subsidiaries of Garmin during the last five years.

The Board has concluded that Dr. Kao should be nominated for re-election as a director of Garmin because: (1) he is one of the co-founders of Garmin and its various subsidiaries; (2) he possesses over 30 years of experience in Garmin's operations and has a high level of relevant technical and business knowledge and experience; (3) he is uniquely positioned to understand Garmin's vision and values; (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee"; and (5) he was born in Taiwan and is a Taiwanese American, adding racial diversity to the Board.



**Catherine A. Lewis**, age 69, has been a director of Garmin since June 2019. Ms. Lewis has more than 25 years of experience in the accounting and tax professions. She served as Global Head of Tax for KPMG's Energy and Natural Resources practice from 2002 until her retirement in 2012. She served on KPMG's Board of Directors for five years starting in 2004. Before joining KPMG in 2002, Ms. Lewis spent 17 years at Arthur Andersen. She has held the designation of Certified Public Accountant since 1987. Ms. Lewis has been a director of CorEnergy Infrastructure Trust, Inc. (NYSE: CORR) since July 2013, Chair of its Audit Committee since May 2016 and a member of its Investment Committee since July 2013. Management recommended that the Nominating Committee consider Ms. Lewis as a candidate for Board nomination.

The Board has concluded that Ms. Lewis should be nominated for re-election as a director of Garmin because: (1) she has more than 25 years of experience as a Certified Public Accountant and has experience as the Audit Committee Chair of another public company and she qualifies as an "audit committee financial expert" as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002; (2) she has significant experience advising public companies on U.S. and international taxation; (3) she meets the requirements to be an independent director under the listing standards of the NYSE and applicable SEC regulations; (4) she satisfies the general criteria described below under "Nominating and Corporate Governance Committee"; and (5) she provides gender diversity to the Board.



**Charles W. Pepper**, age 74, has been a director of Garmin since August 2004. Mr. Pepper was a partner in KPMG LLP and its predecessor firms from 1979 to 2002 when he retired. He served in KPMG's Kansas City office as Partner in Charge of Audit from 1986 to 1993 and as Managing Partner from 1993 to 2000. Mr. Pepper was a director of HDSupply Holdings, Inc. from 2013 to 2020 and has been a director of Sensata Technologies Holding PLC (formerly Sensata Technology Holding N.V.) since 2010. Mr. Pepper has also served since 2003 as a trustee of the Commerce Funds, a family of seven mutual funds.

The Board has concluded that Mr. Pepper should be nominated for re-election as a director of Garmin because: (1) his significant experience with KPMG and its predecessor firms gives him strong qualifications to be a member of the Audit Committee of the Board, and he qualifies as an "audit committee financial expert" as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002; (2) he meets the requirements to be an independent director under the listing standards of the NYSE and applicable SEC regulations; (3) through his years of service on our Board he has obtained a thorough knowledge of Garmin's business and culture which enables him to provide effective advice and oversight to management consistent with our goal of long-term value creation for shareholders and (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".













**Clifton A. Pemble**, age 56, has served as a director of Garmin since August 2004 and has been President and Chief Executive Officer of Garmin since January 2013. Mr. Pemble served as President and Chief Operating Officer of Garmin from October 2007 to December 2012. He has served as a director and officer of various subsidiaries of Garmin since August 2003. He has been President and Chief Executive Officer of Garmin International, Inc. since January 2013. Previously, he served as Chief Operating Officer of Garmin International, Inc. from October 2007 to December 2012 and he was Vice President, Engineering of Garmin International, Inc. from 2005 to October 2007, Director of Engineering of Garmin International, Inc. from 2003 to 2005, Software Engineering Manager of Garmin International, Inc. from 1995 to 2002,

and a Software Engineer with Garmin International, Inc. from 1989 to 1995. Garmin International, Inc. is a subsidiary of Garmin. Mr. Pemble holds BA degrees in Mathematics and Computer Science from MidAmerica Nazarene University. Mr. Pemble has not been a member of the board of directors of any entity other than Garmin and various subsidiaries of Garmin during the last five years.

The Board has concluded that Mr. Pemble should be nominated for re-election as a director of Garmin because: (1) he has served Garmin and its various operating subsidiaries in many important roles for over 30 years; (2) he has a high level of relevant technical and business knowledge and experience; (3) he has a keen understanding of Garmin's vision and values; and (4) he satisfies the general criteria described below under "Nominating and Corporate Governance Committee".

The following matrix provides summary information about our directors’ skills, experience and diversity.

	Jonathan C. Burrell	Joseph J. Hartnett	Min H. Kao	Catherine A. Lewis	Charles W. Pepper	Clifton A. Pemble
<b>Experience</b>						
 Executive Leadership Experience		✓	✓			✓
 Audit Committee Financial Expert		✓		✓	✓	
 Global Tax Compliance		✓		✓	✓	
 Risk and Compliance Oversight		✓		✓	✓	
 Corporate Governance		✓		✓	✓	
 Cybersecurity and Information Technology Oversight		✓				✓
 Other Public Company Board Experience		✓		✓	✓	
 Global Operations	✓	✓	✓			✓
 Technology Product Design and Development	✓		✓			✓
 Product Manufacturing	✓	✓	✓			✓
 Mergers and Acquisitions		✓	✓	✓	✓	✓
<b>Diversity</b>						
Asian			✓			
White/Caucasian	✓	✓		✓	✓	✓
Gender	M	M	M	F	M	M

THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” RE-ELECTION OF EACH OF THESE NOMINEES.

### Director Independence

The Board has determined that, Mr. Burrell, Mr. Hartnett, Ms. Lewis and Mr. Pepper are independent directors under the applicable listing standards of the NYSE and SEC regulations. Mr. Burrell, Mr. Hartnett, Ms. Lewis and Mr. Pepper would constitute a majority of the Board.

# Board Meetings and Standing Committee Meetings

## Meetings

The Board held four meetings and acted by unanimous written consent three times during the fiscal year ended December 25, 2021. Four executive sessions of the independent directors were held in the 2021 fiscal year. The Board has established three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee (the “Nominating Committee”). During the 2021 fiscal year, the Audit Committee held four meetings and acted by written consent once, the Compensation Committee held five meetings and acted by written

consent three times and the Nominating Committee held three meetings and acted by written consent once. Each director attended at least 75% of the aggregate of: (1) the total number of meetings of the Board and (2) the total number of meetings held by all committees on which such director served. It is Garmin’s policy to encourage directors to attend Garmin’s annual general meeting. In 2021 attendance by directors at the annual general meeting was restricted due to the COVID-19 pandemic.

## Audit Committee

Mr. Peffer (Chairman), Mr. Hartnett and Ms. Lewis serve as the members of the Audit Committee. The Board has adopted a written charter for the Audit Committee, a copy of which is available on Garmin’s website at [www.garmin.com](http://www.garmin.com). The functions of the Audit Committee include overseeing Garmin’s internal accounting and financial reporting processes and external audit processes on behalf of the Board, and appointing, and approving the fee arrangement with Ernst & Young LLP, Garmin’s independent registered public accounting firm and Ernst & Young Ltd, Garmin’s statutory auditor. 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. The Board has determined that Mr. Hartnett, Ms. Lewis and Mr. Peffer are “audit committee financial experts” as defined by the SEC regulations implementing Section 407 of the Sarbanes-Oxley Act of 2002. The Board has determined that all the members of the Audit Committee are independent under the applicable listing standards of the NYSE and SEC regulations.

## Compensation Committee

Mr. Hartnett (Chairman), Mr. Burrell, Mr. Peffer and Ms. Lewis serve as the members of the Compensation Committee.

Our Articles of Association provide that the Compensation Committee shall, among other things, (1) consider and make recommendations to the Board of Directors; (2) assist the Board of Directors in discharging its responsibilities relating to compensations and related disclosure of the members of Executive Management, including the development of policies relating to Executive Management compensation and benefit programs; and (3) prepare and recommend to the Board of Directors the proposals of the Board of Directors to the general meeting of the shareholders regarding the compensation of the Board of Directors and the Executive Management. In addition, the Board has adopted a written charter for the Compensation Committee, a copy of which is available on Garmin’s website at [www.garmin.com](http://www.garmin.com).

The primary responsibilities of the Compensation Committee are to (a) review, approve and oversee Garmin’s compensation philosophy for executive officers, and oversee the development and implementation of compensation programs aligned with Garmin’s goals and objectives; (b) determine the compensation levels, as well as the components and structure of the compensation packages, of the Executive Chairman and CEO, based on their performance in light of Garmin’s goals and objectives, recent compensation history, and the application of any policies and procedures established by the Committee; (c) determine the compensation levels, as well as the components and structure of the compensation packages, of the other executive officers, based on input and recommendations from the CEO and based on their performance in light of relevant performance goals and objectives, recent compensation history, and the application of any policies or procedures established by the Committee; (d) review and

approve any employment, change of control, severance or other agreements with the executive officers, and any amendments to such agreements; (e) prepare and recommend to the Board the proposals for submission at the annual general meeting of shareholders regarding the maximum aggregate compensation of the members of the Board and Garmin’s Executive Management, as required under applicable Swiss law; (f) review and discuss with management the proposed Compensation Discussion and Analysis section (“CD&A”) of Garmin’s annual meeting proxy statement and, based on such review and discussion, make a recommendation to the Board regarding inclusion of the CD&A in the proxy statement; and produce the annual Compensation Committee Report required by the Securities Exchange Act of 1934, as amended; (g) review and discuss with management the report regarding the compensation of the members of the Board and Garmin’s Executive Management to accompany Garmin’s statutory financial statements in accordance with Swiss law, and make a recommendation to the Board regarding inclusion of such report with the statutory financial statements; (h) recommend to the Board any changes in the amount, components and structure of compensation paid to the non-employee members of the Board for their service on the Board and its committees; (i) review the design and oversee the administration of Garmin’s broad-based employee compensation and benefit programs in a manner that is consistent with Garmin’s compensation philosophy and long-term strategic plan; (j) review potential risks related to Garmin’s compensation programs and policies, including whether any such programs and policies incentivize unnecessary and excessive risk taking; (k) review and make recommendations to the Board with respect to adoption and approval of, or amendments to, all equity-based incentive compensation plans for employees and non-employee directors, and the shares and amounts reserved there under after taking into consideration Garmin’s

strategy of long-term and equity-based compensation; (l) serve as the Board committee administering all such plans, including establishing guidelines, interpreting plan documents, and approving awards granted under the plans; and (m) make regular reports to the Board.

The Board has determined that all the members of the Compensation Committee are independent under the applicable listing standards of the NYSE and SEC regulations. The processes and procedures for considering and determining executive compensation, including the Compensation

Committee's authority and role in the process, its delegation of authority to others, and the roles of Garmin executives and third-party executive compensation consultants in making decisions or recommendations on executive compensation, are described in "Executive Compensation Matters – Compensation Discussion and Analysis" below. Pursuant to Swiss law, the members of the Compensation Committee are elected annually by the shareholders at the annual general meeting.

## Nominating and Corporate Governance Committee

Mr. Burrell (Chairman), Mr. Hartnett, Mr. Peffer and Ms. Lewis serve as the members of the Nominating and Corporate Governance Committee (the "Nominating Committee").

The Board has adopted a written charter for the Nominating Committee. A copy of the Nominating Committee Charter is available on Garmin's website at [www.garmin.com](http://www.garmin.com). The primary responsibilities of the Nominating Committee are to (a) evaluate the current composition, size, role and functions of the Board and its committees to oversee successfully the business and affairs of Garmin and make recommendations to the Board for approval, except with respect to the size of the Board, make recommendations to the Board for submission to shareholders for approval; (b) determine director selection criteria and conduct searches for prospective directors whose skills and attributes reflect these criteria; (c) evaluate and recommend nominees for election to the Board; (d) evaluate and make recommendations to the Board concerning the appointment of directors to serve on each standing committee and the selection of Board committee chairpersons, except that, as required by mandatory Swiss law, members of the Compensation Committee shall be elected by the shareholders; (e) evaluate and make recommendations to the Board of a nominee for election by the shareholders to serve as Chairman of the Board; (f) evaluate prior to each annual general meeting, and report to the Board on, the financial literacy of the Audit Committee members and whether the Audit Committee has at least one Audit Committee Financial Expert and one Audit Committee member who has accounting or related financial management expertise; (g) evaluate prior to each annual general meeting, and report to the Board on, the independence of director nominees and Board members under applicable laws, regulations, and stock exchange listing standards; (h) create and implement a process for the Board to annually evaluate its own performance; (i) recommend to the Board Corporate Governance Guidelines; (j) review periodically the Corporate Governance Guidelines and recommend such modifications to the Board as the Nominating Committee deems appropriate; (k) oversee Garmin's corporate governance practices, including reviewing and recommending to the Board for approval any changes to the other documents and policies in Garmin's corporate governance framework, including its articles of association and organizational regulations; (l) verify that the Board and each Board committee has annually evaluated its own performance; (m) review and/or investigate any matters pertaining to the integrity of management or the Board or any committee thereof; (n) annually evaluate the Nominating Committee's own performance and periodically evaluate the adequacy of its Charter; and (o) report to the Board on Nominating Committee actions (other than routine or administrative actions).

The Board has determined that all the members of the Nominating Committee are independent under the listing standards of the NYSE and applicable SEC regulations.

The Nominating Committee believes that the composition of the Board should reflect a diversity of experience, race, gender and ethnicity and seeks to include individuals from diverse backgrounds (inclusive of race, gender and ethnicity) with varying perspectives, professional experience, education and skills in the pool from which nominees for vacancies on the Board are chosen.

In selecting candidates for nomination at the annual general meeting of Garmin's shareholders, the Nominating Committee begins by determining whether the incumbent directors desire and are qualified to continue their service on the Board. The Nominating Committee is of the view that the continuing service of qualified incumbents promotes stability and continuity in the board room, giving the Board the familiarity and insight into Garmin's affairs that its directors have accumulated during their tenure, while contributing to their work as a collective body. Accordingly, it is the policy of the Nominating Committee, absent special circumstances, to nominate qualified incumbent directors who continue to satisfy the Nominating Committee's criteria for membership on the Board, whom the Nominating Committee believes will continue to make a valuable contribution to the Board and who consent to stand for re-election and, if re-elected, to continue their service on the Board. If there are Board vacancies and the Nominating Committee does not re-nominate a qualified incumbent, the Nominating Committee will consider and evaluate director candidates recommended by the Board, members of the Nominating Committee, management and any shareholder owning one percent or more of Garmin's outstanding shares.

The Nominating Committee will use the same criteria to evaluate all director candidates, whether recommended by the Board, members of the Nominating Committee, management or a one percent shareholder. The Nominating Committee has adopted the policy that a shareholder owning one percent or more of Garmin's outstanding shares may recommend director candidates for consideration by the Nominating Committee by writing to the Company Secretary, by facsimile at +41 52 630 1601 or by mail at Garmin Ltd., Mühlentalstrasse 2, 8200 Schaffhausen, Switzerland. The recommendation must contain the proposed candidate's name, address, biographical data, a description of the proposed candidate's business experience, a description of the proposed candidate's qualifications for consideration as a director, a representation that the nominating shareholder is a beneficial or record owner of one percent or more of Garmin's outstanding shares (based on the number of outstanding shares reported on the cover page of Garmin's most recently filed Annual Report on Form 10-K) and a statement of the number of Garmin shares owned by such shareholder. The recommendation must also be accompanied by the written consent of the proposed candidate to be named as a nominee and to serve as a director of Garmin if nominated and elected. A shareholder may not recommend him or herself as a director candidate.

Garmin's Corporate Governance Guidelines adopted by the Board require that a majority of Garmin's directors be independent and that any independent director candidate meet the definition of an independent director in the NYSE Listed Company Manual. The Nominating Committee also requires that at least one independent director qualify as an audit committee financial expert. The Nominating Committee also requires that an independent director candidate should have either (a) at least ten years' experience at a policy-making level or other level with significant decision-making responsibility in an organization or institution or (b) a high level of technical knowledge or business experience relevant to Garmin's technology or industry. In addition, the Nominating Committee requires that

an independent director candidate have such financial expertise, character, integrity, ethical standards, interpersonal skills and time to devote to Board matters as would reasonably be considered to be appropriate in order for the director to carry out his or her duties as a director.

In evaluating a director candidate (including the nomination of an incumbent director), the Nominating Committee considers, among other things, whether the candidate meets the Nominating Committee's requirements for

independent director candidates, if applicable. The Nominating Committee also considers a director candidate's skills and experience and diversity of background and perspective (inclusive of race, gender and ethnicity) in the context of the perceived needs of the Board at the time of consideration. Additionally, in recommending an incumbent director for re-election, the Nominating Committee considers the nominee's prior service to Garmin's Board and continued commitment to service on the Board.

## Board Leadership Structure and Role in Risk Oversight

Dr. Min H. Kao serves as Executive Chairman of the Board, and Clifton A. Pemble serves as President and Chief Executive Officer. The Board believes this Board leadership structure is appropriate and desirable because Mr. Pemble is well-positioned to be Chief Executive Officer since he has been at Garmin since 1989 and held a number of leadership positions prior to becoming Chief Executive Officer on January 1, 2013, including President and Chief Operating Officer, and Dr. Kao's continued contribution as Executive Chairman adds significant value because he is a co-founder of Garmin, which gives him a unique perspective of the company's history, vision and values. In addition, because of his significant ownership of Garmin shares, Dr. Kao's interests are aligned with those of Garmin's shareholders.

Garmin does not have a lead independent director. Instead, all of the independent directors play an active role on the Board. The independent directors make up a majority of the Board, and a majority of the independent

directors are or have been leaders in industry with a history of exercising critical thought and sound judgment.

The entire Board performs the risk oversight role. Garmin's Chief Executive Officer is a member of the Board, and Garmin's Chief Financial Officer and its General Counsel regularly attend Board meetings, which helps facilitate discussions regarding risk between the Board and Garmin's senior management, as well as the exchange of risk-related information or concerns between the Board and the senior management. Further, the independent directors meet in executive session at the majority of the regularly scheduled Board meetings to voice their observations or concerns and to shape the agendas for future Board meetings.

The Board believes that, with these practices, each director has an equal stake in the Board's actions and oversight role and equal accountability to Garmin and its shareholders.

## Compensation and Risk

Garmin regularly assesses risks related to compensation programs, including our executive compensation programs. Garmin does not believe that there are any risks arising from Garmin's compensation policies and practices that are reasonably likely to have a material adverse effect on Garmin.

## Shareholder Communications with Directors

The Board has established a process to receive communications from shareholders. Shareholders may communicate with the Board or with any individual director of Garmin by writing to the Board or such individual director in care of Garmin's Corporate Secretary, by facsimile at +41 52 630 1601 or by mail at Garmin Ltd., Mühlentalstrasse 2, 8200 Schaffhausen, Switzerland.

All such communications must identify the author as a shareholder, state the number of shares owned by the author and state whether the intended recipients are all members of the Board or just certain specified directors. The Company Secretary will make copies of all such communications and send them to the appropriate director or directors.



## Compensation Committee Interlocks and Insider Participation; Certain Relationships

Garmin had no compensation committee interlocks for the fiscal year ended December 25, 2021.

Garmin has adopted a written policy for the review by the Audit Committee of transactions in which Garmin is a participant and any related person will have a direct or indirect material interest in the transaction. This policy is generally designed to cover those related party transactions that would be required to be disclosed in a proxy statement, annual report on Form 10-K or registration statement pursuant to Item 404(a) of Regulation S-K. However, the policy is more encompassing in that the amount involved in a transaction covered by the policy must only exceed \$60,000 while disclosure under Item 404(a) is required only if the amount involved exceeds \$120,000. The policy defines the terms "transaction" and "related person" in the same manner as Item 404(a) of Regulation S-K.

If the nature of the timing of a related party transaction is such that it is not practical to obtain advance approval by the Audit Committee, then management may enter into it, subject to ratification by the Audit

Committee. If ratification is not subsequently obtained, then management must take all reasonable efforts to cause the related person transaction to be null and void.

The Audit Committee will approve or ratify only those related party transactions that it determines in good faith are in, or are not inconsistent with, the best interests of Garmin and its shareholders. In making that determination, the Audit Committee shall consider all of the relevant facts and circumstances available to it, including the benefits to Garmin and whether the related party transaction is on terms and conditions comparable to those available in arms-length dealing with an unrelated third party that can provide comparable products or services.

The Audit Committee will also annually review ongoing related party transactions after considering all relevant facts and circumstances. The Audit Committee will then determine if those transactions should be terminated or modified based on whether it is still in the best interests, or not inconsistent with the best interests, of Garmin and its shareholders.

## Non-Management Director Compensation

Each Garmin director, who is not an officer or employee of Garmin, or of a subsidiary of Garmin, is compensated for service on the Board and its committees. The annual director compensation package at Garmin is designed to attract and retain highly-qualified, independent professionals to represent Garmin's shareholders.

Each director, who is not an officer or employee of Garmin or its subsidiaries (a "Non-Management Director"), is paid an annual retainer of \$85,000. Each Non-Management Director, who chairs a standing committee of the Board (other than the Audit Committee), also receives an annual retainer of \$5,000. The Non-Management Director who chairs the Audit Committee receives an annual retainer of \$10,000. Each Non-Management Director also receives an annual award of restricted stock units valued at \$150,000.

