



WELCOME

Lear, as one of the world's leading suppliers of automotive seating and electrical systems, strives to deliver superior results in all we do. The great people within our company provide us a significant competitive advantage, leveraging a continuous improvement mindset, innovation, and a "One Lear" approach in everything we do. Together, we are committed towards ensuring a safe working environment and more sustainable operations and products. This commitment includes not only reducing our consumption of natural resources and delivering environmental benefits throughout the life of our products, but also being good corporate stewards of the earth and supporting the local communities where we operate.

The report that follows aims to share our progress and to communicate to employees, customers, and other stakeholders Lear's vision for sustaining both the environment and our business going forward. You will note Lear's sustainability program encompasses many realms, spanning from environmental stewardship to social responsibility and economic prosperity, and I trust you will be encouraged, like myself, by our performance this past year.

Lear urges supplier partners, our customers, and other associates with whom we conduct business to contribute towards our objectives of working together as one human family to sustain our environment for future generations. I want to personally thank our diverse team of 165,000+ employees in 39 countries, for being part of the Lear family, for their efforts to implement our sustainability strategy, and for continuing to deliver superior shareholder advantage.

Sincerely,

Ray Scott

President and Chief Executive Officer

Lear Corporation

Ray Scott





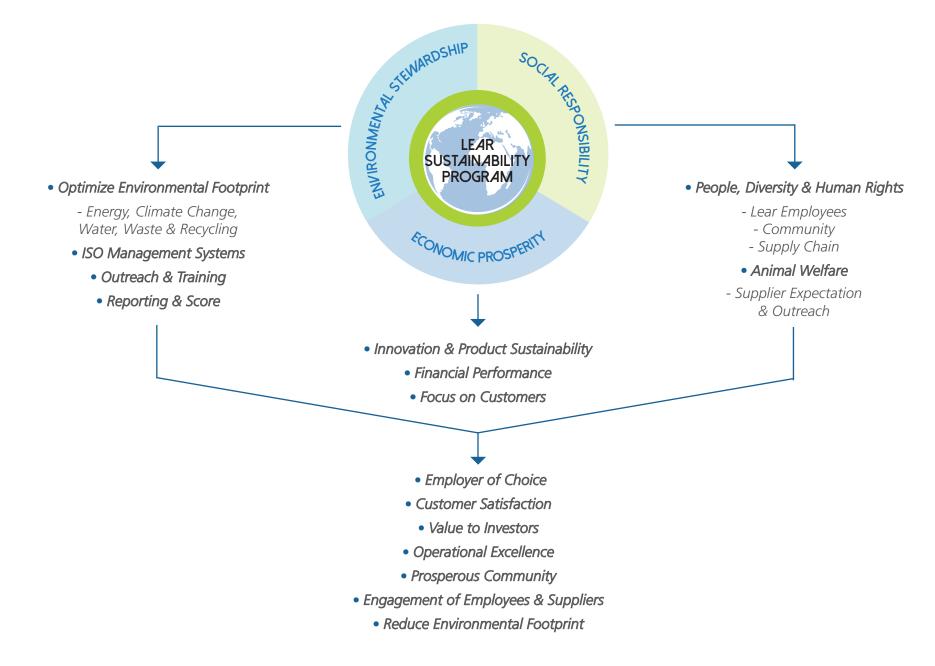
THREE PILLARS OF SUSTAINABILITY

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



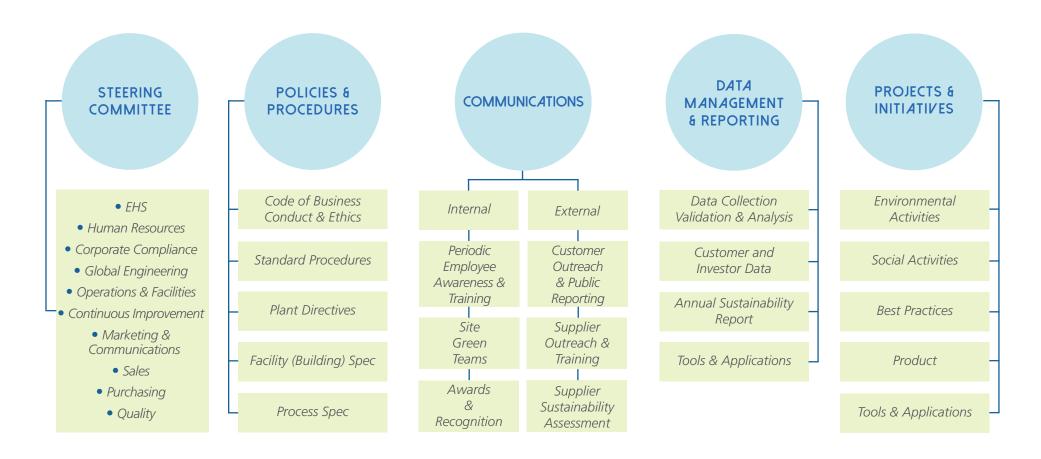


LEAR SUSTAINABILITY STRATEGY



LEAR SUSTAINABILITY STRATEGY

FIVE ELEMENTS TO ACHIEVE RESULTS:



LEAR'S OVERALL SUSTAINABILITY PROCESS IS COORDINATED BY EHS





ENVIRONMENTAL STEWARDSHIP

ENVIRONMENTAL, HEALTH, SAFETY & SUSTAINABILITY POLICY

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

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

LEAR'S EHS&S POLICY IN ACTION

- Lear's Environmental Management System (EMS) focuses on reducing our impact on the environment. The EMS prompts examination of our operations and related environmental impact. The EMS helps Lear plants to improve by identifying targets to reduce our environmental impact and enhance our public profile, both globally and locally. Lear manufacturing facilities worldwide are certified to the extent practicable to the internationally recognized ISO 14001:2004 environmental standard and on target to have all plants and corporate headquarters certified to the new ISO 14001:2015 standard in 2018. New facilities are tasked with achieving certification within one year of start of production or acquisition.