The maximum aggregate compensation for the Board of Directors for the period between the 2022 Annual General Meeting and the 2023 Annual General Meeting submitted to shareholders for approval under Proposal No. 12 reflects the above compensation program for Non-Management Directors, and also includes an annual salary for our Executive Chairman.

Garmin does not have formal stock ownership guidelines for its directors. However, Garmin's independent directors receive a large portion of their total compensation in equity awards, and as set forth in the "Stock Ownership of Certain Beneficial Owners and Management" table on pages 13 through 14 of this Proxy Statement, each of them retains a significant portion of the shares awarded.

## 2021 Non-Management Director Compensation

The following table shows the compensation paid to our Non-Management Directors in 2021:

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) <sup>(1)</sup>	SAR/Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value & Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Jonathan Burrell	\$ 90,000	\$ 145,056	\$ -	\$ -	\$ -	\$ -	235,056
Joseph Hartnett	\$ 90,000	\$ 145,056	\$ -	\$ -	\$ -	\$ -	235,056
Catherine Lewis	\$ 85,000	\$ 145,056	\$ -	\$ -	\$ -	\$ -	230,056
Charles Peffer	\$ 95,000	\$ 145,056	\$ -	\$ -	\$ -	\$ -	240,056

(1) This column shows the grant date fair value of stock awards granted in 2021 to each of the non-management directors. As of December 25, 2021, each non-management director owned 1,045 outstanding stock awards.

## PROPOSAL SIX

# Re-election of the Chairman

Pursuant to Swiss law, the chairman of a Swiss company listed on a stock exchange is required to be elected annually by the shareholders for a term extending until completion of the next annual general meeting.

Subject to his re-election as a member of the Board, the Board has nominated Dr. Min Kao, who is currently the Executive Chairman of Garmin, to stand for re-election as Executive Chairman for a term extending until completion of the annual general meeting in 2023. Dr. Kao has indicated that he is willing and able to continue to serve as Executive Chairman if re-elected.

Information about Dr. Kao can be found at page 19 of this Proxy Statement.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” THE RE-ELECTION OF MIN H. KAO AS EXECUTIVE CHAIRMAN.**

## PROPOSAL SEVEN

# Re-election of four Compensation Committee members

Pursuant to Swiss law, the members of the compensation committee of a Swiss company listed on a stock exchange are required to be elected annually and individually by the shareholders for a term extending until completion of the next annual general meeting.

Subject to their re-election as members of the Board, the Board has nominated Jonathan C. Burrell, Joseph J. Hartnett, Catherine A. Lewis and Charles W. Pepper, who are currently members of the Compensation Committee, to stand for re-election as members of the Compensation

Committee for a term extending until completion of the annual general meeting in 2023. If elected, Mr. Hartnett will be re-appointed as chairman of the Compensation Committee. Mr. Burrell, Mr. Hartnett, Ms. Lewis and Mr. Pepper have each indicated that they are willing and able to serve as a member of the Compensation Committee if re-elected.

Information about Messrs. Burrell, Hartnett and Pepper and Ms. Lewis can be found at pages 19 and 20 of this Proxy Statement.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” RE-ELECTION OF EACH OF THESE NOMINEES.**

## PROPOSAL EIGHT

# Re-election of the independent voting rights representative

Swiss law requires that the shareholders of a Swiss company listed on a stock exchange elect annually an independent voting rights representative for a term extending until completion of the next annual general meeting.

The main duty of the independent voting rights representative is to exercise the voting rights in accordance with the instructions received from shareholders. The independent voting rights representative will not make statements, submit proposals or ask questions to the Board on

behalf of shareholders. The Board has recommended that the law firm of Wuersch & Gering LLP, 100 Wall Street, 10<sup>th</sup> Floor, New York, NY 10005, USA be re-elected as the independent voting rights representative for a term extending until completion of the annual general meeting in 2023. Wuersch & Gering LLP is a New York law firm with lawyers who have experience in Swiss legal matters. Wuersch & Gering LLP does not perform any other services for Garmin.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE RE-ELECTION OF WUERSCH & GERING LLP AS THE INDEPENDENT VOTING RIGHTS REPRESENTATIVE.**

## PROPOSAL NINE

# Ratification of the appointment of Ernst & Young LLP as Garmin's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2022 and re-election of Ernst & Young Ltd as Garmin's statutory auditor for another one-year term

Ernst & Young LLP has acted as Garmin's independent registered public accounting firm since 2000 and has been appointed by the Audit Committee to audit and certify Garmin's financial statements for the fiscal year ending December 31, 2022.

Ernst & Young Ltd was re-elected as Garmin's statutory auditor for 2021. Swiss law and our Articles of Association require that our shareholders elect annually a firm as statutory auditor. The statutory auditor's main task is to audit our consolidated financial statements and parent company financial statements that are required under Swiss law. The Audit Committee and

Board propose that Ernst & Young Ltd be re-elected as Garmin's statutory auditor for another one-year term.

Representatives of Ernst & Young Ltd will be present at the Annual Meeting. They will have the opportunity to make a statement if they desire and will be available to respond to appropriate questions.

If the shareholders do not ratify the appointment of Ernst & Young LLP, the Audit Committee will reconsider whether to appoint Ernst & Young LLP as Garmin's registered independent public accounting firm for the fiscal year ending December 31, 2022.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS GARMIN'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2022 AND RE-ELECTION OF ERNST & YOUNG LTD AS GARMIN'S STATUTORY AUDITOR FOR ANOTHER ONE-YEAR TERM.**

## PROPOSAL TEN

# Advisory Vote on Executive Compensation

As required by Section 14A of the Securities Exchange Act of 1934, the Board proposes that shareholders be provided with an annual advisory vote on the compensation of Garmin's Named Executive Officers, as disclosed in the Compensation Discussion and Analysis, the accompanying compensation tables and any related material disclosed in this Proxy Statement. As described in the Compensation Discussion and Analysis, the objectives of Garmin's executive compensation program are to:

1. Provide executive compensation that Garmin believes is fair, reasonable and competitive in order to attract, motivate and retain a highly qualified executive team;
2. Reward executives for individual performance and contribution;

3. Provide incentives to executives to enhance shareholder value;
4. Reward executives for long-term, sustained individual and Company performance; and
5. Provide executive compensation that is viewed as internally equitable by both the executives and the broader Garmin employee population.

As an advisory vote, the shareholders' vote on this proposal is not binding on Garmin. However, we value the opinions of Garmin shareholders and the Compensation Committee of our Board plans to review voting results on this proposal and will give consideration to such voting when making future executive compensation decisions for Garmin's Named Executive Officers.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF GARMIN'S NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT RELATING TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS PURSUANT TO THE EXECUTIVE COMPENSATION DISCLOSURE RULES PROMULGATED BY THE SEC.**

## PROPOSAL ELEVEN

# Binding Vote to Approve Fiscal Year 2023 Maximum Aggregate Compensation for the Executive Management

Pursuant to Swiss law and Article 22(a) of the Articles of Association of Garmin, the shareholders must annually approve the maximum aggregate compensation of the Executive Management for the next fiscal year.

Pursuant to Article 23.1 of the Organizational Regulations of Garmin, the Executive Management consists of the Chief Executive Officer and such other officers expressly designated by the Board to be members of the Executive Management. The Board has designated the Chief Executive Officer and the Chief Financial Officer to be the members of Executive Management.

The Board proposes that the amount of U.S. \$8,950,000 be approved as the maximum aggregate amount of compensation of the Executive

Management for the fiscal year commencing on January 1, 2023 and ending on December 30, 2023. Such maximum aggregate amount includes all forms of cash, stock and other compensation and is based on the expected fiscal year 2023 compensation of the Executive Management. This amount represents the maximum possible amount that Garmin could pay to the Executive Management in the 2023 fiscal year and not necessarily the actual amount that will be paid. Actual 2023 fiscal year compensation for the Executive Management will be determined by the Compensation Committee based on company and individual performance and other relevant factors.

### Maximum Aggregate Executive Management Compensation Proposal for the 2023 Fiscal Year

Salaries and benefits	\$	2,125,122 <sup>(1)</sup>
Stock compensation (assuming vesting of all performance based RSUs at 100% of target)	\$	6,250,000 <sup>(2)</sup>
All other compensation and contingencies	\$	574,878
<b>TOTAL</b>	<b>\$</b>	<b>8,950,000</b>

(1) Garmin's social security and Medicare contributions for the Executive Management pursuant to applicable law are not included in the maximum aggregate amount. The estimated aggregate amount of Garmin's social security contributions for the Executive Management is U.S. \$18,228 and Garmin is also required to pay Medicare contributions in the amount of 1.45% of all taxable income of the Executive Management.

(2) Stock compensation consists of grants of restricted stock units which vest in equal annual instalments over a period of three years. Such grants are valued at grant date fair value in accordance with U.S. GAAP methodology. To the extent that such grants of restricted stock units are subject to the achievement of performance targets, such grants are valued based on target achievement of performance criteria. The value on the vesting date may differ due to share price fluctuation and achievement against predetermined performance criteria ranging from 0% to 150% of target.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL OF THE FISCAL YEAR 2023 MAXIMUM AGGREGATE COMPENSATION FOR THE EXECUTIVE MANAGEMENT.**

## PROPOSAL TWELVE

# Binding Vote to Approve Maximum Aggregate Compensation for the Board of Directors for the period between the 2022 Annual General Meeting and the 2023 Annual General Meeting

Pursuant to Swiss law and Article 22(a) of the Articles of Association of Garmin the shareholders must annually approve the maximum aggregate compensation of the Board of Directors for the period between the annual general meeting at which approval is sought and the next annual general meeting. This proposal is based on the Board of Directors consisting of six directors, of whom four are Non-Management Directors. Only the Non-Management Directors and the Executive Chairman are included in this proposal. The President and Chief Executive Officer, who also is a member of the Board of Directors, does not receive any compensation for his role as a director.

The Board proposes that the amount of \$1,600,000 be approved as the maximum aggregate amount of compensation for the Board of Directors for the period between the 2022 annual general meeting and the 2023 annual general meeting. A description of the compensation program for the Board of Directors is provided on page 25 (“Non-Management Director Compensation”). The proposed maximum aggregate amount includes all forms of cash, stock and other compensation and represents the maximum possible amount that Garmin could pay to the Board of Directors for the period between the 2022 annual general meeting and the 2023 annual general meeting and not necessarily the actual amount that will be paid.

### Maximum Aggregate Board Compensation Proposal for the period between the 2022 AGM and the 2023 AGM

Board retainer fees	\$	360,000
Stock compensation	\$	600,000
Executive Chairman compensation	\$	387,036 <sup>(1)</sup>
All other compensation and contingencies	\$	252,964
<b>TOTAL</b>	<b>\$</b>	<b>1,600,000</b>

(1) Garmin’s social security and Medicare contributions for the Executive Chairman pursuant to applicable law are not included in the maximum aggregate amount. The estimated amount of Garmin’s social security contributions for the Executive Chairman is \$9,114 and Garmin is also required to pay Medicare contributions in the amount of 1.45% of all taxable compensation of the Executive Chairman.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” THE APPROVAL OF THE MAXIMUM AGGREGATE COMPENSATION FOR THE BOARD OF DIRECTORS FOR THE PERIOD BETWEEN THE 2022 ANNUAL GENERAL MEETING AND THE 2023 ANNUAL GENERAL MEETING.**



## PROPOSAL THIRTEEN

# Approval of an Amendment to the Garmin Ltd. 2005 Equity Incentive Plan to increase the maximum number of shares authorized for issuance under the Plan that may be delivered as Restricted Shares or pursuant to Performance Units or Restricted Stock Units from 10 million to 12 million

Garmin's 2005 Equity Incentive Plan, which was originally approved by Garmin's shareholders on June 3, 2005 and was last amended and restated on April 22, 2022 provides for grants of non-qualified stock options; incentive stock options; restricted shares, bonus shares, restricted stock units, stock appreciation rights, performance units and performance shares. Employees of Garmin or any majority owned subsidiary are eligible for awards. The Compensation Committee selects the grantees and determines the types and terms of the awards granted. Generally, the per share exercise price of an option and the per share strike price of a stock appreciation right must be at least the fair market value of a common share as of the grant date. The 2005 Equity Incentive Plan provides that, unless otherwise specified in the individual award agreement, vesting of outstanding awards will be accelerated if, within one year after a change in control of Garmin, Garmin terminates the grantee's employment (other than for death, disability or cause) or the grantee terminates the employment because of a diminution in compensation or status or a required move of 50 miles.

Garmin believes that equity compensation aligns the interests of management and employees with the interests of other shareholders. Garmin currently

provides for equity incentive compensation through the 2005 Equity Incentive Plan. As of April 14, 2022, 3,926,929 shares remained available for issuance under the 2005 Equity Incentive Plan. Awards under the plan relating to a total of 663,285 Garmin shares were granted to employees in 2021. An amendment to the 2005 Equity Incentive Plan is being proposed for shareholder approval to amend article 4.1(a) of the Plan to increase the maximum number of shares that may be delivered as restricted shares or pursuant to performance units or restricted stock units from 10,000,000 to 12,000,000 so that Garmin can continue to grant equity compensation of this type to employees. The Board has approved the above discussed proposed amendment subject to shareholder approval. The amendment will not be effective unless and until we obtain shareholder approval. If our shareholders approve the amendment, the amendment will be effective as of June 10, 2022.

The proposed amendments to article 4.1(a) of the 2005 Equity Incentive Plan are shown below on which the proposed amendments are marked with a strikethrough to indicate text that would be deleted and with an underline to indicate text that would be added.

#### **4.1 Number of Shares Available.**

- (a) *Plan Limit.* Subject to adjustment as provided in Section 4.2, the number of Shares hereby reserved for delivery under the Plan is thirteen million (13,000,000) Shares. The maximum number of Shares that may be delivered pursuant to the exercise of Options (including incentive stock options under Code Section 422) or SARs is ten million (10,000,000) Shares. The maximum number of Shares that may be delivered as Restricted Shares or pursuant to Performance Units or Restricted Stock Units is ~~ten million (10,000,000)~~ twelve million (12,000,000) Shares. The maximum number of Bonus Shares that may be awarded is one million (1,000,000) Shares. If any Shares subject to an Award granted hereunder are forfeited or an Award or any portion thereof otherwise terminates or is settled without the issuance of Shares, the Shares subject to such Award, to the extent of any such forfeiture, termination or settlement, shall again be available for grant under the Plan. The Board may from time to time determine the appropriate methodology for calculating the number of Shares issued pursuant to the Plan.

The following general description of material features of the 2005 Equity Incentive Plan is qualified in its entirety by reference to the provisions of the 2005 Equity Incentive Plan, as proposed to be amended, set forth in

Annex 1 to this Proxy Statement, on which the proposed amendments are marked with a strikethrough to indicate text that would be deleted and with an underline to indicate text that would be added.

## General

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The 2005 Equity Incentive Plan provides for grants of non-qualified stock options; incentive stock options; restricted shares, restricted stock units, bonus shares, stock appreciation rights, performance units and performance shares. The objectives of the plan are to strengthen our employees' commitment to the success of Garmin, to stimulate our employees' efforts on behalf of Garmin and to help Garmin attract new employees and retain existing employees.

## Eligibility and Limits on Awards

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Any employee, including officers, of Garmin or any majority owned subsidiary is eligible to receive awards under the 2005 Equity Incentive Plan. As of April 14, 2022, there were 10 executive officers and approximately 19,154 employees other than executive officers who are eligible to receive awards under the plan. No determination has been made as to which of Garmin's employees will receive grants under the 2005 Equity Compensation Plan, and, therefore the benefits to be allocated to any individual or to any group of employees are not presently determinable.

The 2005 Equity Incentive Plan places limits on the maximum amount of awards that may be granted to any employee in any five (5) year period. Under the 2005 Equity Incentive Plan, no employee may receive awards of stock options, stock appreciation rights, restricted stock, restricted stock units, bonus shares, performance units or performance shares that cover in the aggregate more than two million (2,000,000) shares in any five (5) year period.

## Administration

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The 2005 Equity Incentive Plan will be administered by the Board of Directors or the Compensation Committee of the Board of Directors (the "Committee"). The Board or Committee will select the eligible employees to whom awards will be granted and will set the terms of such awards, including any performance goals applicable to annual and long-term

incentive awards. The Board or Committee may delegate its authority under the 2005 Equity Incentive Plan to officers of Garmin, subject to guidelines prescribed by the Board or Committee, but only with respect to employees who are not subject to Section 16 of the Exchange Act.

## Shares Reserved for Awards

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The 2005 Equity Incentive Plan provides for up to 13,000,000 shares to be used for awards. This represents approximately 6.73% of the shares outstanding as of the Record Date (excluding shares held directly or indirectly in treasury). To the extent that any award under the 2005 Equity Incentive Plan is exercised, cashed out, terminates, expires or is forfeited without payment being made in the form of our shares, the shares subject to such award that were not so paid will again be available for issuance under the 2005 Equity Incentive Plan. However, any shares withheld for the purpose of satisfying any tax withholding obligation will be counted against the authorized limit and not be available for issuance. If a stock appreciation right award or a similar award based on the spread value of our shares is exercised, only the number of our shares issued, if any, will be considered delivered for the purpose of determining availability of shares for delivery under the 2005 Equity Incentive Plan. Unless otherwise determined by the Committee, stock options may

be exercised by payment in cash, by tendering shares to us in full or partial payment of the exercise price, or by a "net exercise" arrangement under which the number of shares to be delivered upon exercise will be reduced by the largest number of whole shares that has a fair market value that does not exceed the aggregate exercise price.

The number of our shares authorized for awards is subject to adjustment for changes in capitalization, reorganizations, mergers, stock splits, and other corporate transactions as the Board or the Committee determines to require an equitable adjustment. The 2005 Equity Incentive Plan will remain in effect until all the shares available have been used to pay awards, subject to the right of the Board to amend or terminate the 2005 Equity Incentive Plan at any time.

## General Terms of Awards

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The Board or the Committee will select the grantees and set the term of each award, which may not be more than ten years. The Board or the Committee has the power to determine the terms of the awards granted, including the number of shares subject to each award, and, if applicable the form of consideration payable upon exercise, the period in which the award may be exercised after termination of employment, and all other matters. The exercise price of an option and the strike price of a stock appreciation right must be at least the fair market value of a share as of the grant date, unless the award is replacing an award granted by an entity that is acquired by Garmin Ltd. or a subsidiary.

The Board or the Committee will also set the vesting or payment conditions of the award, except that, unless otherwise provided in an award agreement, vesting or payment will be accelerated if, within one year after a change of control of Garmin, Garmin terminates the grantee's employment (other than for death, disability or cause) or the grantee terminates employment for a "good reason" (*i.e.*, because of a diminution in compensation or status or a required move of over 50 miles).

Awards granted under the 2005 Equity Incentive Plan are not generally transferable by the grantee except in the event of the employee's death or unless otherwise required by law or provided in an award agreement. An award agreement may provide for the transfer of an award in limited circumstances to certain members of the grantee's family or a trust or trusts established for the benefit of such a family member. Any such transfer, if permitted under the award agreement, cannot be for consideration, other than nominal consideration. Other terms and conditions of each award will be set forth in award agreements, which can be amended by the Board or

the Committee under circumstances detailed in the 2005 Equity Incentive Plan. The number and type of awards that will be granted under the 2005 Equity Incentive Plan is not determinable as the Board or the Committee will make these determinations in its sole discretion. Performance Awards and Performance Criteria.

Any award (including Performance Unit and Performance Share awards) may be granted under the 2005 Equity Incentive Plan with performance-based payment, vesting or exercise conditions.

## Restricted Shares and Bonus Shares

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Restricted shares may also be awarded. The restricted shares will vest and become transferable upon the satisfaction of conditions set forth in the respective restricted share award agreement. Restricted share awards may be forfeited if, for example, the recipient's employment terminates before the award vests. Restricted shares are subject to a minimum two-year vesting schedule. The Board or Committee may also grant shares to participants from time-to-time as a bonus, which will be issued without restrictions.

## Stock Options

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The 2005 Equity Incentive Plan permits the granting to eligible employees of incentive stock options, which qualify for special tax treatment, and nonqualified stock options. The exercise price for any stock option will not be less than the fair market value of a share on the date of grant. No incentive stock option may be exercised more than ten years after the date of grant.

## Stock Appreciation Rights

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Stock Appreciation Rights ("SARs") may be granted either singly ("freestanding SARs") or in combination with underlying stock options ("tandem SARs"). SARs entitle the holder upon exercise to receive an amount in shares equal in value to the excess of the fair market value of the shares covered by such right over the grant price. The grant price for

SARs will not be less than the fair market value of a share on the SAR's date of grant. The payment upon a SAR exercise shall be solely in whole shares of equivalent value. Fractional shares will be rounded down to the nearest whole share with no cash consideration paid.

## Restricted Stock Units

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Restricted Stock Units ("RSUs") may be granted to eligible employees, subject to the terms and restrictions that the Board or the Committee may impose. The restrictions may be based on the passage of time, the achievement of specific performance goals, the passage of time following the achievement of specific performance goals, the occurrence of a specified event, or

may be imposed by the applicable securities laws. RSUs are subject to a minimum two-year vesting schedule. RSUs entitle the holder to receive an amount of shares equal to the number of shares underlying the RSUs on the date that any restrictions applicable to an award of RSUs have lapsed.

## Change of Control Provisions

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The 2005 Equity Incentive Plan provides that, unless otherwise provided in an award agreement, if, within the one-year period beginning on the date of a Change of Control (as defined in the 2005 Equity Incentive Plan), an employee separates from service with Garmin or a majority owned subsidiary due to Garmin terminating the employee's employment other than for cause or the employee resigning because of a diminution in compensation or status or a required move of over 50 miles, then, all stock options and SARs will become fully vested and immediately exercisable, the restrictions applicable to outstanding restricted stock, restricted stock units and other stock-based awards will lapse, and, unless otherwise determined by the Board or Committee, all deferred shares will be settled, and outstanding performance awards will be vested and paid out on a prorated basis, based on the maximum award opportunity of such awards

and the number of months elapsed compared with the total number of months in the performance cycle.

In connection with a Change of Control, separation, spin-off, sale of a material portion of our assets or a "going-private" transaction, the Board or the Committee, or the board of directors of any corporation assuming our obligations, has the power to prescribe and amend the terms and conditions for the exercise, or modification of any outstanding awards in the manner as agreed to by the Board in the definitive agreement relating to the transaction. The Board or Committee may also make certain adjustments and substitutions in connection with a Change of Control or similar transactions or events as described under "Shares Reserved for Awards."

## Plan Participation Table

The table below shows, as to our Named Executive Officers (as defined elsewhere in this Proxy Statement) and the other individuals and groups indicated, the number of options, SARs, RSUs and performance shares granted under the 2005 Equity Incentive Plan since the inception of the Plan. This table does not represent the number of shares actually delivered pursuant to awards granted under the 2005 Equity Incentive Plan,

Name and Position	Plan Benefits 2005 Equity Incentive Plan Grants Since Inception <sup>(1)</sup>				Total
	Number of Options	Number of SARs	Number of RSUs	Number of Performance Shares	
Min H. Kao, Executive Chairman	-	-	-	-	-
Clifton A. Pemble, President and Chief Executive Officer	73,480	209,907	316,919	16,667	616,973
Douglas G. Boessen, Chief Financial Officer and Treasurer	-	12,680	68,883	-	81,563
Andrew R. Etkind, Vice President, General Counsel and Secretary	-	97,000	112,438	10,000	219,438
Philip I. Straub, Executive Vice President, Managing Director-Aviation, Garmin International, Inc.	-	78,000	135,586	-	213,586
Patrick G. Desbois, Executive Vice President, Operations, Garmin International, Inc	-	-	96,118	-	96,118
All Executive Officers as a Group	73,480	397,587	729,944	26,667	1,227,678
All Non-Executive Directors as a Group	-	-	-	-	-
All Non-Executive Officer Employees as a Group	30,085	7,235,181	10,510,998	8,333	17,784,587

(1) As of February 25, 2022.

## U.S. Federal Income Tax Consequences

Based on current provisions of the Internal Revenue Code and the existing regulations thereunder, the anticipated U.S. federal income tax consequences of stock options; SARs and RSUs granted under the 2005 Equity Incentive Plan are as described below. The following discussion is not intended to be a complete discussion of applicable law and is based on the U.S. federal income tax laws as in effect on the date hereof:

### Non-Qualified Stock Options

An employee receiving a non-qualified option does not recognize taxable income on the date of grant of the non-qualified option, provided that the non-qualified option does not have a readily ascertainable fair market value at the time it is granted. In general, the employee must recognize ordinary income at the time of exercise of the non-qualified option in the amount of the difference between the fair market value of the shares on the date of exercise and the option price. The ordinary income recognized will constitute compensation for which tax withholding generally will be required. The amount of ordinary income recognized by an employee will be deductible by Garmin in the year that the employee recognizes the income if Garmin complies with the applicable withholding requirement.

Shares acquired upon the exercise of a non-qualified option will have a tax basis equal to their fair market value on the exercise date or other relevant date on which ordinary income is recognized, and the holding period for the shares generally will begin on the date of exercise or such other relevant date. Upon subsequent disposition of the shares, the employee will recognize long-term capital gain or loss if the employee

has held the shares for more than one year prior to disposition, or short-term capital gain or loss if the employee has held the shares for one year or less.

If an employee pays the exercise price, in whole or in part, with previously acquired shares, the employee will recognize ordinary income in the amount by which the fair market value of the shares received exceeds the exercise price. The employee will not recognize gain or loss upon delivering the previously acquired shares to Garmin. Common shares received by an employee, equal in number to the previously acquired shares exchanged therefore, will have the same basis and holding period for long-term capital gain purposes as the previously acquired shares. Shares received by the employee in excess of the number of such previously acquired shares will have a basis equal to the fair market value of the additional shares as of the date ordinary income is recognized. The holding period for the additional shares received will commence as of the date of exercise or such other relevant date.

## Incentive Stock Options

Incentive Stock Options (“ISOs”) are defined by Section 422 of the Internal Revenue Code. An employee who is granted an ISO does not recognize taxable income either on the date of grant or on the date of exercise. Upon the exercise of an ISO, the difference between the fair market value of the shares received and the option price is, however, a tax preference item potentially subject to the alternative minimum tax.

Upon disposition of shares acquired from the exercise of an ISO, long-term capital gain or loss is generally recognized in an amount equal to the difference between the amount realized on the sale or disposition and the exercise price. However, if the employee disposes of the shares within two years of the date of grant or within one year of the date of the transfer of the common shares to the employee (a “Disqualifying Disposition”), then the employee will recognize ordinary income, as opposed to capital gain, at the time of disposition. In general, the amount of ordinary income recognized will be equal to the lesser of (a) the amount of gain realized on the disposition, or (b) the difference between the fair market value of the shares received on the date of exercise and the exercise price. Any remaining gain or loss is treated as a short-term or long-term capital gain or loss, depending on the period of time the shares have been held. Garmin is not entitled to a tax deduction upon either the exercise of an ISO or the disposition of shares acquired pursuant to the exercise of an ISO, except to the extent that the employee recognizes ordinary income in a Disqualifying Disposition. For alternative minimum taxable income

purposes, on the later sale or other disposition of the shares, generally only the difference between the fair market value of the shares on the exercise date and the amount realized on the sale or disposition is includable in alternative minimum taxable income.

If an employee pays the exercise price, in whole or in part, with previously acquired shares, the exchange should not affect the ISO tax treatment of the exercise. Upon the exchange, and except as otherwise described herein, no gain or loss is recognized by the employee upon delivering previously acquired shares to Garmin as payment of the exercise price. The shares received by the employee, equal in number to the previously acquired shares exchanged therefore, will have the same basis and holding period for long-term capital gain purposes as the previously acquired shares. The employee, however, will not be able to utilize the prior holding period for the purpose of satisfying the ISO statutory holding period requirements. Shares received by the employee in excess of the number of previously acquired shares will have a basis of zero and a holding period which commences as of the date the shares are transferred to the employee upon exercise of the ISO. If the exercise of any ISO is effected using shares previously acquired through the exercise of an ISO, the exchange of the previously acquired common shares will be considered a disposition of the common shares for the purpose of determining whether a Disqualifying Disposition has occurred.

## Stock Appreciation Rights

To the extent that the requirements of the Internal Revenue Code are met, there are no immediate tax consequences to an employee when a SAR is granted. When an employee exercises the right to the appreciation in fair market value of shares represented by a SAR, payments made in shares are normally includable in the employee’s gross income for regular income tax

purposes. Garmin will be entitled to deduct the same amount as a business expense in the same year. The includable amount and corresponding deduction each equal the fair market value of the common shares payable on the date of exercise.

## Restricted Shares, Restricted Stock Units and Performance Shares

Generally, no taxes are due when an award of restricted shares is made, but the award becomes taxable when it vests or becomes transferable, unless the recipient elects, under Section 83(b) of the Internal Revenue Code within 30 days of receiving the grant, to be taxed in the year the restricted stock is granted. Income tax is paid on the value of the stock at ordinary rates when the award vests or becomes transferable (or, if a Section 83(b) election is made, at the time of grant), and then at long-or short-term capital gains rates when the shares are sold. Garmin is entitled to a deduction) at the time and in the amount the recipient recognizes as income.

Generally, no taxes are due when an award of restricted stock units or performance shares is made, but the award becomes taxable when it vests and the underlying shares are transferred. In addition, Garmin is entitled to a deduction at the time and in the amount the recipient recognizes income. In the case of an award of restricted stock units or performance shares, a recipient may not make a Section 83(b) election. Rules relating to the timing of payment of deferred compensation under Section 409A of the Internal Revenue Code are potentially applicable to restricted stock units or performance shares and any violation of Section 409A could trigger interest and penalties applicable to the recipient.

## Deferred Compensation

Any deferrals made under the 2005 Equity Incentive Plan, including awards granted under the plan that are considered to be deferred compensation, must satisfy the requirements of Section 409A of the Internal Revenue Code to avoid adverse tax consequences to participating employees.

These requirements include limitations on election timing, acceleration of payments, and distributions. Garmin intends to structure any deferrals and awards under the 2005 Equity Incentive Plan to either be exempt from or meet the applicable tax law requirements.

## Other Tax Consequences

State tax consequences may in some cases differ from those described above. Awards under the 2005 Equity Incentive Plan will in some instances be made to employees who are subject to tax in jurisdictions other than the United States and may result in tax consequences differing from those described above.

## Other Information

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If the proposed amendment to article 4.1(a) of the Plan is approved by shareholders, the Amended and Restated 2005 Equity Incentive Plan will be effective June 10, 2022, and will remain in effect, subject to the right of the Board to amend or terminate the Plan (subject to certain limitations set forth in the Plan), at any time until all shares subject to it shall have been issued according to the Plan's provisions. Any awards granted before the Plan is terminated may extend beyond the expiration date.

The Board may amend the 2005 Equity Incentive Plan at any time, provided that no such amendment will be made without shareholder approval if such approval is required under applicable law, regulation, or stock exchange rule, or if such amendment would: (i) decrease the grant or exercise price of any stock option, SAR or other stock-based award to less than fair market value on the date of grant (except as discussed above under "Shares Reserved for Awards"), or (ii) adversely affect in any material way any Award previously granted under the Plan, without the written consent of the grantee of such Award.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL OF THE AMENDMENT TO THE GARMIN LTD. 2005 EQUITY INCENTIVE PLAN.**

## PROPOSAL FOURTEEN

# Renewal of the Authorized Share Capital

Under Swiss law, the power of the Board to issue shares from authorized share capital must be renewed by approval of the shareholders every two years. The authorized share capital according to Article 5 of Garmin's Articles of Association resolved by the Annual General Meeting on June 5, 2020 expires on June 5, 2022. The Board proposes to renew the authorized share capital in the amount of CHF 1,980,774.10 corresponding to 19,807,741 registered shares with a nominal value of CHF 0.10 each, until June 10, 2024. The proposed shareholder resolution and the proposed amendments to the Articles of Association are included in [Annex 2](#).

The Board believes that it is customary for public companies incorporated in Switzerland to maintain an authorized share capital and that the renewal of the authorized share capital is prudent to ensure that Garmin maintains financial flexibility. The renewal of the authorized share capital does not mean that there will be any increase in share capital. The Board does not currently have any plans to issue shares out of the authorized share capital. The share capital would only be increased if and when the Board makes use of this authorization.

If the proposed renewal of the authorized share capital is approved, and the Board resolves to use the authorized share capital, the Board will determine the time of the issuance, the issuance price, the manner in which the shares have to be paid, the date from which the shares carry the right to dividends and, subject to the provisions of our Articles of Association, the conditions for the exercise of the preemptive rights with respect to the issuance and the allotment of pre-emptive rights that are not exercised. Further, under our Articles of Association, in connection with the issuance of shares from authorized capital, the Board is authorized to limit or withdraw the preemptive rights of the existing shareholders in various circumstances, including financing and acquisitions purposes. To the extent that shares are issued out of the authorized share capital in the future, the issuance may decrease the existing shareholders' percentage of equity ownership and, depending on the price at which such shares are issued, could be dilutive to the existing shareholders up to the amount of the authorized capital proposed above.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE APPROVAL OF THE RENEWAL OF THE AUTHORIZED SHARE CAPITAL.**

# AUDIT MATTERS

## Report of Audit Committee

This report is submitted by the Audit Committee of the Board.

The Board pursues its responsibility for oversight of Garmin's financial reporting process through the Audit Committee. The Board, in its business judgment, has determined that all members of the Audit Committee are independent and financially literate as required by the applicable listing standards of the NYSE. The Audit Committee operates pursuant to a charter adopted by the Board, as amended and restated on December 7, 2021, a copy of which is available on Garmin's website at [www.garmin.com](http://www.garmin.com). The Audit Committee and the Board annually review and assess the adequacy of the charter.

The Audit Committee meets regularly with the independent auditor, management and Garmin's internal auditors. The independent auditor and Garmin's internal auditors have direct access to the Audit Committee, with and without the presence of management representatives, to discuss the scope and results of their work and their comments on the adequacy of internal accounting controls and the quality of financial reporting.

In performing its oversight function, the Audit Committee reviewed and discussed Garmin's audited consolidated financial statements for the fiscal year ended December 25, 2021, with management and with Ernst & Young LLP, the independent registered public accounting firm retained by Garmin to audit its financial statements, and with Ernst & Young Ltd, its statutory auditor. The Audit Committee received and reviewed management's representation and the opinion of the independent registered public

accounting firm and the statutory auditor that Garmin's audited financial statements were prepared in accordance with United States generally accepted accounting principles. The Audit Committee also discussed with the independent registered public accounting firm and the statutory auditor during the 2021 fiscal year the matters required to be discussed by applicable requirements of the Public Company Accounting Oversight Board and the SEC.

The Audit Committee received from Ernst & Young LLP the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young LLP's communications with the Audit Committee concerning independence and discussed with Ernst & Young LLP the independence of their firm. The Audit Committee considered whether the non-audit services provided by Ernst & Young LLP are compatible with their independence.

Based upon the review and discussions referenced above, the Audit Committee recommended to Garmin's Board, and the Board approved, that the audited consolidated financial statements be included in Garmin's Annual Report on Form 10-K for the fiscal year ended December 25, 2021, for filing with the SEC.

**Audit Committee**  
Charles W. Peffer, *Chairman*  
Joseph J. Hartnett  
Catherine A. Lewis

## Independent Registered Public Accounting Firm Fees

The following table sets forth the aggregate fees billed to Garmin for the fiscal year ended December 25, 2021 and the fiscal year ended December 26, 2020 by Garmin's independent registered public accounting firm, Ernst & Young LLP:

<b>(U.S. Dollars listed in thousands)</b>	<b>2021</b>	<b>2020</b>
Audit Fees	\$ 3,293	\$ 3,189
Audit Related Fees	-	-
Tax Fees <sup>(a)(b)</sup>	30	50
All Other Fees <sup>(a)(c)</sup>	10	10
<b>TOTAL</b>	<b>\$ 3,333</b>	<b>\$ 3,249</b>

(a) The Audit Committee has concluded that the provision of these services is compatible with maintaining the independence of EY.

(b) Tax Fees in 2021 and 2020 consisted of tax consulting services.

(c) All Other Fees consisted of online subscription fees in 2021 and 2020.

## Pre-Approval of Services Provided by the Independent Auditor

The Audit Committee has adopted a policy that requires advance approval by the Audit Committee of all audit services, audit-related services, tax services and other services performed by Ernst & Young. The policy provides for pre-approval by the Audit Committee annually of specifically defined services up to specifically defined fee levels. Unless the specific service has been previously pre-approved with respect to that year, the Audit

Committee must approve the permitted service before Ernst & Young is engaged to perform it. The Audit Committee has delegated to the Audit Committee Chairman authority to approve permitted services provided that the Chairman reports any such approval decisions to the Audit Committee at its next meeting. The Audit Committee pre-approved all services that Ernst & Young rendered to Garmin and its subsidiaries in 2021.



# EXECUTIVE COMPENSATION MATTERS

## Compensation Committee Report

The Compensation Committee reviewed and discussed with management the “Compensation Discussion and Analysis” section of this Proxy Statement. Based upon such review and discussion, the Compensation Committee recommended to the Board that the “Compensation Discussion and Analysis” section be included in this Proxy Statement.

### Compensation Committee

Joseph J. Hartnett (*Chairman*)  
Jonathan C. Burrell  
Catherine A. Lewis  
Charles W. Peffer

## Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides a detailed description of our executive compensation philosophy and programs, the compensation determinations the Compensation Committee made under those programs and the factors considered in making them. This Compensation Discussion and Analysis focuses on the compensation of our Named Executive Officers for 2021, who were:

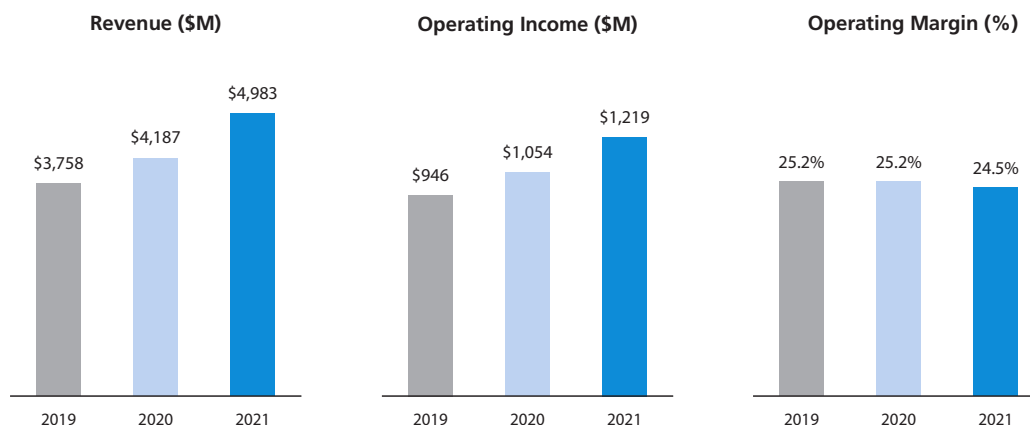
Name	Title
Dr. Min H. Kao	Executive Chairman
Clifton A. Pemble	President and Chief Executive Officer
Douglas G. Boessen	Chief Financial Officer and Treasurer
Andrew R. Etkind	Vice President, General Counsel and Secretary
Philip I. Straub	Executive Vice President, Managing Director - Aviation, Garmin International, Inc.
Patrick G. Desbois	Executive Vice President, Operations, Garmin International, Inc.

## Our Business

Garmin is a leading, worldwide provider of navigation, communication and information devices and applications, many of which are enabled by Global Positioning System (GPS) technology. Garmin designs, develops, manufactures and markets a diverse family of hand-held, wearable, portable and fixed-mount GPS-enabled products and other navigation, communications and information products for the automotive, aviation, fitness, marine, and outdoor recreation markets. For a detailed discussion of our business, please see Part I, Item 1, “Business”, of our Annual Report on Form 10-K for the year ended December 25, 2021.

## 2021 Business Highlights

- Sixth consecutive year of revenue growth, with each of our five segments posting double digit growth over 2020.
- Record consolidated revenue of \$4.98 billion, a 19% increase over 2020.
- Gross margin and operating margin of 58% and 24.5%, respectively.
- Record operating income of \$1.22 billion, a 16% increase over 2020.



## Our Compensation Philosophy

Garmin's culture traces its roots to the influence of our founders who embraced a strong set of core values, service to all stakeholders of the Company, and accountability to others. Compensation practices are one of many leadership behaviors that influence the perceptions of every stakeholder. Garmin's management and Compensation Committee consider executive compensation in light of the entire employee population in order to establish compensation practices that are internally equitable

and competitive with other companies that compete with us for talent, based on market information, including data obtained from third party compensation data providers and through Garmin's recruitment and retention experience. Executives are therefore compensated using the same elements and approach as the broader group of employees who contribute to Garmin's success.

## Objectives of the Compensation Program

The objectives of Garmin's executive compensation program are to:

- Provide executive compensation that is viewed as internally equitable and fair by both the executives and the broader Garmin employee population, while also being externally competitive in order to attract, motivate and retain a highly qualified executive team;
- Reward executives for individual performance and contribution;
- Provide incentives to executives to enhance shareholder value; and
- Reward executives for long-term, sustained individual and Company performance.