- With each new model of automotive seating system, Lear generates weight savings which translate into CO2 reductions, thereby reducing our impact on the environment.
- We pride ourselves on maintaining safe and clean workspaces, in all of our plants globally, and attractive wages.
- Lear is committed to providing a safe and healthy work environment for its employees.

ENVIRONMENTAL STEWARDSHIP

CORPORATE RECOGNITION

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

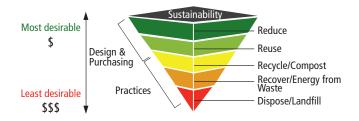
Additionally, Lear's corporate campus was once again recognized for environmental stewardship through the Michigan Business Pollution Prevention Partnership (MBP3). Developed jointly by the business community and state government, the MBP3 program is managed by the Michigan Department of Environmental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

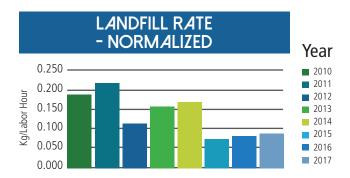
The Mexican Federal Environmental Protection Agency (PROFEPA) awards Clean Industry Certification to facilities that demonstrate satisfactory accomplishment of legal requirements regarding environmental protection. Currently, 92% of Lear's Mexico plants have been awarded with the Clean Industry Certification (39 plants).





MISSION 2030 - LANDFILL-FREE





2017 GLOBAL WASTE RECYCLED TREATED & DISPOSED



2017 Total Waste - 3.656 Million Tonnes

ENVIRONMENTAL STEWARDSHIP

BY-PRODUCT MANAGEMENT

By-product management within Lear manufacturing operations, R&D and offices is a key element of Lear's environmental sustainability efforts. Through identification and reduction of wastes generated, reusing materials wherever possible, segregating materials for recycling, and standardizing our data-tracking process throughout our facilities globally, Lear is able to demonstrate stewardship and care over the natural resource impacts of our actions.

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

Lear embraces the Reduce, Reuse, Reclaim, Recycle and Redesign concept and focuses our By-Products Management program on the philosophy to generate minimal waste. Waste minimization involves reducing the amount of waste produced during production and non-production activities. Our by-products management program involves redesigning of products and/or changing the production processes to prevent the creation of waste, which supports our efforts to attain our sustainable goals. The most environmentally resourceful, economically efficient, and cost-effective way to manage waste is to not create waste in the first place.

Lear has rolled out a "Zero Waste to Landfill" initiative globally to encourage recycling, promote composting and eliminate by-products from being discarded in a landfill. Lear has defined "Landfill Free" as "elimination of production waste from disposal in a landfill." Lear recycled 2 million tonnes of waste generated globally, amounting to 55% of its total waste generated (including wastewater).