## Key Governance Features

What We Do	What We Don't Do
<ul style="list-style-type: none"> <li>✓ <b>Mitigate excessive risk-taking behaviors by Named Executive Officers:</b> <i>Garmin's Compensation Committee regularly reviews the risks related to our executive compensation program, and our program includes features that reduce the likelihood of our Named Executive Officers, either individually or as a group, making excessively risky business decisions that could maximize short-term results at the expense of long-term value.</i></li> <li>✓ <b>Use long-term incentives to encourage stock ownership, foster retention of key employees, and link a significant portion of pay to company performance over time:</b> <i>A significant portion of each Named Executive Officer's total direct compensation consists of long-term equity incentive compensation, with awards that vest over time and have their values directly linked to company performance.</i></li> <li>✓ <b>Have a Clawback Policy that authorizes the Compensation Committee to recoup executive compensation:</b> <i>Garmin may recoup performance-based compensation received by Garmin's Named Executive Officers in the event of certain accounting restatements or under other circumstances described below under "Adjustment or Recovery of Awards or Payments."</i></li> <li>✓ <b>Include double-trigger change in control provisions in equity awards:</b> <i>Accelerated vesting of equity awards would only occur following a change in control if a Named Executive Officer resigns with good reason or is terminated without cause within 12 months following the change in control.</i></li> <li>✓ <b>Have a Policy that prohibits hedging and pledging of Garmin securities:</b> <i>Named Executive Officers are prohibited from engaging in any hedging or pledging transactions involving Garmin securities.</i></li> </ul>	<ul style="list-style-type: none"> <li>✗ <b>No severance agreements:</b> <i>We do not have severance agreements with any of our Named Executive Officers that would require us to make cash payments upon termination of their employment.</i></li> <li>✗ <b>No cash payments upon change in control:</b> <i>We do not have any separate change in control agreements that would obligate us to make any cash payments to any Named Executive Officers upon a change of control.</i></li> <li>✗ <b>No post-retirement benefit plans. No supplemental executive retirement plans:</b> <i>We do not have any post-retirement benefit plans that would provide post-retirement benefits to any of our Named Executive Officers. We do not have any supplemental executive retirement plans.</i></li> <li>✗ <b>No repricing or backdating of underwater equity awards:</b> <i>We do not reprice or backdate any underwater equity awards.</i></li> <li>✗ <b>No setting of executive compensation to meet specific benchmarks:</b> <i>We do not attempt to set executive compensation to meet specific benchmarks, such as targeting a specific percentile of a compensation component paid by one or more peer groups.</i></li> </ul>

## Engagement with Our Shareholders

Garmin seeks shareholder input on executive compensation matters through an annual advisory vote on executive compensation in accordance with U.S. securities laws. In addition, the maximum prospective aggregate compensation of our Executive Management (which consists of our CEO and CFO) and the maximum prospective aggregate compensation of our Board are each subject to an annual binding vote in accordance with Swiss law.

## Consideration of Last Year’s “Say on Pay” Vote

Garmin provides its shareholders with an annual, advisory “say on pay” vote. At Garmin’s 2021 Annual General Meeting of Shareholders, in an advisory, non-binding vote, over 95% of the shares voted were voted in favor of approval of the compensation of Garmin’s Named Executive Officers. Although this was only an advisory vote and the results were not binding on Garmin or the Compensation Committee, the Compensation

Committee reviewed and considered the results. Considering the strong support demonstrated by our shareholders, the Committee and the Board were encouraged to continue their practices in determining executive compensation. At the 2017 Annual General Meeting, shareholders voted on the frequency of “say on pay” voting. The next vote on the frequency of “say on pay” votes will be held at our Annual General Meeting in 2023.

## How We Determine Executive Compensation

### Role of the Compensation Committee

Our Compensation Committee is comprised of the four non-executive members of the Board, each of whom is an independent director under the under the listing standards of the NYSE and applicable SEC regulations. The Compensation Committee oversees the determination of specific compensation for Named Executive Officers and other executives, and

evaluates these programs against competitive practices, legal and regulatory developments and corporate governance trends. Pursuant to its charter, the Compensation Committee is authorized to retain and terminate any consultant, as well as to approve the consultant’s fees and other terms of the engagement.

### Role of Management

Mr. Pemble, our Chief Executive Officer, was one of our first employees and brings a unique perspective with regard to the culture of the company and recruiting trends specific to our target markets. Mr. Pemble discusses with the Compensation Committee compensation recommendations for the other Named Executive Officers and other executives. Mr. Pemble attends meetings of the Compensation Committee to discuss executive

compensation matters, but he is not a member of the Compensation Committee and does not vote on Compensation Committee matters. Mr. Pemble is not present for certain portions of Compensation Committee meetings, such as when the Compensation Committee discusses his own performance and compensation.

### Role of Compensation Consultant

The Compensation Committee previously engaged Meridian Compensation Partners LLC (“Meridian”) to assist the Compensation Committee with evaluating and updating, as appropriate, Garmin’s focused comparator

group, which takes into account company size, market capitalization, revenue, industry, and Garmin’s unique culture, which helps to retain talented executives.

The comparator group consists of the following companies:

Adobe Inc.	NCR Corp.
Ametek Inc.	NetApp, Inc.
Amphenol Corporation	Netflix, Inc.
Autodesk, Inc.	Sensata Technologies Holding plc
Belden Inc.	Toro Co
Cerner Corporation	Trimble Inc.
Citrix Systems, Inc.	Visteon Corporation
GoPro, Inc.	Zebra Technologies Corporation
National Instruments Corporation	

The Compensation Committee uses the comparator group’s executive compensation data primarily to assess the overall competitiveness of Garmin’s compensation programs and to obtain information on compensation trends.

## Factors We Consider when Determining Compensation for Individual Executives

In making compensation decisions for individual executives, including Named Executive Officers, the Compensation Committee considers the individual’s performance both in the preceding year and over the duration of the individual’s service as an executive of the Company, tenure, scope of responsibilities, past compensation adjustments, mix of fixed compensation

(e.g. base salary) versus variable compensation (e.g. performance-contingent long-term incentives), and the level of risk associated with the individual’s total direct compensation package. The Compensation Committee also factors in overall Company performance, internal equity considerations, retention considerations, and the current business environment.

## Elements of Compensation

We have two elements of total direct compensation for our executives: base salary and long-term equity compensation. We also provide retirement and benefit programs to our executives. These are the same elements and the same retirement and benefit programs used to compensate the broader group of employees who contribute to Garmin's success.

### Current Year's Performance: Salary and Annual Incentives

#### Base Salary

The Compensation Committee believes a competitive base compensation program is an important factor in attracting, motivating and retaining talented employees at all levels of the organization. Named Executive Officers are paid a base salary as compensation for the performance of their primary duties and responsibilities.

Because Dr. Kao owns a significant amount of Garmin shares, and, therefore, already has a strong incentive to create shareholder value, he has requested that the Compensation Committee provide him only a relatively modest base salary in consideration for his activities as Executive Chairman and that he not be awarded restricted stock units or any other form of equity compensation.

The following table shows the base salary in U.S. dollars of each of the Named Executive Officers in 2019, 2020 and 2021:

Name	2019	2020	2021
Dr. Kao	\$ 350,000	\$ 350,000	\$ 350,000
Mr. Pemble	\$ 1,000,000	\$ 1,050,000	\$ 1,200,000
Mr. Boessen	\$ 615,000	\$ 635,000	\$ 660,000
Mr. Etkind	\$ 625,000	\$ 645,000	\$ 670,000
Mr. Straub	\$ 650,000	\$ 680,000	\$ 705,000
Mr. Desbois	\$ 550,000	\$ 575,000	\$ 630,000

#### Annual Incentive and Bonus Awards

Garmin does not pay material annual cash bonuses. In 2021, Garmin's Named Executive Officers each received a U.S. \$307 annual holiday cash bonus (or its equivalent in Swiss francs in the case of Mr. Etkind). This is the same annual holiday cash bonus that was paid to other Garmin employees.

### Long-Term Performance: Restricted Stock Units

Garmin's management and Compensation Committee believe stock ownership is the most important element in achieving the goals of Garmin's compensation program. Stock ownership aligns the long-term interests of employees with those of shareholders, provides long-term retention incentive, and ties compensation to Garmin's performance.

#### Time-Based Vesting Restricted Stock Units

Named Executive Officers are granted stock in the form of full value restricted stock units (each on "RSU") under the 2005 Equity Incentive Plan that vest over a three-year period, which provides a long-term retention incentive, aligns the interests of Named Executive Officers with

those of other shareholders and encourages an appropriate degree of risk-taking that is consistent with long-term growth. The Compensation Committee believes time vesting is an appropriate structure to achieve these objectives.

The following table shows the grant date fair value in U.S. dollars of the RSUs awarded to each of the Named Executive Officers (other than Dr. Kao) in 2019, 2020 and 2021:

Name	2019	2020	2021
Mr. Pemble	\$ 1,119,958	\$ 1,349,902	\$ 1,610,196
Mr. Boessen	\$ 274,874	\$ 300,169	\$ 336,255
Mr. Etkind	\$ 250,038	\$ 275,126	\$ 312,432
Mr. Straub	\$ 524,912	\$ 539,961	\$ 519,028
Mr. Desbois	\$ 375,057	\$ 434,987	\$ 528,791

#### Performance-Based Vesting Restricted Stock Units

Named Executive Officers are also granted performance-contingent RSU awards ("PC-RSUs") under the Company's 2005 Equity Incentive Plan. Such awards are valued on the grant date based on target achievement of Company

performance criteria, as described below. The values on the vesting dates may differ due to share price fluctuation and achievement against predetermined Company performance criteria, ranging from 0% to 150% of target.

The initial vesting of these awards is solely contingent upon the achievement of certain fiscal year revenue and profitability targets established by the Compensation Committee, and thereafter the remaining unvested shares are subject to time-based vesting. Following the end of the fiscal year in which the PC-RSU awards were granted, the Compensation Committee determines whether the performance targets for these PC-RSU awards were achieved (the "Certification Date"), and the percentage of the PC-RSU's that corresponds with the weighting attributed to each performance target that was achieved will vest as follows: one-third will vest on the Certification Date if the grantee is then still employed by

Garmin; one-third will vest on the first anniversary of the Certification Date if the grantee is then still employed by Garmin; and the remaining one-third will vest on the second anniversary of the Certification Date if the grantee is then still employed by Garmin.

The Compensation Committee believes the performance-based element of these PC-RSU awards further aligns the interests of Garmin's Named Executive Officers with the interests of Garmin's shareholders, and that the time-based element furthers the objective of retaining Named Executive Officers.

The following table shows the grant date fair value in U.S. dollars of the PC-RSUs awarded to each of the Named Executive Officers (other than Dr. Kao) in 2019, 2020 and 2021:

Name	2019	2020	2021
Mr. Pemble	\$ 1,000,031	\$ 1,249,951	\$ 1,393,490
Mr. Boessen	\$ 325,076	\$ 375,064	\$ 384,312
Mr. Etkind	\$ 350,118	\$ 350,112	\$ 360,293
Mr. Straub	\$ 600,066	\$ 625,107	\$ 615,186
Mr. Desbois	\$ 399,964	\$ 474,871	\$ 514,089

The performance measures, percentage weighting, performance targets, actual results and status for each of the 2019, 2020 and 2021 PC-RSU awards are set forth below:

Performance Period	Performance Measures	Weighting	Performance Targets	Reported Results	Status
2019 Fiscal Year	Revenue	40%	\$ 3.50B	\$ 3.75B	<ul style="list-style-type: none"> <li>Results were certified by the Compensation Committee in February 2020. Each Performance Measure was achieved to the maximum extent.</li> <li>The 2019 PC-RSU's vested 100% in three equal annual installments beginning in February 2020.</li> </ul>
	Operating Income	30%	\$ 800M	\$ 946M	
	Operating Income	Up to 30% interpolated linearly for operating income between \$800M and \$850M		\$ 946M	
2020 Fiscal Year	Revenue	50%	\$ 3.80B	\$ 4.19B	<ul style="list-style-type: none"> <li>Results were certified by the Compensation Committee in February 2021. Each Performance Measure was achieved to the maximum extent.</li> <li>The 2020 PC-RSU's will vest 150% in three equal annual installments beginning in February 2021.</li> </ul>
	Operating Income	25%	\$ 925M	\$ 1.05B	
	Operating Income	Up to 75% interpolated linearly for operating income between \$925M and \$1.0B		\$ 1.05B	
2021 Fiscal Year	Revenue	50%	\$ 4.40B	\$ 4.98B	<ul style="list-style-type: none"> <li>Results were certified by the Compensation Committee in February 2022. Each Performance Measure was achieved to the maximum extent.</li> <li>The 2021 PC-RSU's will vest 150% in three equal annual installments beginning in February 2022.</li> </ul>
	Operating Income	25%	\$ 1.08B	\$ 1.22B	
	Operating Income	Up to 75% interpolated linearly for operating income between \$1.08B and \$1.155B		\$ 1.22B	

### Employee Stock Purchase Plan

Garmin offers a discounted stock purchase plan to employees. This plan allows employees to purchase Garmin shares at a per share price equal to 85% of the lesser of (a) the per share closing price of Garmin's shares on the last stock trading day of the offering period, and (b) the per share closing price of Garmin's shares on the first stock trading day of the offering period. Named Executive Officers can participate in this program

under the same terms and conditions as all other employees. The plan provides limits on the percentage of salary an employee, including Named Executive Officers, may contribute to the plan and on the total value of Garmin shares that an employee, including Named Executive Officers, may purchase under the plan in any one calendar year.

### Benefits; Retirement Contributions

For Garmin's U.S. employees, Garmin matches employee contributions to the Retirement Plan and makes an additional employer contribution to this plan. In 2021, for all U.S. employees, including the Named Executive Officers employed by Garmin in the U.S., (a) for every dollar the employee contributed to the plan up to 10% of the employee's salary per payroll period, Garmin contributed 75 cents, and (b) Garmin made an additional contribution equal to 5% of the employee's salary, whether or not the

employee contributed to the plan. For 2021, 2020 and 2019, no salary in excess of U.S. \$290,000, \$285,000, and \$280,000, respectively, was taken into account for either of the foregoing contributions. Garmin's Vice President, General Counsel and Corporate Secretary, Mr. Etkind, resides in Switzerland and is employed by Garmin in Switzerland. In each of 2021, 2020, and 2019, Garmin made contributions to Mr. Etkind's statutory Swiss pension plan account in accordance with Swiss law.

## Other Considerations

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### Executive Ownership; Policies Regarding Hedging and Pledging of Garmin Securities

Garmin does not have formal executive stock ownership guidelines. However, Garmin executives receive a large portion of their total direct compensation in equity awards, and, as set forth in the "Stock Ownership of Certain Beneficial Owners and Management" table on pages 13 through 14 of this Proxy Statement, each of the Named Executive Officers owns a significant number of Garmin shares.

Pursuant to the Garmin Ltd. Anti-Hedging and Anti-Pledging Policy, Garmin prohibits members of the Board of Directors and Named Executive Officers from engaging in any transactions pursuant to which they would hedge the economic risk of Garmin stock ownership or pledge Garmin securities as collateral for a loan.

### Adjustment or Recovery of Awards or Payments

In the event of an accounting restatement of Garmin's financial statements due to misconduct resulting in Garmin's material noncompliance with financial reporting requirements under securities laws, the Compensation Committee has the discretion to require reimbursement or forfeiture of any performance-based compensation received by any Named Executive Officer or other covered employee during the three-year period preceding the date on which Garmin is required to prepare an accounting restatement. In determining the amount to be recovered, the Compensation Committee may consider, in addition to other factors, the excess of the performance-based compensation paid to the covered employee based on the erroneous data over the performance-based compensation that would have been paid to the covered employee had it been based on the restated results, as determined by the Compensation Committee.

In addition, each of the Named Executive Officers has entered into an agreement with Garmin that includes a provision that the Named Executive Officer agrees and consents to forfeiture or required recovery or reimbursement obligations of Garmin with respect to any compensation paid to the Named Executive Officer that is forfeitable or recoverable by Garmin pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank") and in accordance with Garmin policies and procedures adopted by the Compensation Committee in order to comply with Dodd-Frank, as the same may be amended from time to time.

### Severance Agreements

Garmin does not have severance agreements with any of its Named Executive Officers.

## Change-in-Control Benefits

If a Named Executive Officer's employment is terminated without cause, or the executive resigns with good reason, within twelve months following a change in control of Garmin, all of the executive's unvested stock options and stock appreciation rights (SARs), if any, would immediately become exercisable and all of the executive's unvested RSUs and performance shares, if any, would immediately become payable.

If a Named Executive Officer's employment is terminated without cause, or the executive resigns with good reason, after the Certification Date for PC-RSUs and within twelve months following a change in control of Garmin, all of the executive's PC-RSUs that were earned pursuant to the performance-based vesting element but not yet vested due to the time-based vesting element would immediately become payable. If the executive's employment is terminated without cause, or the executive resigns with good reason, prior to the Certification Date and within twelve months after the change in control of Garmin, then all of the executive's PC-RSUs that would have been earned as of the Certification Date pursuant to the performance-based element but for the termination of employment will become immediately payable.

Such accelerated vesting is the only benefit that would be received by the executives upon a change in control, and such benefit would also be received by all other Garmin employees who own unvested stock options, SARs,

RSUs, PC-RSUs or performance shares. This change-in-control protection is designed to provide adequate protection for executives and other Garmin employees who own unvested equity awards so that they may focus their efforts on effective leadership, rather than significant compensation loss, during a time that Garmin is considering or undertaking a change in control, and to provide executives and other Garmin employees who own unvested equity awards with incentives to remain with Garmin during a time that Garmin is considering or undertaking a change in control.

The Compensation Committee reviewed and discussed with management this "Compensation Discussion and Analysis" section of this Proxy Statement. Based upon such review and discussion, the Compensation Committee recommended to the Board that the "Compensation Discussion and Analysis" section be included in this Proxy Statement.

### Compensation Committee

Joseph J. Hartnett (*Chairman*)  
Jonathan C. Burrell  
Catherine A. Lewis  
Charles W. Pepper

## SUMMARY COMPENSATION TABLE

The following table shows 2021, 2020 and 2019 compensation for the Executive Chairman, the Chief Executive Officer, the Chief Financial Officer and the next three highest paid executive officers other than the Executive Chairman, the Chief Executive Officer and the Chief Financial Officer (collectively, the "Named Executive Officers"):

Name & Principal Position	Year	Salary (\$)	Bonus (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	SARs/Option Awards (\$) <sup>(3)</sup>	All Other Compensation (\$) <sup>(4)</sup>	Total (\$)
Min H. Kao Executive Chairman	2019	\$ 350,000	\$ 307	\$ 0	\$ 0	\$ 33,007	\$ 383,314
	2020	\$ 350,000	\$ 307	\$ 0	\$ 0	\$ 33,879	\$ 384,186
	2021	\$ 350,000	\$ 307	\$ 0	\$ 0	\$ 34,123	\$ 384,430
Clifton A. Pemble President & Chief Executive Officer	2019	\$ 1,000,000	\$ 307	\$ 2,199,989	\$ 0	\$ 33,116	\$ 3,233,412
	2020	\$ 1,050,000	\$ 307	\$ 2,599,853	\$ 0	\$ 34,116	\$ 3,684,276
	2021	\$ 1,200,000	\$ 307	\$ 3,003,686	\$ 0	\$ 34,348	\$ 4,238,341
Douglas G. Boessen Chief Financial Officer & Treasurer	2019	\$ 615,000	\$ 1,014	\$ 599,950	\$ 0	\$ 33,116	\$ 1,249,079
	2020	\$ 635,000	\$ 307	\$ 675,233	\$ 0	\$ 34,116	\$ 1,344,656
	2021	\$ 660,000	\$ 307	\$ 720,567	\$ 0	\$ 34,348	\$ 1,415,222
Andrew R. Etkind Vice President, General Counsel & Secretary	2019	\$ 625,000	\$ 302	\$ 600,156	\$ 0	\$ 396,903	\$ 1,622,361
	2020	\$ 645,000	\$ 319	\$ 625,239	\$ 0	\$ 371,416	\$ 1,641,974
	2021	\$ 670,000	\$ 328	\$ 672,725	\$ 0	\$ 436,324	\$ 1,779,377
Philip I. Straub Executive Vice President, Managing Director-Aviation	2019	\$ 650,000	\$ 307	\$ 1,124,978	\$ 0	\$ 28,616	\$ 1,803,901
	2020	\$ 680,000	\$ 307	\$ 1,165,068	\$ 0	\$ 34,116	\$ 1,879,491
	2021	\$ 705,000	\$ 307	\$ 1,134,214	\$ 0	\$ 34,348	\$ 1,873,869
Patrick G. Desbois Executive Vice President, Operations	2019	\$ 550,000	\$ 307	\$ 775,021	\$ 0	\$ 33,116	\$ 1,358,444
	2020	\$ 575,000	\$ 307	\$ 909,859	\$ 0	\$ 34,116	\$ 1,519,282
	2021	\$ 630,000	\$ 1,722	\$ 1,042,880	\$ 0	\$ 34,348	\$ 1,708,950

(1) Annual discretionary cash incentive awards based on financial and non-financial factors considered by the Compensation Committee, as discussed in the Compensation Discussion and Analysis section. In 2021, Garmin's Named Executive Officers, including the Executive Chairman and the Chief Executive Officer, each received a \$307 annual holiday cash bonus. In addition, Mr. Desbois received an additional cash bonus equal to \$1,415 in recognition of his 10th anniversary with Garmin.

(2) This column shows the grant date fair value with respect to the PC-RSUs and RSUs granted in 2019, 2020 and 2021. See the Grants of Plan-Based Awards table for information on awards made in 2021.

(3) This column shows the grant date fair value with respect to the SARs and stock options granted in 2019, 2020 and 2021. There were no SARs or stock options granted in 2021.

(4) All Other Compensation for each of the Named Executives for 2019, 2020 and 2021 includes amounts contributed by the Company (in the form of base and matching contributions) to the trust and in the Named Executive Officers' benefit under the Company's qualified 401(k) plan. With respect to 2021, for each Named Executive Officer except Mr. Etkind \$14,500 was contributed as a base contribution under the qualified 401(k) plan, and each received \$19,500 in company matching contributions related to the qualified 401(k) plan. Mr. Etkind's All Other Compensation in 2021 includes \$373,776 cost of living adjustment, \$49,828 Swiss pension plan contribution, \$12,650 automobile allowance, and \$70 tax equalization payment. All Other Compensation for 2019, 2020 and 2021 includes for all Named Executives premiums on life insurance.



## GRANTS OF PLAN BASED AWARDS

The following table provides information for each of the Named Executive Officers regarding 2021 grants of RSUs and PC-RSUs:

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards <sup>(1)</sup>			All Other Stock Awards: Number of Shares or Units (#) <sup>(2)</sup>	All Other Option Awards: Number of Securities Underlying Awards (#)	Exercise or Base Price of Option Awards (\$/Sh)	Closing Market Price on Grant Date	Grant Date Fair Value of Stock and Option Awards <sup>(3)</sup>
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)					
Min H. Kao												
Clifton A. Pemble	12/15/2021						12,369			\$ 130.18	\$ 1,610,196	
	2/25/2021				5,831	11,661	17,492			\$ 119.50	\$ 1,393,490	
Douglas G. Boessen	12/15/2021						2,583			\$ 130.18	\$ 336,255	
	2/25/2021				1,608	3,216	4,824			\$ 119.50	\$ 384,312	
Andrew R. Etkind	12/15/2021						2,400			\$ 130.18	\$ 312,432	
	2/25/2021				1,508	3,015	4,523			\$ 119.50	\$ 360,293	
Philip Straub	12/15/2021						3,987			\$ 130.18	\$ 519,028	
	2/25/2021				2,574	5,148	7,722			\$ 119.50	\$ 615,186	
Patrick Desbois	12/15/2021						4,062			\$ 130.18	\$ 528,791	
	2/25/2021				2,151	4,302	6,453			\$ 119.50	\$ 514,089	

(1) Awards made in the form of time-based and performance-based restricted stock units (PC-RSUs) on February 25, 2021.

(2) Awards made in the form of restricted stock units (RSUs) on December 15, 2021.

(3) This column represents the grant date fair value of PC-RSUs and RSUs.

- For PC-RSUs, that amount assumes 100% (Target) of performance conditions will be met and is calculated by multiplying the closing price of Garmin shares on The Nasdaq Stock Market on the date of grant, discounted in accordance with accounting requirements to reflect that dividend equivalents are not paid on the PC-RSUs, by the number of shares to be awarded. If 150% of Target (Maximum) is met, the grant date fair value of PC-RSUs would be \$2,090,234, \$576,468, \$540,438, \$922,779 and \$771,134, respectively, for Mr. Pemble, Mr. Boessen, Mr. Etkind, Mr. Straub and Mr. Desbois.
- For RSUs, that amount is calculated by multiplying the closing price of Garmin shares on The New York Stock Exchange on the date of grant (Garmin's share listing was transferred from The Nasdaq Stock Market to The New York Stock Exchange on December 7, 2021), discounted in accordance with accounting requirements to reflect that dividend equivalents are not paid on the RSUs, by the number of shares to be awarded.
- For additional information on the valuation assumptions with respect to the 2021 grants, refer to Note 9 of Garmin's financial statements in the Form 10-K for the fiscal year ended December 25, 2021, as filed with the SEC.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table provides information for each of the Named Executive Officers regarding outstanding equity awards held by them as of December 25, 2021:

Name	Option Awards					Stock Awards				
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option / SAR Exercise Price (\$)	Option / SAR Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) <sup>(3)</sup>	
Min H. Kao	-	-	-	-	-	-	-	-	-	
Clifton A. Pemble	-	-	-	-	-	-	-	4,300 <sup>(1)</sup>	\$ 578,264	
	-	-	-	-	-	-	-	7,870 <sup>(1)</sup>	\$ 1,058,358	
	-	-	-	-	-	-	-	12,369 <sup>(1)</sup>	\$ 1,663,383	
	-	-	-	-	-	-	-	4,193 <sup>(2)</sup>	\$ 563,875	
	-	-	-	-	-	-	-	14,278 <sup>(2)</sup>	\$ 1,920,105	
	-	-	-	-	-	-	-	11,661 <sup>(2)</sup>	\$ 1,568,171	
Douglas G. Boessen	-	-	-	-	-	-	-	985 <sup>(1)</sup>	\$ 132,463	
	-	-	-	-	-	-	-	1,750 <sup>(1)</sup>	\$ 235,340	
	-	-	-	-	-	-	-	2,583 <sup>(1)</sup>	\$ 347,362	
	-	-	-	-	-	-	-	1,363 <sup>(2)</sup>	\$ 183,296	
	-	-	-	-	-	-	-	4,284 <sup>(2)</sup>	\$ 576,112	
	-	-	-	-	-	-	-	3,216 <sup>(2)</sup>	\$ 432,488	
Andrew R. Etkind	-	-	-	-	-	-	-	896 <sup>(1)</sup>	\$ 120,494	
	-	-	-	-	-	-	-	1,604 <sup>(1)</sup>	\$ 215,706	
	-	-	-	-	-	-	-	2,400 <sup>(1)</sup>	\$ 322,752	
	-	-	-	-	-	-	-	1,468 <sup>(2)</sup>	\$ 197,417	
	-	-	-	-	-	-	-	4,000 <sup>(2)</sup>	\$ 537,920	
	-	-	-	-	-	-	-	3,015 <sup>(2)</sup>	\$ 405,457	
Philip I. Straub	-	-	-	-	-	-	-	1,881 <sup>(1)</sup>	\$ 252,957	
	-	-	-	-	-	-	-	3,148 <sup>(1)</sup>	\$ 423,343	
	-	-	-	-	-	-	-	3,987 <sup>(1)</sup>	\$ 536,172	
	-	-	-	-	-	-	-	2,516 <sup>(2)</sup>	\$ 338,352	
	-	-	-	-	-	-	-	7,140 <sup>(2)</sup>	\$ 960,187	
	-	-	-	-	-	-	-	5,148 <sup>(2)</sup>	\$ 692,303	
Patrick G. Desbois	-	-	-	-	-	-	-	1,344 <sup>(1)</sup>	\$ 180,741	
	-	-	-	-	-	-	-	2,536 <sup>(1)</sup>	\$ 341,041	
	-	-	-	-	-	-	-	4,062 <sup>(1)</sup>	\$ 546,258	
	-	-	-	-	-	-	-	1,677 <sup>(2)</sup>	\$ 225,523	
	-	-	-	-	-	-	-	5,424 <sup>(2)</sup>	\$ 729,420	
	-	-	-	-	-	-	-	4,302 <sup>(2)</sup>	\$ 578,533	

(1) Represents restricted stock units.

(2) Represents time-based and performance-based vesting restricted stock units.

(3) Determined by multiplying the number of unearned shares by \$134.48, which was the closing price of Garmin shares on The New York Stock Exchange on December 23, 2021.

## OPTIONS EXERCISED AND STOCK VESTED

The following table provides stock awards vested in 2021 as well as information for each of the Named Executive Officers regarding stock options or SARs exercised in 2021:

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Min H. Kao	0	\$ 0	0	\$ 0
Clifton A. Pemble	0	\$ 0	30,942	\$ 3,999,150
Douglas G. Boessen	12,680	\$ 959,496	8,368	\$ 1,074,712
Andrew R. Etkind	0	\$ 0	8,453	\$ 1,085,004
Philip I. Straub	0	\$ 0	15,820	\$ 2,035,617
Patrick G. Desbois	0	\$ 0	11,005	\$ 1,415,472

## POTENTIAL POST-EMPLOYMENT PAYMENTS

None of the Named Executive Officers has a severance agreement with Garmin. In the event that (a) a Named Executive Officer dies or becomes disabled, or (b) a Named Executive Officer's employment is terminated without cause, or a Named Executive Officer resigns with good reason, within twelve months following a change of control of Garmin, all of the Named Executive Officer's unvested stock options and stock appreciation rights would immediately become exercisable and all of the Named Executive Officer's unvested RSUs and performance shares would immediately become payable. Such accelerated vesting is the only benefit that would be received by a Named Executive Officer upon a change in control and such benefit would also be received by all other employees of Garmin or its subsidiaries who own unvested stock options, stock appreciation rights, restricted stock units or performance shares.

If a Named Executive Officer's employment is terminated without cause, or the executive resigns with good reason, after the Certification Date for PC-RSUs and within twelve months following a change in control of Garmin, all of the executive's PC-RSUs that were earned pursuant to the performance-based vesting element but not yet vested due to the time-based vesting element would immediately become payable. If the executive's employment is terminated without cause, or the executive resigns with good reason, prior to the Certification Date and within twelve months after the change in control of Garmin, then all of the executive's PC-RSUs that would have been earned as of the Certification Date pursuant to the performance-based element but for the termination of employment will become immediately payable.

### Estimated Current Value of Potential Post-Employment Benefits<sup>(1)</sup>

Name	Estimated Current Value of Potential Post-Employment Benefits <sup>(1)</sup>					Involuntary Termination within 12 months of Change in Control
	Voluntary	For Cause	Death	Disability	Without Cause	
Min H. Kao	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clifton A. Pemble	\$ -	\$ -	\$ 7,352,156	\$ 7,352,156	\$ -	\$ 7,352,156
Douglas G. Boessen	\$ -	\$ -	\$ 1,907,061	\$ 1,907,061	\$ -	\$ 1,907,061
Andrew R. Etkind	\$ -	\$ -	\$ 1,799,746	\$ 1,799,746	\$ -	\$ 1,799,746
Philip I. Straub	\$ -	\$ -	\$ 3,203,314	\$ 3,203,314	\$ -	\$ 3,203,314
Patrick G. Desbois	\$ -	\$ -	\$ 2,601,516	\$ 2,601,516	\$ -	\$ 2,601,516

(1) Value of unvested RSU and PC-RSU awards, based on \$134.48 per share, the closing price of the Company's shares on the New York Stock Exchange on December 23, 2021.

## Pay Ratio Disclosure Rule

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K, we are providing the following information about the relationship of the annual total compensation of our employees (on a worldwide basis) and the annual total compensation of our CEO, Mr. Pemble.

For 2021, our last completed fiscal year, the respective annual total compensation for our median employee and for Mr. Pemble, and the ratio of Mr. Pemble's annual total compensation to the median employee's annual total compensation, are set forth below:

Median employee annual total compensation: \$38,118.

Mr. Pemble (CEO) annual total compensation: \$4,238,341, as reported in the Summary Compensation Table included in this Proxy Statement.

Based on this information, for 2021 the ratio of annual total compensation of our CEO to the median of the annual total compensation of all employees was 111:1.

To identify the median of the annual total compensation of all of our employees, we prepared a listing of all employees as of October 1, 2021. We selected that date to allow sufficient time to identify the median employee given the global scope of our operations. Gross earnings for

2021, as reported to applicable tax authorities, for example, the Internal Revenue Service for our U.S. employees, were then calculated for each of those employees, other than our CEO. Gross earnings for 2021 were annualized for those employees who were hired between January 1, 2021 and October 1, 2021 and for those whose employment terminated between October 2, 2021 and December 31, 2021. Gross earnings paid in currencies other than U.S. dollars were converted to U.S. Dollars using the average 2021 currency exchange rate for each applicable currency. The median employee was then selected from the annualized list.

The median employee's total annual compensation for 2021 was calculated using the same methodology we used to calculate total annual compensation for our CEO and other Named Executive Officers, as set forth in the Summary Compensation Table on page 48 of this Proxy Statement. We then compared the median employee's total annual compensation for 2021 to our CEO's total annual compensation for 2021 to calculate the pay ratio set forth above. We did not make any cost-of-living adjustments in identifying the "median employee."

For informational purposes, our median U.S. - based employee's total annual compensation for 2021 was \$93,566, and the ratio of our CEO's total annual compensation for 2021 to our median U.S. based employee's total annual compensation for 2021 was 45:1.

## SHAREHOLDER PROPOSALS

To be properly brought before the Annual Meeting, a proposal must be either (i) specified in the notice of the meeting (or any supplement thereto) given by or at the direction of the Board, (ii) otherwise properly brought before the meeting by or at the direction of the Board, or (iii) otherwise properly brought before the meeting by a shareholder, and the proposal must be a proper subject for shareholder action under Swiss law.

If a holder of Garmin shares wishes to present a proposal for inclusion in Garmin's Proxy Statement for next year's annual general meeting of shareholders, such proposal must be received by Garmin on or before December 28, 2022. Such proposal must be made in accordance with Rule 14a-8 promulgated by the SEC and the interpretations thereof. Any such proposal should be sent to the Corporate Secretary, Garmin Ltd., Mühlentalstrasse 2, 8200 Schaffhausen, Switzerland.

To comply with the universal proxy rules (once effective), shareholders who intend to solicit proxies in support of director nominees other than Garmin's nominees must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act no later than April 11, 2023.

Under Swiss law, a shareholder of record can request in writing for an item to be put on the agenda for an annual general meeting, provided that we receive such requests by the date that is 90 calendar days in advance of the anniversary of the date that we filed our proxy statement for the previous year's annual general meeting with the SEC. In order for a shareholder proposal that is not included in Garmin's Proxy Statement for the 2023 annual general meeting to be properly brought before the meeting, such proposal must be delivered to the Corporate Secretary and received at Garmin's executive offices in Schaffhausen, Switzerland no later than January 27, 2023, and specify the relevant agenda items and motions, together with evidence of the required shareholdings recorded in the share register, and must also comply with the procedures outlined in this Proxy Statement under the heading "Nominating and Corporate Governance Committee." The determination that any such proposal has been properly brought before such meeting is made by the director presiding over such meeting.

# HOUSEHOLDING OF ANNUAL MEETING MATERIALS FOR BROKER CUSTOMERS

Pursuant to the rules of the SEC, services that deliver Garmin's communications to shareholders that hold their shares through a bank, broker or other nominee holder of record may deliver to multiple shareholders sharing the same address a single copy of Garmin's Annual Report and Proxy Statement. Garmin will promptly deliver upon written or oral request a separate copy of the Annual Report and/or Proxy Statement to any shareholder at a shared address to which a single copy of the documents was delivered. Written requests should be made to Garmin Ltd., c/o Garmin

International, Inc., 1200 East 151<sup>st</sup> Street, Olathe, Kansas 66062, Attention: Investor Relations Manager, and oral requests may be made by calling Investor Relations at +1 (913) 397-8200. Any shareholder who wants to receive separate copies of the Proxy Statement or Annual Report in the future, or any shareholder who is receiving multiple copies and would like to receive only one copy per household, should contact the shareholder's bank, broker or other nominee holder of record.

## DELINQUENT SECTION 16(a) REPORTS

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires Garmin's directors, executive officers and certain other officers, and persons, legal or natural, who own more than 10 percent of Garmin's shares (collectively "Reporting Persons"), to file reports of their ownership of such shares, and the changes therein, with the SEC and Garmin (the "Section 16 Reports"). Based solely on a review of the Section 16 Reports for 2021 and any amendments thereto furnished to Garmin, all Section 16 Reports for fiscal year 2021 were timely filed by the Reporting Persons except as follows:

- In March 2022, Philip I. Straub filed an annual statement of changes in beneficial ownership of securities on Form 5 in which a transaction was reported late. This transaction occurred in November 2021 and involved Mr. Straub's spouse becoming a co-trustee of a family trust holding shares of Garmin.

## OTHER MATTERS

The Board knows of no matters that are expected to be presented for consideration at the Annual Meeting other than the proposals listed in this Proxy Statement.

**Garmin will furnish without charge upon written request a copy of Garmin's Annual Report on Form 10-K.** The Annual Report on Form 10-K includes a list of all exhibits thereto. Garmin will furnish copies of such exhibits upon written request therefore and payment of Garmin's reasonable expenses in furnishing such exhibits. Each such request must set forth a good faith representation that, as of the Record Date, the person making such request was a beneficial owner of Garmin shares entitled to exercise voting rights at the Annual Meeting. Such written request should be

directed to the Corporate Secretary, Garmin Ltd., Mühlenalstrasse 2, 8200 Schaffhausen, Switzerland. The Annual Report on Form 10-K is available at [www.garmin.com](http://www.garmin.com) and is also available through the SEC's Internet site at [www.sec.gov](http://www.sec.gov). See the Notice of the Annual General Meeting included at the beginning of this Proxy Statement for information on the physical inspection and delivery without charge of the 2020 Annual Report on Form 10-K of Garmin containing the consolidated financial statements of Garmin for the fiscal year ended December 25, 2021 and the statutory financial statements of Garmin for the fiscal year ended December 25, 2021 as well as the respective Auditor's Reports and the Swiss Compensation Report for Fiscal Year 2021.

## ANNEX 1

# Amended and Restated Garmin Ltd. 2005 Equity Incentive Plan

GARMIN LTD.

## 2005 EQUITY INCENTIVE PLAN

as amended and restated on ~~April 22, 2022~~ June 10, 2022

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# GARMIN LTD. 2005 EQUITY INCENTIVE PLAN

as amended and restated on ~~April 22, 2022~~ June 10, 2022

## Article 1. Establishment, Objectives and Duration

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- 1.1 Establishment and Amendment of the Plan.** The Board of Directors (the "Board") of Garmin Ltd., a Swiss company (the "Company"), hereby establishes the incentive compensation plan to be known as the Garmin Ltd. 2005 Equity Incentive Plan (the "Plan"). The Plan was adopted by the Board of Directors of Garmin Ltd., a Cayman Islands company ("Garmin Cayman"), on March 1, 2005 and was approved by the shareholders of Garmin Cayman on June 3, 2005. The Plan is effective as of June 3, 2005 (the "Effective Date"). In 2006, Garmin Cayman effected a two-for-one stock split of its common Shares (the "Stock Split"). Subject to approval of the shareholders of Garmin Cayman, the Board of Directors of Garmin Cayman adopted an amended and restated plan effective June 5, 2009 with certain amendments reflecting the Stock Split, updated changes in the law and an expanded type of performance-based awards eligible to be granted under the Plan. The Plan was amended and restated on June 27, 2010 following the redomestication transaction on June 27, 2010 pursuant to which the shares of Garmin Cayman were exchanged for shares of the Company and the Company became the public holding company of Garmin Cayman and its subsidiaries. The Plan was amended and restated again on June 7, 2013, on October 21, 2016, on June 7, 2019 and on April 22, 2022.
- 1.2 Objectives of the Plan.** The Plan is intended to allow employees of the Company and its Subsidiaries to acquire or increase equity ownership in the Company, or to be compensated under the Plan based on growth in the Company's equity value, thereby strengthening their commitment to the success of the Company and stimulating their efforts on behalf of the Company, and to assist the Company and its Subsidiaries in attracting new employees and retaining existing employees. The Plan is also intended to optimize the profitability and growth of the Company through incentives which are consistent with the Company's goals; to provide incentives for excellence in individual performance; and to promote teamwork.
- 1.3 Duration of the Plan.** The Plan shall commence on the Effective Date and shall remain in effect, subject to the right of the Board to amend or terminate the Plan at any time pursuant to Article 13 hereof, until all Shares subject to it shall have been purchased or acquired according to the Plan's provisions.