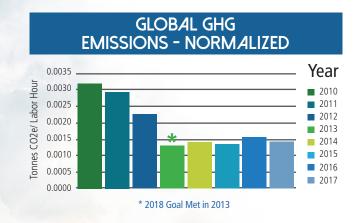
ENVIRONMENTAL STEWARDSHIP

GREENHOUSE GASES

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

Lear plants participate in corporate-wide data collection efforts and reporting on GHG emissions. The data is used to track, analyze, and develop plans to reduce the GHG footprint and overall sustainability strategy. Lear participates in the CDP (formerly the Carbon Disclosure Project) supply chain and investor surveys, as a platform to report performance to customers and investors, and for assessing our organization's performance, risks and opportunities related to greenhouse gases.

Lear met its 2018 goal of GHG emission reduction in 2013 and also reestablished a baseline level that year. GHG reduction targets were set at 15% for 2020. Due to acquisitions and the influx of new facilities, we plan to reestablish a new baseline and set new science-based targets for GHG reduction in the near future. Although continuous growth creates a challenge in reducing our absolute GHG emissions, Lear's commitment and efforts to continuous improvement in energy efficiency will help achieve these GHG reductions. In 2017, Lear achieved 7.6% reduction in GHG emissions per labor hour over 2016.



2017 GREENHOUSE GAS EMISSIONS BY SCOPE



SCOPE 1: 24%

SCOPE 2: 76%

2017 GREENHOUSE GAS EMISSIONS BY FUEL



ELECTRIC POWER: 75.55%

PROPANE: 2.18%

DIESEL/FUEL OIL: 3.17%

LANDFILL GAS: 1.36%

NATURAL GAS: 15.70%

COAL: 2.04%

EMISSION SUMMARY BY SCOPE

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

SCOPE I: DIRECT GREENHOUSE GAS (GHG) EMISSIONS 132,653 METRIC TONNES OF CO2-E

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

SCOPE 2: INDIRECT GHG EMISSIONS 409,862 METRIC TONNES OF CO2-E

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

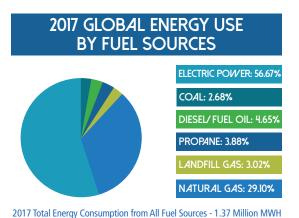
ENERGY REDUCTION ACTIVITIES

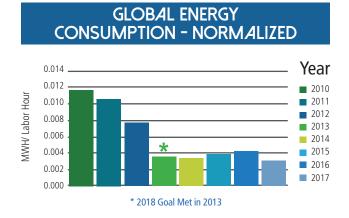
Lear's Global Continuous Improvement teams strongly support our sustainability efforts using lean manufacturing processes to identify energy and waste reduction projects, track progress and operate a best-practice website to share successful projects. In 2017, Lear achieved its 2020 goal of 15% energy reduction over 2013 baseline energy use (normalized to labor hours). Total energy consumption in 2017 was 1.37 Million MWh. A sampling of energy reduction projects undertaken at several representative plants around the globe during 2017 include:

- Over 180 energy efficiency projects were completed to reduce electric energy consumption in production, facilities and maintenance
- Energy treasure hunts continued at various plants identifying opportunities of energy reduction
- Elimination of compressed air losses by conducting audits, leak detection/repair programs, replacing motors with variable speed motors, and usage management programs are ongoing
- Insulation of pipes and ducts to reduce heating and cooling losses

- Improved and more efficient ventilation in the plants
- Implementation of daylight harvesting in some plants
- Redistribution of heat from air compressor into the plant for heating
- Managed print program in corporate offices to reduce wasted print copies saving electric energy, toner and paper.
- Implemented an energy saving awareness program for employees to identify and act upon opportunities to reduce electrical consumption like: lighting left on when area not in use, computers turned on after working hours, fans and equipment operating during lunchtime, non-working hours and weekends in production areas.
- Continued evaluation and installation of occupancy sensors or timers for lights in warehouse and office areas
- Continued switching to programmable thermostat to control the Heating and Air Conditioner system during evenings, weekends and holidays

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









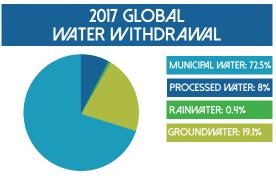
WATER STEWARDSHIP

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

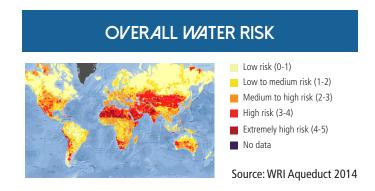
Lear promotes water reduction projects to conserve the valuable resource at all global locations. Our Continuous Improvement and Environmental teams share best practices in order to benefit from projects that have been found to be successful with water reduction activities. Some of these 2017 projects include:

- Continued optimization of water saving in bathroom, kitchen, and cafeteria fixtures by installing low-flow fixtures and repairing leaks.
- Water reduction audits to identify opportunities to reduce water consumption in production and water recycling and reuse opportunities.

After meeting our 10% reduction goal for 2018 in 2013, Lear continues to identify and implement water-saving programs at our facilities to meet our new 2020 goal of an additional 10% water use reduction over our new 2013 baseline.







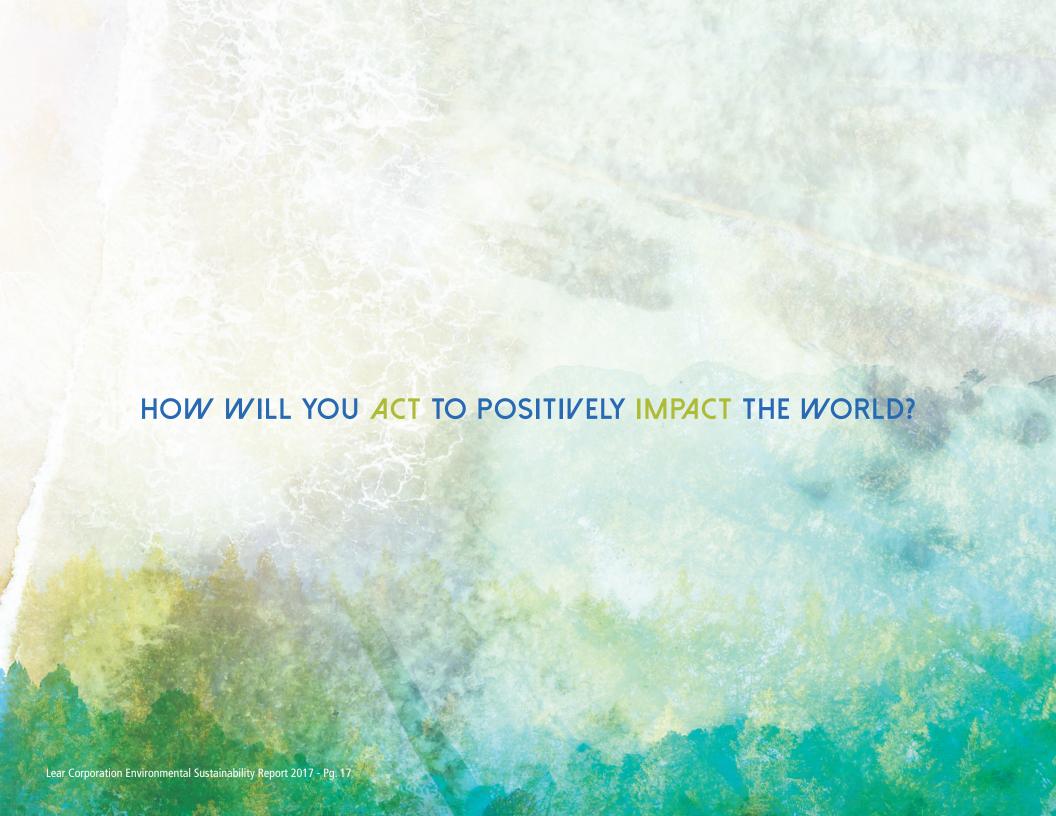
ENVIRONMENTAL STEWARDSHIP EXAMPLES FROM AROUND THE GLOBE

MOROCCO

Lear's Tangier Plant was recognized for significant improvements and cost savings in the four key Sustainability metrics, with significant energy, water and waste reductions as well as achieving 95% total material recycling. In addition, the Tangier team implemented actions related to managing energy usage and detecting air conditioning leaks, among others, for significant savings. Tangier has focused on supporting the community with an emphasis on the environment, such as planting trees and educating staff. The plant also held an Environment Week where team members contributed to removing debris from Perdicaris Forest Park, considered the only nature-preserved area in the city, and taught visiting students about the importance of the environment.