## Article 2. Definitions

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Whenever used in the Plan, the following terms shall have the meanings set forth below:

- 2.1** "Article" means an Article of the Plan.
- 2.2** "Award" means Options, Restricted Shares, Bonus Shares, SARs, Restricted Stock Units, Performance Units or Performance Shares granted under the Plan.
- 2.3** "Award Agreement" means a written agreement by which an Award is evidenced.
- 2.4** "Beneficial Owner" has the meaning specified in Rule 13d-3 of the SEC under the Exchange Act.
- 2.5** "Board" means the Board of Directors of the Company.
- 2.6** "Bonus Shares" means Shares that are awarded to a Grantee without cost and without restrictions in recognition of past performance (whether determined by reference to another employee benefit plan of the Company or otherwise) or as an incentive to become an employee of the Company or a Subsidiary.
- 2.7** "Cause" means, unless otherwise defined in an Award Agreement,
- (a) a Grantee's conviction of, plea of guilty to, or plea of nolo contendere to a felony or other crime that involves fraud, dishonesty or moral turpitude,
  - (b) any willful action or omission by a Grantee which would constitute grounds for immediate dismissal under the employment policies of the Company or the Subsidiary by which Grantee is employed, including but not limited to intoxication with alcohol or illegal drugs while on the premises of the Company or any Subsidiary, or violation of sexual harassment laws or the internal sexual harassment policy of the Company or the Subsidiary by which Grantee is employed, irrespective of whether the applicable law would allow an immediate dismissal in these cases,
  - (c) a Grantee's habitual neglect of duties, including but not limited to repeated absences from work without reasonable excuse, or
  - (d) a Grantee's willful and intentional material misconduct in the performance of his duties that results in financial detriment to the Company or any Subsidiary;
- provided, however, that for purposes of clauses (b), (c) and (d), Cause shall not include any one or more of the following: bad judgment, negligence or any act or omission believed by the Grantee in good faith to have been in or not opposed to the interest of the Company (without intent of the Grantee to gain, directly or indirectly, a profit to which the Grantee was not legally entitled). A Grantee who agrees to resign from his affiliation with the Company or a Subsidiary in lieu of being terminated for Cause may be deemed to have been terminated for Cause for purposes of the Plan.*

2.8 “Change of Control” means, unless otherwise defined in an Award Agreement, any one or more of the following:

- (a) any Person other than (i) a Subsidiary, (ii) any employee benefit plan (or any related trust) of the Company or any of its Subsidiaries or (iii) any Excluded Person, becomes the Beneficial Owner of 35% or more of the shares of the Company representing 35% or more of the combined voting power of the Company (such a person or group, a “35% Owner”), except that (i) no Change of Control shall be deemed to have occurred solely by reason of such beneficial ownership by a corporation with respect to which both more than 60% of the common shares of such corporation and Voting Securities representing more than 60% of the aggregate voting power of such corporation are then owned, directly or indirectly, by the persons who were the direct or indirect owners of the shares of the Company immediately before such acquisition in substantially the same proportions as their ownership, immediately before such acquisition, of the shares of the Company, as the case may be and (ii) such corporation shall not be deemed a 35% Owner; or
- (b) the Incumbent Directors (determined using the Effective Date as the baseline date) cease for any reason to constitute at least a majority of the directors of the Company then serving; or
- (c) the consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of a merger, reorganization, consolidation, or similar transaction, or the sale or other disposition of all or substantially all (at least 40%) of the consolidated assets of the Company or a resolution of dissolution of the Company (any of the foregoing transactions, a “Reorganization Transaction”) which is not an Exempt Reorganization Transaction.

The definition of “Change of Control” may be amended at any time prior to the occurrence of a Change of Control, and such amended definition shall be applied to all Awards granted under the Plan whether or not outstanding at the time such definition is amended, without requiring the consent of any Grantee. Notwithstanding the occurrence of any of the foregoing events, (a) a Change of Control shall be deemed not to have occurred with respect to any Section 16 Person if such Section 16 Person is, by agreement (written or otherwise), a participant on such Section 16 Person’s own behalf in a transaction which causes the Change of Control to occur and (b) a Change of Control shall not occur with respect to a Grantee if, in advance of such event, the Grantee agrees in writing that such event shall not constitute a Change of Control.

2.9 “Change of Control Period” has the meaning set forth in Section 5.6(c).

2.10 “Change of Control Value” means the Fair Market Value of a Share on the date of a Change of Control.

2.11 “Code” means the Internal Revenue Code of 1986, as amended from time to time, and regulations and rulings thereunder. References to a particular section of the Code include references to successor provisions of the Code or any successor statute.

2.12 “Company” has the meaning set forth in Section 1.1.

2.13 “Disabled” or “Disability” means an individual (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months,

receiving income replacement benefits for a period of not less than 3 months under a Company-sponsored accident and health plan. Notwithstanding the foregoing, with respect to an Incentive Stock Option, “Disability” means a permanent and total disability, within the meaning of Code Section 22(e)(3), as determined by the Board in good faith, upon receipt of medical advice from one or more individuals, selected by the Board, who are qualified to give professional medical advice.

2.14 “Effective Date” has the meaning set forth in Section 1.1.

2.15 “Eligible Person” means any employee (including any officer) of the Company or any Subsidiary, including any such employee who is on an approved leave of absence or has been subject to a disability which does not qualify as a Disability.

2.16 “Exchange Act” means the Securities Exchange Act of 1934, as amended. References to a particular section of the Exchange Act include references to successor provisions.

2.17 “Excluded Person” means any Person who, along with such Person’s Affiliates and Associates (as such terms are defined in Rule 12b-2 of the General Rules and Regulations under the Exchange Act) is the Beneficial Owner of 15% or more of the Shares outstanding as of the Effective Date.

2.18 “Exempt Reorganization Transaction” means a Reorganization Transaction which (i) results in the Persons who were the direct or indirect owners of the outstanding shares of the Company immediately before such Reorganization Transaction becoming, immediately after the consummation of such Reorganization Transaction, the direct or indirect owners of both more than 60% of the then-outstanding common shares of the Surviving Corporation and Voting Securities representing more than 60% of the aggregate voting power of the Surviving Corporation, in substantially the same respective proportions as such Persons’ ownership of the shares of the Company immediately before such Reorganization Transaction, or (ii) after such transaction, more than 50% of the members of the board of directors of the Surviving Corporation were Incumbent Directors at the time of the Board’s approval of the agreement providing for the Reorganization Transaction or other action of the Board approving the transaction (or whose election or nomination was approved by a vote of at least two-thirds of the members who were members of the Board at that time).

2.19 “Fair Market Value” means, unless otherwise determined or provided by the Board in the circumstances, (A) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Board, and (B) with respect to Shares, (i) the last sale price (also referred to as the closing price) of a Share on such U.S. securities exchange as the Shares are then traded, for the applicable date, (ii) if such U.S. securities exchange is closed for trading on such date, or if the Shares do not trade on such date, then the last sales price used shall be the one on the date the Shares last traded on such U.S. securities exchange, or (iii) in the event that there shall be no public market for the Shares, the fair market value of the Shares as determined in good faith by the Board using a method consistently applied. Notwithstanding the above, for all Options, SARs and Deferred Shares (RSUs) granted before June 5, 2009, Fair Market Value for purposes of establishing Option Prices, Exercise Prices or values of Shares, respectively, was established based on the average of the high and low trading prices on the New York Stock Exchange (or, if no sale of Shares was reported for such date, on the next preceding date on which a sale of Shares was reported).

2.20 “Freestanding SAR” means any SAR that is granted independently of any Option.

- 2.21 “Good Reason” means any action by the Company or the Subsidiary employing a Grantee which results in any of the following without the Grantee’s consent: (a) a material diminution or other material adverse change in the Grantee’s position, authority or duties, (b) requiring the Grantee to be based at any office or location more than 50 miles from the location where he or she was previously based; (c) a material diminution in the Grantee’s compensation in the aggregate, other than a diminution applicable to all similarly situated employees. A Grantee shall not have Good Reason to terminate his or her position unless, (1) within 60 days following the event or circumstance set forth above in (a), (b) or (c), the Grantee notifies the Company of such event or circumstance, (2) the Grantee gives the Company 30 days to correct the event or circumstance, and (3) the Company does not correct, in all material respects, such event or circumstance.
- 2.22 “Grant Date” has the meaning set forth in Section 5.2.
- 2.23 “Grantee” means an individual who has been granted an Award.
- 2.24 “Including” or “includes” mean “including, without limitation,” or “includes, without limitation”, respectively.
- 2.25 “Incumbent Directors” means, as of any specified baseline date, individuals then serving as members of the Board who were members of the Board as of the date immediately preceding such baseline date; *provided* that any subsequently-appointed or elected member of the Board whose election, or nomination for election by shareholders of the Company or the Surviving Corporation, as applicable, was approved by a vote or written consent of a majority of the directors then comprising the Incumbent Directors shall also thereafter be considered an Incumbent Director, unless the initial assumption of office of such subsequently-elected or appointed director was in connection with (i) an actual or threatened election contest, including a consent solicitation, relating to the election or removal of one or more members of the Board, (ii) a “tender offer” (as such term is used in Section 14(d) of the Exchange Act), or (iii) a proposed Reorganization Transaction.
- 2.26 “Option” means an option granted under Article 6 of the Plan, including an incentive stock option.
- 2.27 “Option Price” means the price at which a Share may be purchased by a Grantee pursuant to an Option.
- 2.28 “Option Term” means the period beginning on the Grant Date of an Option and ending on the expiration date of such Option, as specified in the Award Agreement for such Option and as may, consistent with the provisions of the Plan, be extended from time to time by the Board prior to the expiration date of such Option then in effect.
- 2.29 “Performance Period” has the meaning set forth in Section 10.2.
- 2.30 “Performance Share” or “Performance Unit” has the meaning set forth in Article 10.
- 2.31 “Period of Restriction” means the period during which the transfer of Restricted Shares is limited in some way (based on the passage of time, the achievement of performance goals, or upon the occurrence of other events as determined by the Board) or the Shares are subject to a substantial risk of forfeiture, as provided in Article 8.
- 2.32 “Person” shall have the meaning ascribed to such term in Section 3(a) (9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.
- 2.33 “Plan” has the meaning set forth in Section 1.1.
- 2.34 “Plan Committee” has the meaning set forth in Section 3.1.
- 2.35 “Reorganization Transaction” has the meaning set forth in Section 2.9(c).
- 2.36 “Restricted Shares” means Shares that are issued as an Award under the Plan that is subject to Restrictions.
- 2.37 “Restricted Stock Units” (f/k/a “Deferred Shares”) means units awarded to Grantees pursuant to Article 9 hereof, which are convertible into Shares at such time as such units are no longer subject to Restrictions as established by the Board. Restricted Stock Units are the same as “Deferred Shares” previously referred to and granted under the Plan prior to this Amended and Restated Plan becoming effective.
- 2.38 “Restriction” means any restriction on a Grantee’s free enjoyment of the Shares or other rights underlying Awards, including (a) that the Grantee or other holder may not sell, transfer, pledge, or assign a Share or right, and (b) such other restrictions as the Board may impose in the Award Agreement that are permissible under Swiss law. Restrictions may be based on the passage of time or the satisfaction of performance criteria or the occurrence of one or more events or conditions, and shall lapse separately or in combination upon such conditions and at such time or times, in installments or otherwise, as the Board shall specify. Awards subject to a Restriction shall be forfeited if the Restriction does not lapse prior to such date or the occurrence of such event or the satisfaction of such other criteria as the Board shall determine.
- 2.39 “Rule 16b-3” means Rule 16b-3 promulgated by the SEC under the Exchange Act, together with any successor rule, as in effect from time to time.
- 2.40 “SAR” means a stock appreciation right and includes both Tandem SARs and Freestanding SARs.
- 2.41 “SAR Term” means the period beginning on the Grant Date of a SAR and ending on the expiration date of such SAR, as specified in the Award Agreement for such SAR and as may, consistent with the provisions of the Plan, be extended from time to time by the Board prior to the expiration date of such SAR then in effect.
- 2.42 “SEC” means the United States Securities and Exchange Commission, or any successor thereto.
- 2.43 “Section” means, unless the context otherwise requires, a Section of the Plan.
- 2.44 “Section 16 Person” means a person who is subject to obligations under Section 16 of the Exchange Act with respect to transactions involving equity securities of the Company.
- 2.45 “Share” means a registered share, CHF 0.10 par value, of the Company.
- 2.46 “Subsidiary” means with respect to any Person (a) any corporation of which more than 50% of the Voting Securities are at the time, directly or indirectly, owned by such Person, and (b) any partnership or limited liability company in which such Person has a direct or indirect interest (whether in the form of voting power or participation in profits or capital contribution) of more than 50%. Solely with respect to a grant of an incentive stock option under the requirements of Section 422 of the Code, “Subsidiary” means a “subsidiary corporation” as defined in Section 424(f) of the Code.
- 2.47 “Substitute Option” has the meaning set forth in Section 6.3.
- 2.48 “Surviving Corporation” means the corporation resulting from a Reorganization Transaction or, if Voting Securities representing at least 50% of the aggregate voting power of such resulting corporation are directly or indirectly owned by another corporation, such other corporation.

- 2.49 “Tandem SAR” means a SAR that is granted in connection with, or related to, an Option, and which requires forfeiture of the right to purchase an equal number of Shares under the related Option upon the exercise of such SAR; or alternatively, which requires the cancellation of an equal amount of SARs upon the purchase of the Shares subject to the Option.
- 2.50 “Tax Withholding” has the meaning set forth in Section 14.1(a).
- 2.51 “Termination of Affiliation” occurs on the first day on which an individual is for any reason no longer providing services to the Company or any Subsidiary in the capacity of an employee, or

with respect to an individual who is an employee of a Subsidiary, the first day on which such Subsidiary ceases to be a Subsidiary. A Termination of Affiliation shall have the same meaning as a “separation from service” under Code Section 409A(2)(A)(i).

- 2.52 “Voting Securities” of a corporation means securities of such corporation that are entitled to vote generally in the election of directors, but not including any other class of securities of such corporation that may have voting power by reason of the occurrence of a contingency.

## Article 3. Administration

- 3.1 Board and Plan Committee. Subject to Article 13, and to Section 3.2, the Plan shall be administered by the Board, or a committee of the Board appointed by the Board to administer the Plan (“Plan Committee”). To the extent the Board considers it desirable for transactions relating to Awards to be eligible to qualify for an exemption under Rule 16b-3, the Plan Committee shall consist of two or more directors of the Company, all of whom qualify as “non-employee directors” within the meaning of Rule 16b-3.

Any references herein to “Board” are, except as the context requires otherwise, references to the Board or the Plan Committee, as applicable.

- 3.2 Powers of the Board. Subject to the express provisions of the Plan, the Board has full and final authority and sole discretion as follows:

- (a) taking into consideration the reasonable recommendations of management, to determine when, to whom and in what types and amounts Awards should be granted and the terms and conditions applicable to each Award, including the Option Price, the Option Term, the Restrictions, the benefit payable under any SAR, Performance Unit or Performance Share and whether or not specific Awards shall be granted in connection with other specific Awards, and if so whether they shall be exercisable cumulatively with, or alternatively to, such other specific Awards;
- (b) to determine the amount, if any, that a Grantee shall pay for Restricted Shares, whether and on what terms to permit or require the payment of cash dividends thereon to be deferred, when Restrictions on Restricted Shares (including Restricted Shares acquired upon the exercise of an Option) shall lapse and whether such shares shall be held in escrow;
- (c) to construe and interpret the Plan and to make all determinations necessary or advisable for the administration of the Plan;
- (d) to make, amend, and rescind rules relating to the Plan, including rules with respect to the exercisability and nonforfeitability of Awards and lapse of Restrictions upon the Termination of Affiliation of a Grantee;
- (e) to determine the terms and conditions of all Award Agreements (which need not be identical) and, with the consent of the Grantee, to amend any such Award Agreement at any time, among other things, to permit transfers of such Awards to the extent permitted by the Plan; *provided* that the consent of the Grantee shall not be required for any amendment which (A) does not adversely affect the rights of the Grantee, or (B) is necessary or advisable (as determined by the Board) to carry out the purpose of the Award as a result of any new or change in existing applicable law;

- (f) to cancel, with the consent of the Grantee, outstanding Awards and to grant new Awards in substitution therefor; *provided* that any replacement grant that would be considered a repricing shall be subject to shareholder approval;
- (g) to accelerate the exercisability (including exercisability within a period of less than six months after the Grant Date) of, and to accelerate or waive any or all of the terms conditions or Restrictions applicable to, any Award or any group of Awards for any reason and at any time, including in connection with a Termination of Affiliation;
- (h) subject to Section 5.3, to extend the time during which any Award or group of Awards may be exercised;
- (i) to make such adjustments or modifications to Awards to Grantees who are working outside the United States as are advisable to fulfill the purposes of the Plan or to comply with applicable local law, and to authorize foreign Subsidiaries to adopt plans as provided in Article 15;
- (j) to delegate to any member of the Board or committee of Board members such of its powers as it deems appropriate, including the power to subdelegate, except that only a member of the Board of Directors of the Company (or a committee thereof) may grant Awards from time to time to specified categories of Eligible Persons in amounts and on terms to be specified by the Board; *provided* that no such grants shall be made other than by the Board or the Plan Committee to individuals who are then Section 16 Persons;
- (k) to delegate to officers, employees or independent contractors of the Company matters involving the routine administration of the Plan and which are not specifically required by any provision of the Plan to be performed by the Board of Directors of the Company;
- (l) to delegate its duties and responsibilities under the Plan with respect to foreign Subsidiary plans, except its duties and responsibilities with respect to Section 16 Persons, and (A) the acts of such delegates shall be treated hereunder as acts of the Board and (B) such delegates shall report to the Board regarding the delegated duties and responsibilities;
- (m) to correct any defect or supply any omission or reconcile any inconsistency, and construe and interpret the Plan, the rules and regulations, any Award Agreement or any other instrument entered into or relating to an Award under the Plan, and to make all determinations, including factual determinations, necessary or advisable for the administration of the Plan;

- (n) to impose such additional terms and conditions upon the grant, exercise or retention of Awards as the Board may, before or concurrently with the grant thereof, deem appropriate, including limiting the percentage of Awards which may from time to time be exercised by a Grantee; and
- (o) to take any other action with respect to any matters relating to the Plan for which it is responsible.

All determinations on any matter relating to the Plan or any Award Agreement may be made in the sole and absolute discretion of the Board, and to the fullest extent permitted by the applicable law all such determinations of the Board shall be final, conclusive and binding on all Persons. To the fullest extent permitted by the applicable law no member of the Board shall be liable for any action or determination made with respect to the Plan or any Award.

## Article 4. Shares Subject to the Plan

### 4.1 Number of Shares Available.

- (a) *Plan Limit.* Subject to adjustment as provided in Section 4.2, the number of Shares hereby reserved for delivery under the Plan is thirteen million (13,000,000) Shares. The maximum number of Shares that may be delivered pursuant to the exercise of Options (including incentive stock options under Code Section 422) or SARs is ten million (10,000,000) Shares. The maximum number of Shares that may be delivered as Restricted Shares or pursuant to Performance Units or Restricted Stock Units is ~~ten million (10,000,000)~~ twelve million (12,000,000) Shares. The maximum number of Bonus Shares that may be awarded is one million (1,000,000) Shares. If any Shares subject to an Award granted hereunder are forfeited or an Award or any portion thereof otherwise terminates or is settled without the issuance of Shares, the Shares subject to such Award, to the extent of any such forfeiture, termination or settlement, shall again be available for grant under the Plan. The Board may from time to time determine the appropriate methodology for calculating the number of Shares issued pursuant to the Plan.
- (b) *Individual Limit.* No individual Grantee may be granted Options, SARs, Restricted Shares, Restricted Stock Units, Bonus Shares, Performance Units or Performance Shares in Shares, or in any combination thereof, relating to an aggregate number of Shares under the Plan that exceeds two million (2,000,000) Shares in any 5-year period. If a previously granted Option, SAR, Restricted Stock Unit, Performance Unit, or Performance Share is forfeited, canceled or repriced, such forfeited, canceled or repriced Award as the case may be, shall continue to be counted against the maximum number of Shares subject to Awards that may be delivered to any Grantee under this Section 4.1(b).

### 4.2 Adjustments in Shares.

- (a) *Adjustment Principle.* In the event that the Board determines that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, share split, reverse share split, subdivision, consolidation or reduction of capital, reorganization, merger, scheme of arrangement, split-up,

spin-off or combination involving the Company or repurchase or exchange of Shares or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event affects the Shares such that any adjustment is determined by the Board to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Board shall, in such manner as it may deem equitable, adjust any or all of (i) the number and type of Shares (or other securities or property of the Company or any Person that is a party to a Reorganization Transaction with the Company) with respect to which Awards may be granted, (ii) the number and type of Shares (or other securities or property of the Company or any Person that is a party to a Reorganization Transaction with the Company) subject to outstanding Awards, and (iii) the grant or exercise price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award or the substitution of other property for Shares subject to an outstanding Award; provided, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

- (b) *Example.* By way of illustration, and not by way of limitation, the following illustrates how the foregoing adjustment principles would apply in the context of a stock split: Assume a Grantee holds an Option to purchase 1,000 shares of Company stock at an Option Price of \$50 per share. Assume further that the Company completes a two-for-one share split such that every shareholder on the requisite record date receives two Shares for every one Share held on the record date. Pursuant to the adjustment principles set forth above in Section 4.2(a), the Grantee's Option would be adjusted such that, after such adjustment, the Grantee would hold an Option to purchase 2,000 Shares at an Option Price of \$25 per Share. All other terms and conditions of the Option would remain the same. Similar adjustment principles would apply to SARs, Performance Shares, Performance Units, Bonus Shares and Deferred Shares. This Section 4.2(b) is for illustrative purposes only, assumes hypothetical facts, and shall not, under any event or circumstance, be interpreted as the adjustment outcome with respect to specific factual situations.

## Article 5. Eligibility and General Conditions of Awards

- 5.1 Eligibility. The Board may grant Awards to any Eligible Person, whether or not he or she has previously received an Award.
- 5.2 Grant Date. The Grant Date of an Award shall be the date on which the Board grants the Award or such later date as specified by the Board (i) in the Board's resolutions or minutes addressing the Award grants or (ii) in the Award Agreement.

5.3 Maximum Term. Subject to the following proviso, the Option Term or other period during which an Award may be outstanding shall not extend more than 10 years after the Grant Date, and shall be subject to earlier termination as herein specified.

5.4 Award Agreement. To the extent not set forth in the Plan, the terms and conditions of each Award (which need not be the same for each grant or for each Grantee) shall be set forth in an Award Agreement.

- 5.5 Restrictions on Share Transferability. The Board may include in the Award Agreement such restrictions on any Shares acquired pursuant to the exercise or vesting of an Award as it may deem advisable, including restrictions under applicable federal securities laws.
- 5.6 Termination of Affiliation. Except as otherwise provided in an Award Agreement (including an Award Agreement as amended by the Board pursuant to Section 3.2), and subject to the provisions of Section 13.1, the extent to which the Grantee shall have the right to exercise, vest in, or receive payment in respect of an Award following Termination of Affiliation shall be determined in accordance with the following provisions of this Section 5.6.
- (a) For Cause. If a Grantee has a Termination of Affiliation for Cause:
- (i) the Grantee's Restricted Shares that are forfeitable immediately before such Termination of Affiliation shall automatically be forfeited on such date, subject in the case of Restricted Shares to the provisions of Section 8.5 regarding repayment of certain amounts to the Grantee;
  - (ii) the Grantee's Restricted Stock Units shall automatically be forfeited; and
  - (iii) any unexercised Option or SAR, and any Performance Share or Performance Unit with respect to which the Performance Period has not ended immediately before such Termination of Affiliation, shall terminate effective immediately upon such Termination of Affiliation.
- (b) On Account of Death or Disability. If a Grantee has a Termination of Affiliation on account of death or Disability:
- (i) the Grantee's Restricted Shares that were forfeitable immediately before such Termination of Affiliation shall thereupon become nonforfeitable;
  - (ii) the Grantee's Restricted Stock Units shall immediately be settled in accordance with Section 9.4;
  - (iii) any unexercised Option or SAR, whether or not exercisable immediately before such Termination of Affiliation, shall be fully exercisable and may be exercised, in whole or in part, at any time up to one year after such Termination of Affiliation (but only during the Option Term or SAR Term, respectively) by the Grantee or, after his or her death, by (A) his or her personal representative or the person to whom the Option or SAR, as applicable, is transferred by will or the applicable laws of descent and distribution, or (B) the Grantee's beneficiary designated in accordance with Article 11; and
  - (iv) the benefit payable with respect to any Performance Share or Performance Unit with respect to which the Performance Period has not ended immediately before such Termination of Affiliation on account of death or Disability shall be equal to the product of the Fair Market Value of a Share as of the date of such Termination of Affiliation or the value of the Performance Unit specified in the Award Agreement (determined as of the date of such Termination of Affiliation), as applicable, multiplied successively by each of the following:
    - (A) a fraction, the numerator of which is the number of months (including as a whole month any partial month) that have elapsed since the beginning of such Performance Period until the date of such Termination of Affiliation and the denominator of which is the number of months (including as a whole month any partial month) in the Performance Period; and
    - (B) a percentage determined by the Plan Committee that would be earned under the terms of the applicable Award Agreement assuming that the rate at which the performance goals have been achieved as of the date of such Termination of Affiliation would continue until the end of the Performance Period.
- (c) Change of Control Period. If a Grantee has a Termination of Affiliation during the period ("Change of Control Period") commencing on a Change of Control and ending on the first anniversary of the Change of Control, which Termination of Affiliation is initiated by the Company or a Subsidiary other than for Cause, or initiated by the Grantee for Good Reason, then
- (i) the Grantee's Restricted Shares that were forfeitable shall thereupon become nonforfeitable;
  - (ii) the Grantee's Restricted Stock Units shall immediately be settled in accordance with Section 9.4;
  - (iii) any unexercised Option or SAR, whether or not exercisable on the date of such Termination of Affiliation, shall thereupon be fully exercisable and may be exercised, in whole or in part for ninety (90) days following such Termination of Affiliation (but only during the Option Term or SAR Term, respectively); and
  - (iv) the Company shall immediately pay to the Grantee, with respect to any Performance Share or Performance Unit with respect to which the Performance Period has not ended as of the date of such Termination of Affiliation, a cash payment equal to the product of (A) in the case of a Performance Share, the Change of Control Value or (B) in the case of a Performance Unit, the value of the Performance Unit specified in the Award Agreement, as applicable, multiplied successively by each of the following:
    - (A) a fraction, the numerator of which is the number of whole and partial months that have elapsed between the beginning of such Performance Period and the date of such Termination of Affiliation and the denominator of which is the number of whole and partial months in the Performance Period; and
    - (B) a percentage equal to a greater of (x) the target percentage, if any, specified in the applicable Award Agreement or (y) the maximum percentage, if any, that would be earned under the terms of the applicable Award Agreement assuming that the rate at which the performance goals have been achieved as of the date of such Termination of Affiliation would continue until the end of the Performance Period.
- (d) Any Other Reason. If a Grantee has a Termination of Affiliation for any reason other than for Cause, death or Disability, and other than under the circumstances described in Section 5.6(c), then:
- (i) the Grantee's Restricted Shares, to the extent forfeitable immediately before such Termination of Affiliation, shall thereupon automatically be forfeited, subject in the case of Restricted Shares to the provisions of Section 8.5 regarding repayment of certain amounts to the Grantee;
  - (ii) the Grantee's Restricted Stock Units shall automatically be forfeited;

- (iii) any unexercised Option or SAR, to the extent exercisable immediately before such Termination of Affiliation, shall remain exercisable in whole or in part for ninety (90) days after such Termination of Affiliation (but only during the Option Term or SAR Term, respectively) by the Grantee or, after his or her death, by (A) his or her personal representative or the person to whom the Option or SAR, as applicable, is transferred by will or the applicable laws of descent and distribution, or (B) the Grantee's beneficiary designated in accordance with Article 11; and
- (iv) any Performance Shares or Performance Units with respect to which the Performance Period has not ended as of the date of such Termination of Affiliation shall terminate immediately upon such Termination of Affiliation.

#### 5.7 Nontransferability of Awards.

- (a) Except as provided in Section 5.7(c) below, each Award, and each right under any Award, shall be exercisable only by the Grantee during the Grantee's lifetime, or, if permissible under applicable law, by the Grantee's guardian or legal representative.
- (b) Except as provided in Section 5.7(c) below, no Award (prior to the time, if applicable, Shares are issued in respect of such Award), and no right under any Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Grantee otherwise than by will or by the laws

of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Subsidiary; *provided*, that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

- (c) To the extent and in the manner permitted by the Board, and subject to such terms and conditions as may be prescribed by the Board, a Grantee may transfer an Award to (a) a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the Grantee, (including adoptive relationships), (b) any person sharing the Grantee's household (other than a tenant or employee), (c) a trust in which persons described in (a) or (b) have more than 50% of the beneficial interest, (d) a foundation in which persons described in (a) or (b) or the Grantee own more than 50% of the voting interests; provided such transfer is not for value. The following shall not be considered transfers for value: (i) a transfer under a domestic relations order in settlement of marital property rights; and (ii) a transfer to an entity in which more than 50% of the voting interests are owned by persons described in (a) or (b) above or the Grantee, in exchange for an interest in that entity.

## Article 6. Stock Options

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- 6.1 Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to any Eligible Person in such number, and upon such terms, and at any time and from time to time as shall be determined by the Board. Without limiting the generality of the foregoing, the Board may grant to any Eligible Person, or permit any Eligible Person to elect to receive, an Option in lieu of or in substitution for any other compensation (whether payable currently or on a deferred basis, and whether payable under the Plan or otherwise) which such Eligible Person may be eligible to receive from the Company or a Subsidiary, which Option may have a value (as determined by the Board under Black-Scholes or any other option valuation method) that is equal to or greater than the amount of such other compensation.
- 6.2 Award Agreement. Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the Option Term, the number of shares to which the Option pertains, the time or times at which such Option shall be exercisable and such other provisions as the Board shall determine.
- 6.3 Option Price. The Option Price of an Option under the Plan shall be determined by the Board, and shall be the higher of 100% of the Fair Market Value of a Share on the Grant Date or 100% of the par value of a Share; *provided, however*, that any Option ("Substitute Option") that is (x) granted to a Grantee in connection with the acquisition ("Acquisition"), however effected, by the Company of another corporation or entity ("Acquired Entity") or the assets thereof, (y) associated with an option to purchase shares of stock or other equity interest of the Acquired Entity or an affiliate thereof ("Acquired Entity Option") held by such Grantee immediately prior to such Acquisition, and (z) intended to preserve for the Grantee the economic value of all or a portion of such Acquired Entity Option, shall be granted such that such option substitution is completed in conformity with the rules set forth in Section 424(a) of the Code.

#### 6.4 Grant of Incentive Stock Options.

- (a) At the time of the grant of any Option to an Eligible Person who is an employee of the Company or a Subsidiary, the Board may designate that such option shall be made subject to additional restrictions to permit it to qualify as an "incentive stock option" under the requirements of Section 422 of the Code. Any option designated as an incentive stock option:
  - (i) shall not be granted to a person who owns shares (including shares treated as owned under Section 424(d) of the Code) possessing more than 10% of the total combined voting power of all classes of shares of the Company;
  - (ii) shall be for a term of not more than 10 years from the Grant Date, and shall be subject to earlier termination as provided herein or in the applicable Award Agreement;
  - (iii) shall not have an aggregate Fair Market Value (determined for each incentive stock option at its Grant Date) of Shares with respect to which incentive stock options are exercisable for the first time by such Grantee during any calendar year (under the Plan and any other employee stock option plan of the Grantee's employer or any parent or Subsidiary thereof ("Other Plans")), determined in accordance with the provisions of Section 422 of the Code, which exceeds \$100,000 (the "\$100,000 Limit");
  - (iv) shall, if the aggregate Fair Market Value of a Share (determined on the Grant Date) with respect to the portion of such grant which is exercisable for the first time during any calendar year ("Current Grant") and all incentive stock options previously granted under the Plan and any Other Plans which are exercisable for the first time during a calendar year ("Prior Grants") would exceed the \$100,000 Limit, be exercisable as follows:



- (A) the portion of the Current Grant which would, when added to any Prior Grants, be exercisable with respect to Shares which would have an aggregate Fair Market Value (determined as of the respective Grant Date for such options) in excess of the \$100,000 Limit shall, notwithstanding the terms of the Current Grant, be exercisable for the first time by the Grantee in the first subsequent calendar year or years in which it could be exercisable for the first time by the Grantee when added to all Prior Grants without exceeding the \$100,000 Limit; and
- (B) if, viewed as of the date of the Current Grant, any portion of a Current Grant could not be exercised under the preceding provisions of this Subsection (iv) during any calendar year commencing with the calendar year in which it is first exercisable through and including the last calendar year in which it may by its terms be exercised, such portion of the Current Grant shall not be an incentive stock option, but shall be exercisable as a separate Option at such date or dates as are provided in the Current Grant;
- (v) shall be granted within 10 years from the earlier of the date the Plan is adopted or the date the Plan is approved by the shareholders of the Company;
- (vi) shall require the Grantee to notify the Board of any disposition of any Shares issued pursuant to the exercise of the incentive stock option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), within 10 days of such disposition; and
- (vii) shall by its terms not be assignable or transferable other than by will or the laws of descent and distribution and may be exercised, during the Grantee's lifetime, only by the Grantee; provided, however, that the Grantee may, to the extent provided in the Plan in any manner specified by the Board, designate in writing a beneficiary to exercise such incentive stock option after the Grantee's death.

Notwithstanding the foregoing, the Board may, without the consent of the Grantee, at any time before the exercise of an option (whether or not an incentive stock option), take any action necessary to prevent such option from being treated as an incentive stock option.

**6.5 Exercise of Options.** Options shall be exercised by the delivery of a written notice of exercise to the Company or its designee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares as instructed

by the Board or, subject to the approval of the Board pursuant to procedures approved by the Board,

- (a) through the sale of the Shares acquired on exercise of the Option through a broker-dealer to whom the Grantee has submitted an irrevocable notice of exercise and irrevocable instructions to deliver promptly to the Company the amount of sale or loan proceeds sufficient to pay for such Shares, together with, if requested by the Company, the amount of federal, state, local or foreign withholding taxes payable by Grantee by reason of such exercise,
- (b) through simultaneous sale through a broker of Shares acquired on exercise, as permitted under Regulation T of the Federal Reserve Board,
- (c) by transfer to the Company of the number of Shares then owned by the Grantee, the Fair Market Value of which equals the purchase price of the Shares purchased in connection with the Option exercise, properly endorsed for transfer to the Company; provided however, that Shares used for this purpose must have been held by the Grantee for such minimum period of time as may be established from time to time by the Board; and provided further that the Fair Market Value of any Shares delivered in payment of the purchase price upon exercise of the Options shall be the Fair Market Value as of the exercise date, which shall be the date of delivery of the certificates for the Stock used as payment of the exercise price. For purposes of this Section 6.5(c), in lieu of actually transferring to the Company the number of Shares then owned by the Grantee, the Board may, in its discretion permit the Grantee to submit to the Company a statement affirming ownership by the Grantee of such number of Shares and request that such Shares, although not actually transferred, be deemed to have been transferred by the Grantee as payment of the exercise price, or
- (d) by a "net exercise" arrangement pursuant to which the Company will not require a payment of the Option Price but will reduce the number of Shares upon the exercise by the largest number of whole shares that has a Fair Market Value on the date of exercise that does not exceed the aggregate Option Price. With respect to any remaining balance of the aggregate option price, the Company will accept a cash payment from the Grantee. Notwithstanding the foregoing, a "net exercise" arrangement will not be an eligible exercise method for incentive stock options unless and until the Company and its advisors conclude that such method of exercise may be utilized without resulting in a disqualification of the incentive stock option.

## Article 7. Stock Appreciation Rights

**7.1 Grant of SARs.** Subject to the terms and conditions of the Plan, SARs may be granted to any Eligible Person at any time and from time to time as shall be determined by the Board in its sole discretion. The Board may grant Freestanding SARs or Tandem SARs, or any combination thereof.

- (a) **Number of Shares.** The Board shall have complete discretion to determine the number of SARs granted to any Grantee, subject to the limitations imposed in the Plan and by applicable law.
- (b) **Exercise Price and Other Terms.** All SARs shall be granted with an exercise price no less than the Fair Market Value of the underlying Shares on the SARs' Grant Date. The Board, subject

to the provisions of the Plan, shall have complete discretion to determine the terms and conditions of SARs granted under the Plan. The exercise price per Share of Tandem SARs shall equal the exercise price per Share of the related Option.

- 7.2 SAR Award Agreement.** Each SAR granted under the Plan shall be evidenced by a written SAR Award Agreement which shall be entered into by the Company and the Grantee to whom the SAR is granted and which shall specify the exercise price per share, the SAR Term, the conditions of exercise, and such other terms and conditions as the Board in its sole discretion shall determine.

- 7.3 Exercise of SARs. SARs shall be exercised by the delivery of a written notice of exercise to the Company or its designee, setting forth the number of Shares over which the SAR is to be exercised. Tandem SARs (a) may be exercised with respect to all or part of the Shares subject to the related Option upon the surrender of the right to exercise the equivalent portion of the related Option; (b) may be exercised only with respect to the Shares for which its related Option is then exercisable; and (c) may be exercised only when the Fair Market Value of the Shares subject to the Option exceeds the Option Price of the Option. The value of the payment with respect to the Tandem SAR may be no more than 100% of the difference between the Option Price of the underlying Option and the Fair Market Value of the Shares subject to the underlying Option at the time the Tandem SAR is exercised.
- 7.4 Expiration of SARs. A SAR granted under the Plan shall expire on the date set forth in the SAR Award Agreement, which date shall be determined by the Board in its sole discretion. Unless otherwise specifically provided for in the SAR Award agreement, a Tandem SAR

granted under the Plan shall be exercisable at such time or times and only to the extent that the related Option is exercisable. The Tandem SAR shall terminate and no longer be exercisable upon the termination or exercise of the related Options, except that Tandem SARs granted with respect to less than the full number of Shares covered by a related Option shall not be reduced until the exercise or termination of the related Option exceeds the number of Shares not covered by the SARs.

- 7.5 Payment of SAR Amount. Upon exercise of a SAR, a Grantee shall be entitled to receive payment from the Company in an amount determined by multiplying (i) the positive difference between the Fair Market Value of a Share on the date of exercise over the exercise price per Share by (ii) the number of Shares with respect to which the SAR is exercised. The payment upon a SAR exercise shall be solely in whole Shares of equivalent value. Fractional Shares shall be rounded down to the nearest whole Share with no cash consideration being paid upon exercise.

## Article 8. Restricted Shares and Bonus Shares

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- 8.1 Grant of Restricted Shares. Subject to the terms and provisions of the Plan, the Board, at any time and from time to time, may grant Restricted Shares to any Eligible Person in such amounts as the Board shall determine.
- 8.2 Bonus Shares. Subject to the terms of the Plan, the Board may grant Bonus Shares to any Eligible Person, in such amount and upon such terms and at any time and from time to time as shall be determined by the Board. Bonus Shares shall be Shares issued without any Restriction.
- 8.3 Award Agreement. Each grant of Restricted Shares shall be evidenced by an Award Agreement, which shall specify the Restrictions and the Period(s) of Restriction, the number of Restricted Shares granted, and such other provisions as the Board shall determine. The Board may impose such Restrictions on any Restricted Shares as it may deem advisable, including Restrictions based upon the achievement of specific performance goals (Company-wide, divisional, Subsidiary or individual), time-based Restrictions on vesting or Restrictions under applicable securities laws; provided that in all cases, the Restricted Shares shall be subject to a minimum two-year graduated vesting schedule (50% each year), except, if as provided in the Award Agreement, in the event of death, disability, Change of Control, Termination of Affiliation with Good Reason, or Termination of Affiliation by the Employer other than for Cause.

- 8.4 Consideration. The Board shall determine the amount, if any, that a Grantee shall pay for Restricted Shares or Bonus Shares. Such payment shall be made in full by the Grantee before the delivery of the shares and in any event no later than 10 business days after the Grant Date for such shares.

- 8.5 Effect of Forfeiture. If Restricted Shares are forfeited, and if the Grantee was required to pay for such shares or acquired such Restricted Shares upon the exercise of an Option, the Grantee shall resell such Restricted Shares to the Company at a price equal to the lesser of (x) the amount paid by the Grantee for such Restricted Shares, or (y) the Fair Market Value of a Share on the date of such forfeiture. The Company shall pay to the Grantee the required amount as soon as is administratively practical.

- 8.6 Escrow. The Board may provide that any Restricted Shares or Bonus Shares shall be represented by, at the option of the Board, either book entry registration or by a stock certificate or certificates. If the shares of Restricted Shares are represented by a certificate or certificates, such shares shall be held (together with an assignment or endorsement executed in blank by the Grantee) in escrow by an escrow agent until such Restricted Shares become nonforfeitable or are forfeited.

## Article 9. Restricted Stock Units (f/k/a "Deferred Shares")

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- 9.1 Grant of Restricted Stock Units. Subject to and consistent with the provisions of the Plan and Code Sections 409A(a)(2), (3) and (4), the Board, at any time and from time to time, may grant Restricted Stock Units to any Eligible Person, in such amount and upon such terms as the Board shall determine. A Grantee shall have no voting rights in Restricted Stock Units.
- 9.2 Award Agreement. Each grant of Restricted Stock Units shall be evidenced by an Award Agreement that shall specify the Restrictions, the number of Shares subject to the Restricted Stock Units granted, and such other provisions as the Plan Committee shall determine in accordance with the Plan and Code Section 409A. The Plan Committee

may impose such Restrictions on Restricted Stock Units, including time-based Restrictions, Restrictions based on the achievement of specific performance goals, time-based Restrictions following the achievement of specific performance goals, Restrictions based on the occurrence of a specified event, and/or restrictions under applicable securities laws; provided that in all cases the Restricted Stock Units shall be subject to a minimum two-year graduated vesting schedule (50% each year), except, if as provided in the Award Agreement, in the event of death, Disability, Change of Control, Termination of Affiliation with Good Reason, or Termination of Affiliation by the Employer other than for Cause.

- 9.3 Crediting Restricted Stock Units. The Company shall establish an account (“RSU Account”) on its books for each Eligible Person who receives a grant of Restricted Stock Units. Restricted Stock Units shall be credited to the Grantee’s RSU Account as of the Grant Date of such Restricted Stock Units. RSU Accounts shall be maintained for recordkeeping purposes only and the Company shall not be obligated to segregate or set aside assets representing securities or other amounts credited to RSU Accounts. The obligation to make distributions of securities or other amounts credited to RSU Accounts shall be an unfunded, unsecured obligation of the Company.
- 9.4 Settlement of RSU Accounts. The Company shall settle an RSU Account

by delivering to the holder thereof (which may be the Grantee or his or her Beneficiary, as applicable) a number of Shares equal to the whole number of Shares underlying the Restricted Stock Units then credited to the Grantee’s RSU Account (or a specified portion in the event of any partial settlement); provided that any fractional Shares underlying Restricted Stock Units remaining in the RSU Account on the Settlement Date shall be distributed in cash in an amount equal to the Fair Market Value of a Share as of the Settlement Date multiplied by the remaining fractional Restricted Share Unit. The “Settlement Date” for all Restricted Stock Units credited to a Grantee’s RSU Account shall be the date when Restrictions applicable to an Award of Restricted Stock Units have lapsed.

## Article 10. Performance Units and Performance Shares

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- 10.1 Grant of Performance Units and Performance Shares. Subject to the terms of the Plan, Performance Units or Performance Shares may be granted to any Eligible Person in such amounts and upon such terms, and at any time and from time to time, as the Board shall determine. Each grant of Performance Units or Performance Shares shall be evidenced by an Award Agreement which shall specify the terms and conditions applicable to the Performance Units or Performance Shares, as the Board determines.
- 10.2 Value/Performance Goals. Each Performance Unit shall have an initial value that is established by the Board at the time of grant, that is equal to the Fair Market Value of a Share on the Grant Date. The Board shall set the business criteria which, depending on the extent to which they are met, will determine the number or value of Performance Units or Performance Shares that will be paid to the Grantee. For purposes of this Article 10, the time period during which the performance goals must be met shall be called a “Performance Period.” The Board shall have complete discretion to establish the performance goals.
- 10.3 Payment of Performance Units and Performance Shares. Subject to the terms of the Plan, after the applicable Performance Period has ended, the holder of Performance Units or Performance Shares shall be entitled to receive a payment based on the number and value of Performance Units or Performance Shares earned by the Grantee over the Performance Period, determined as a function of the extent to which the corresponding performance goals have been achieved.

If a Grantee is promoted, demoted or transferred to a different business unit of the Company during a Performance Period, then, to the extent the Board determines appropriate, the Board may adjust, change or eliminate the performance goals or the applicable Performance Period as it deems appropriate in order to make them appropriate and comparable to the initial performance goals or Performance Period.

- 10.4 Form and Timing of Payment of Performance Units and Performance Shares. Payment of earned Performance Units or Performance Shares shall be made in a lump sum following the close of the applicable Performance Period. The Board may cause earned Performance Units or Performance Shares to be paid in cash or in Shares (or in a combination thereof) which have an aggregate Fair Market Value equal to the value of the earned Performance Units or Performance Shares at the close of the applicable Performance Period. Such Shares may be granted subject to any restrictions deemed appropriate by the Board. The form of payout of such Awards shall be set forth in the Award Agreement pertaining to the grant of the Award.

As determined by the Board, a Grantee may be entitled to receive any dividends declared with respect to Shares which have been earned in connection with grants of Performance Units or Performance Shares but not yet distributed to the Grantee. In addition, a Grantee may, as determined by the Board, be entitled to exercise his or her voting rights with respect to such Shares.

## Article 11. Beneficiary Designation

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Each Grantee under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of the Grantee’s death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Grantee, shall be in a form

prescribed by the Company, and will be effective only when filed by the Grantee in writing with the Company during the Grantee’s lifetime. In the absence of any such designation, benefits remaining unpaid at the Grantee’s death shall be paid to the Grantee’s estate.

## Article 12. Rights of Employees

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- 12.1 Employment. Nothing in the Plan shall interfere with or limit in any way the right of the Company to terminate any Grantee’s employment at any time, nor confer upon any Grantee the right to continue in the employ of the Company.

- 12.2 Participation. No employee shall have the right to be selected to receive an Award, or, having been so selected, to be selected to receive a future Award.

## Article 13. Amendment, Modification, and Termination

- 13.1 Amendment, Modification, and Termination. Subject to the terms of the Plan, the Board of Directors of the Company may at any time and from time to time, alter, amend, suspend or terminate the Plan in whole or in part without the approval of the Company's shareholders, except to the extent the Board of Directors of the Company determines it is desirable to obtain approval of the Company's shareholders, to have available the ability for Options to qualify as ISOs, to comply with the requirements for listing on any exchange where the Company's Shares are listed, or for any other purpose the Board of Directors of the Company deems appropriate.
- 13.2 Adjustments Upon Certain Unusual or Nonrecurring Events. The Board may make adjustments in the terms and conditions of Awards in recognition of unusual or nonrecurring events (including the events described in Section 4.2) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Board determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.
- 13.3 Awards Previously Granted. Notwithstanding any other provision of the Plan to the contrary (but subject to Section 2.8 and Section 13.2), no termination, amendment or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Grantee of such Award. Any adjustment, modification, extension or renewal of an Option shall be effected such that the Option is either exempt from, or is compliant with, Code section 409A.
- 13.4 Adjustments in Connection with Change of Control. In the event the Company undergoes a Change of Control or in the event of a separation, spin-off, sale of a material portion of the Company's assets or any "going private" transaction under Rule 13e-3 promulgated pursuant to the Exchange Act and in which a Change of Control does not occur, the Board, or the board of directors of any corporation assuming the obligations of the Company, shall have the full power and discretion to prescribe and amend the terms and conditions for the exercise, or modification, of any outstanding Awards granted hereunder in the manner as agreed to by the Board as set forth in the definitive agreement relating to the transaction. Without limitation, the Board or Plan Committee may:
- (a) remove restrictions on Restricted Shares and Restricted Stock Units;
  - (b) modify the performance requirements for any other Awards;
  - (c) provide that Options or other Awards granted hereunder must be exercised in connection with the closing of such transactions, and that if not so exercised such Awards will expire;
  - (d) provide for the purchase by the Company of any such Award, upon the Grantee's request, for an amount of cash equal to the amount that could have been attained upon the exercise of such Award or realization of the Grantee's rights had such Award been currently exercisable or payable;
  - (e) make such adjustment to any such Award then outstanding as the Board deems appropriate to reflect such Change of Control;
  - (f) cause any such Award then outstanding to be assumed, or new rights substituted therefore, by the acquiring or surviving corporation after such Change of Control. Any such determinations by the Board may be made generally with respect to all Participants, or may be made on a case-by-case basis with respect to particular Participants.
- Notwithstanding the foregoing, any transaction undertaken for the purpose of reincorporating the Company under the laws of another jurisdiction, if such transaction does not materially affect the beneficial ownership of the Company's Shares, such transaction shall not constitute a merger, consolidation, major acquisition of property for stock, separation, reorganization, liquidation, or Change of Control.
- 13.5 Prohibition on Repricings. Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding Options or SARs or cancel outstanding Options or SARs in exchange for cash, other Awards or Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs without stockholder approval.

## Article 14. Withholding

- 14.1. Mandatory Tax Withholding.
- (a) Whenever under the Plan, Shares are to be delivered upon exercise or payment of an Award, or upon the lapse of Restrictions on an Award, or any other event with respect to rights and benefits hereunder (the exercise date, date such Restrictions lapse or such payment of any other benefit or right occurs hereinafter referred to as the "Tax Date"), the Company shall be entitled to require and may accommodate the Grantee's request if so requested, to satisfy all federal, state, local and foreign tax withholding requirements, including Social Security and Medicare ("FICA") taxes related thereto ("Tax Withholding"), by one or a combination of the following methods:
    - (i) Payment of an amount in cash equal to the amount to be withheld;
    - (ii) Requesting the Company to withhold from those Shares that would otherwise be received upon exercise of the Option or the SAR payable in Shares, upon the lapse of Restrictions on an Award, a number of Shares having a Fair Market Value on the Tax Date equal to the amount to be withheld; or
    - (iii) withholding from compensation otherwise due to the Grantee.

The Board in its sole discretion may provide that the maximum amount of tax withholding to be satisfied by withholding Shares pursuant to clause (ii) above shall not exceed the minimum amount of taxes, including FICA taxes, required to be withheld under federal, state and local law. An election by Grantee under this subsection is irrevocable. Any fractional share amount and any additional withholding not paid by the withholding or surrender of Shares must be paid in cash. If no timely election is made, the Grantee must deliver cash to satisfy all tax withholding requirements.

(b) Any Grantee who makes a disqualifying disposition of an incentive stock option granted under the Plan or who makes an election under Section 83(b) of the Code shall remit to the Company an amount sufficient to satisfy all resulting Tax Withholding; *provided that*, in lieu of or in addition to the foregoing, the Company shall have the right to withhold such Tax Withholding from compensation otherwise due to the Grantee or from any Shares or other payment due to the Grantee under the Plan.

14.2 Notification under Code Section 83(b). If the Grantee, in connection with the exercise of any Option, or the grant of Restricted Shares,

makes the election permitted under Section 83(b) of the Code to include in such Grantee's gross income in the year of transfer the amounts specified in Section 83(b) of the Code, then such Grantee shall notify the Company of such election within 10 days of filing the notice of the election with the Internal Revenue Service, in addition to any filing and notification required pursuant to regulations issued under Section 83(b) of the Code. The Board may, in connection with the grant of an Award or at any time thereafter prior to such an election being made, prohibit a Grantee from making the election described above.

## Article 15. Equity Incentive Plans of Foreign Subsidiaries

The Board may authorize any foreign Subsidiary to adopt a plan for granting Awards ("Foreign Equity Incentive Plan"). All awards granted under such Foreign Equity Incentive Plans shall be treated as grants under the Plan. Such Foreign Equity Incentive Plans shall have such terms and provisions as the Board permits not inconsistent with the provisions of the Plan and

which may be more restrictive than those contained in the Plan. Awards granted under such Foreign Equity Incentive Plans shall be governed by the terms of the Plan except to the extent that the provisions of the Foreign Equity Incentive Plans are more restrictive than the terms of the Plan, in which case such terms of the Foreign Equity Incentive Plans shall control.

## Article 16. Additional Provisions

16.1 Successors. All obligations of the Company under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise of all or substantially all of the business or assets of the Company.

16.2 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

16.3 Severability. If any part of the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any other part of the Plan. Any Section or part of a Section so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

16.4 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges as may be required. Notwithstanding any provision of the Plan or any Award, Grantees shall not be entitled to exercise, or receive benefits under, any Award, and the Company shall not be obligated to deliver any Shares or other benefits to a Grantee, if such exercise or delivery would constitute a violation by the Grantee or the Company of any applicable law or regulation.

16.5 Securities Law Compliance.

(a) If the Board deems it necessary to comply with any applicable securities law, or the requirements of any stock exchange upon which Shares may be listed, the Board may impose any restriction on Shares acquired pursuant to Awards under the Plan as it may deem advisable. All Shares transferred under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions

as the Board may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange upon which Shares are then listed, any applicable securities law. If so requested by the Company, the Grantee shall represent to the Company in writing that he or she will not sell or offer to sell any Shares unless a registration statement shall be in effect with respect to such Shares under the Securities Act of 1933 or unless he or she shall have furnished to the Company evidence satisfactory to the Company that such registration is not required.

(b) If the Board determines that the exercise of, or delivery of benefits pursuant to, any Award would violate any applicable provision of securities laws or the listing requirements of any stock exchange upon which any of the Company's equity securities are then listed, then the Board may postpone any such exercise or delivery, as applicable, but the Company shall use all reasonable efforts to cause such exercise or delivery to comply with all such provisions at the earliest practicable date.

16.6 No Rights as a Shareholder. A Grantee shall not have any rights as a shareholder with respect to the Shares (other than Restricted Shares) which may be deliverable upon exercise or payment of such Award until such shares have been delivered to him or her. Restricted Shares, whether held by a Grantee or in escrow by the escrow agent, shall confer on the Grantee all rights of a shareholder of the Company, except as otherwise provided in the Plan or Award Agreement. Unless otherwise determined by the Board at the time of a grant of Restricted Shares, any cash dividends that become payable on Restricted Shares shall be deferred and, if the Board so determines, reinvested in additional Restricted Shares. Except as otherwise provided in an Award Agreement, any share dividends and deferred cash dividends issued with respect to Restricted Shares shall be subject to the same restrictions and other terms as apply to the Restricted Shares with respect to which such dividends are issued. The Board may provide for payment of interest on deferred cash dividends.

- 16.7 Nature of Payments. Awards shall be special incentive payments to the Grantee and shall not be taken into account in computing the amount of salary or compensation of the Grantee for purposes of determining any pension, retirement, death or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance or other employee benefit plan of the Company or any Subsidiary or (b) any agreement between (i) the Company or any Subsidiary and (ii) the Grantee, except as such plan or agreement shall otherwise expressly provide.
- 16.8 Military Service. Awards shall be administered in accordance with Section 414(u) of the Code and the Uniformed Services Employment and Reemployment Rights Act of 1994.
- 16.9 Data Protection. The Board, the Plan Committee and any other person or entity empowered by the Board or the Plan Committee to administer the Plan may process, store, transfer or disclose personal data of the Grantees to the extent required for the implementation and administration of the Plan. The Board, the Plan Committee and any other person or entity empowered by the Board or the Plan Committee to administer the Plan shall comply with any applicable data protection laws.
- 16.10 Governing Law. The Plan and the rights of any Grantee receiving an Award thereunder shall be construed and interpreted in accordance with and governed by the laws of the State of Kansas without giving effect to the principles of the conflict of laws to the contrary.

## Annex to the Plan for Swiss based Grantees and Grantees subject to Swiss inheritance law

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1. Section 5.6(a)(i) shall be replaced with the following:
  - (i) to the extent permitted by the applicable Swiss law the Grantee's Restricted Shares that are forfeitable immediately before such Termination of Affiliation shall automatically be forfeited on such date, subject in the case of Restricted Shares to the provisions of Section 0 regarding repayment of certain amounts to the Grantee;
2. Section 5.6(a)(ii) shall be replaced with the following:
  - (ii) to the extent permitted by the applicable Swiss law the Grantee's Restricted Stock Units shall automatically be forfeited;
3. Section 5.6(a)(iii) shall be replaced with the following:
  - (iii) to the extent permitted by the applicable Swiss law any unexercised Option or SAR, and any Performance Share or Performance Unit with respect to which the Performance Period has not ended immediately before such Termination of Affiliation, shall terminate effective immediately upon such Termination of Affiliation;
4. Section 5.6(d)(i) shall be replaced with the following:
  - (i) to the extent permitted by the applicable Swiss law the Grantee's Restricted Shares and Deferred Shares, to the extent forfeitable immediately before such Termination of Affiliation, shall thereupon automatically be forfeited, subject in the case of Restricted Shares to the provisions of Section 8.4 regarding repayment of certain amounts to the Grantee;
5. Section 5.6(d)(ii) shall be replaced with the following:
  - (ii) to the extent permitted by the applicable Swiss law the Grantee's Restricted Stock Units shall automatically be forfeited;
6. Section 5.6(d)(iv) shall be replaced with the following:
  - (iv) to the extent permitted by the applicable Swiss law any Performance Shares or Performance Units with respect to which the Performance Period has not ended as of the date of such Termination of Affiliation shall terminate immediately upon such Termination of Affiliation;
7. Section 6.1 shall be replaced with the following:
 

Grant of Options. Subject to the terms and provisions of the Plan, Options may be granted to any Eligible Person in such number, and upon such terms, and at any time and from time to time as shall be determined by the Board. Without limiting the generality of the foregoing and to the extent permitted by the applicable Swiss law, the Board may grant to any Eligible Person, or permit any Eligible Person to elect to receive, an Option in lieu of or in substitution for any other compensation (whether payable currently or on a deferred basis, and whether payable under the Plan or otherwise) which such Eligible Person may be eligible to receive from the Company or a Subsidiary, which Option may have a value (as determined by the Board under Black-Scholes or any other option valuation method) that is equal to or greater than the amount of such other compensation;
8. Article 11 shall be replaced with the following:
 

Each Grantee under the Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under the Plan is to be paid in case of the Grantee's death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Grantee, shall be in a form and procedure prescribed by the applicable Swiss inheritance law. Irrespective of any such designation, benefits remaining unpaid at the Grantee's death shall be paid to the Grantee's estate.

# Renewal of Authorized Share Capital

## Proposed Shareholder Resolution

The Board of Directors submits and recommends the shareholder resolution set forth below for approval by Garmin's shareholders:

## Shareholder Resolution

It is hereby resolved that the Articles of Association shall be amended by insertion of a new Article 5 as set out further below:

### Art. 5 Genehmigtes Kapital

Der Verwaltungsrat ist ermächtigt, jederzeit bis zum 10 Juni 2024 das Aktienkapital im Maximalbetrag von CHF 1'980'774.10 durch Ausgabe von höchstens 19'807'741 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.10. zu erhöhen. Erhöhungen in Teilbeträgen sind gestattet.

Der Verwaltungsrat legt den Ausgabebetrag, die Art der Einlagen, den Zeitpunkt der Ausgabe, die Bedingungen der Bezugsrechtsausübung und den Beginn der Dividendenberechtigung fest. Dabei kann der Verwaltungsrat neue Aktien mittels Festübernahme durch eine Bank oder einen Dritten und anschliessendem Angebot an die bisherigen Aktionäre ausgeben.

Der Verwaltungsrat ist ermächtigt, den Handel mit Bezugsrechten zu ermöglichen, zu beschränken oder auszuschliessen. Der Verwaltungsrat kann nicht ausgeübte Bezugsrechte verfallen lassen oder er kann diese bzw. Aktien, für welche Bezugsrechte eingeräumt, aber nicht ausgeübt werden, zu Marktkonditionen platzieren oder anderweitig im Interesse der Gesellschaft verwenden.

Der Verwaltungsrat ist ferner ermächtigt, das Bezugsrecht der Aktionäre zu beschränken oder aufzuheben und Dritten zuzuweisen, im Falle der Verwendung der Aktien:

- (a) für die Ausgabe von neuen Aktien, wenn der Ausgabebetrag der neuen Aktien unter Berücksichtigung des Marktpreises festgesetzt wird; oder
- (b) für die Übernahme von Unternehmen, Unternehmensteilen oder Beteiligungen oder für neue Investitionsvorhaben oder für die Finanzierung oder Refinanzierung solcher Transaktionen; oder
- (c) zum Zwecke der Erweiterung des Aktionärskreises in gewissen Finanz- oder Investorenmärkten oder im Zusammenhang mit der Kotierung der Aktien an inländischen oder an ausländischen Börsen; oder
- (d) für nationale und internationale Aktienplatzierungen zum Zwecke der Erhöhung des Streubesitzes oder zur Einhaltung anwendbarer Kotierungsvorschriften; oder
- (e) zwecks Beteiligung von strategischen Investoren; oder
- (f) für die Einräumung einer Mehrzuteilungsoption ("greenshoe") an ein oder mehrere Finanzinstitute im Zusammenhang mit einer Aktienplatzierung; oder
- (g) für die Beteiligung von Verwaltungsräten, Geschäftsleitungsmitgliedern, Mitarbeitern, Beauftragten, Beratern der Gesellschaft oder einer Gruppengesellschaft, oder anderen Personen, die Dienstleistungen an die Gesellschaft oder eine Gruppengesellschaft erbringen; oder
- (h) um Kapital auf eine schnelle und flexible Weise zu beschaffen, welche ohne den Ausschluss der Bezugsrechte der bestehenden Aktionäre nur schwer möglich wäre.

Zeichnung und Erwerb der neuen Aktien sowie jede nachfolgende Übertragung der Aktien unterliegen den Beschränkungen von Artikel 8 dieser Statuten.

### Art. 5 Authorized Capital

The Board of Directors is authorized, at any time until June 10, 2024 to increase the share capital in an amount not to exceed CHF 1,980,774.10 through the issuance of up to 19,807,741 fully paid-in registered shares with a nominal value of CHF 0.10 each. An increase in partial amounts shall be permitted.

The Board of Directors shall determine the issue price, the type of payment, the date of issue of new shares, the conditions for the exercise of pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new shares by means of a firm underwriting through a banking institution or a third party and a subsequent offer of these shares to the current shareholders.

The Board of Directors is entitled to permit, to restrict or to exclude the trade with pre-emptive rights. The Board of Directors may permit pre-emptive rights that have not been exercised to expire or it may place these rights and/or shares as to which pre-emptive rights have been granted but not exercised at market conditions or use them for other purposes in the interest of the Company.

The Board of Directors is further authorized to limit or withdraw the pre-emptive rights of shareholders and allocate such rights to individual shareholders or to third parties if the shares are to be used:

- (a) for issuing new shares if the issue price of the new shares is determined by reference to the market price; or
- (b) for the acquisition of an enterprise, parts of an enterprise or participations or for new investment projects or for purposes of financing or refinancing any such transactions; or
- (c) for the purpose of broadening the shareholder constituency in certain financial or investor markets or in connection with the listing of new shares on domestic or foreign stock exchanges; or
- (d) for purposes of national and international offerings of shares for the purpose of increasing the free float or to meet applicable listing requirements; or
- (e) for purposes of the participation of strategic partners; or
- (f) for an over-allotment option ("greenshoe") being granted to one or more financial institutions in connection with an offering of shares; or
- (g) for the participation of directors, officers, employees, contractors, consultants of, or other persons providing services to the Company or a group company; or
- (h) for raising capital in a fast and flexible manner which could only be achieved with great difficulty without exclusion of the pre-emptive rights of the existing shareholders.

The subscription and acquisition of the new shares as well as any subsequent transfer of the shares shall be subject to the restrictions pursuant to Article 8 of these articles of association.