ENVIRONMENTAL STEWARDSHIP EXAMPLES FROM AROUND THE GLOBE

CHINA

Lear China's Eagle Ottawa Premium Automotive Leather volunteers took a three-day eco trip to Lingwu to join the "Million Tree Project" (MTP) initiated by "Shanghai Roots & Shoots". They donated 25,000 seedlings and joined in the planting efforts. Eagle Ottawa China has supported this project since 2015 and has been committed to tree planting activities in Inner Mongolia Autonomous Region and Ningxia Hui Autonomous Region in China. Ningxia Hui Autonomous Region is at the southwest margin of the Maowusu desert, approximately 1000 km (620 miles) west of Beijing. Here desertification is caused by a complex set of environmental and anthropogenic factors that have been at work over historical periods of time and is now threatening critical infrastructure and farmland in the Yellow River corridor. MTP's efforts would contribute to stop the "Maowusu Sandy Land" from expanding and improve the ecosystem and lessen the economic impact of desertification to the Yellow River corridor region.



ENVIRONMENTAL STEWARDSHIP EXAMPLES FROM AROUND THE GLOBE

BRAZIL

In Brazil, 40 volunteers from Lear Navegantes in southern Brazil gathered for the annual "Clean Up the World" event, coordinated by the Municipal Foundation for the Environment of Navegantes. Participating for the fourth year in a row, the Lear team joined more than 200 people to clean the Central Beach and in the area. In addition to collecting discarded waste, the Foundation held recycling workshops and other environmental education activities. Five tons of electronic waste and 15 tons of recyclable waste such as plastic, paper and metal were picked up, with items being separated into recyclable or non-recyclable.

"Supporting the cleaning of the beach made me see what happens with the simple act of leaving an empty bottle in the sand or a grocery bag on the streets. Where is all this waste going to stop? How much do we generate from pollution? We need to reflect!" said Luiz Rogério Júnior (Navegantes Controller). Clean Up the World is a voluntary mobilization action supported by the United Nations and aims to raise awareness of the problem of waste. It began in 1993 in Australia and today it is promoted in more than 25 countries. In Brazil, the effort started in 2003 in Copacabana and in the Navegantes area began in September 2013.



SOCIAL RESPONSIBILITY

CONFLICT MINERALS

Lear cares about our impact on this planet and has developed and adopted a "Conflict Minerals Sourcing Policy." This is part of a broader approach to ensuring the people and environments where we do business are protected, as well as places far removed from our direct supply base.

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

Lear makes annual disclosures concerning its use of conflict materials originating in the Democratic Republic of the Congo and adjoining countries. It also has as active conflict minerals mapping process to ensure that the company is driving towards conflict-free sourcing of materials used in all products.





SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

INDIA

Team members helped 300 orphans and underprivileged children through Lear India's One Heart One Lear program. Team members raised funds from employees across the country and packed gift bags that included hygiene kits, blankets, stationery and other personal items. The team visited Savarkar Gurukula, a shelter for children in need, and Pradyanbodhin Middle School in Pune, as well as a small village near Malavali, Pune, where the Naisargk Shikshan Gram Shelter is located.



SOCIAL RESPONSIBILITY EXAMPLES FROM AROUND THE GLOBE

UNITED STATES





GREEN TECHNOLOGY



Over the past years, the push for alternative material offerings in automotive products has focused on the usage of "green technology" for new methods and materials in development of non-traditional product options. As the usage of green technology grows, the ultimate purpose will be to meet the future goals of sustainability.



NYLON FABRIC WASTE INTO HARNESS COVERING

Nylon fabric waste from the Guilford Performance Textile division is effectively utilized to make a fabric-based velcro covering. This covering is used effectively for a specific harness family where the wiring is routed from the exterior to the interior of the body through metal. This is a true example where a process waste from one sister company is utilized and tailored into a "reusable" harness covering.

PRODUCT FEATURES: PROCESSING:

- Good NVH characteristics
- Excellent abrasion resistance
- Can be used multiple times
- Process waste stream of Guilford Style 49012 is tailored to make 560mm x 350mm lengths with a 19mm velcro strip running across the length of the fabric

CURRENT STATUS:

- Body Harness using this product. Program SOP Jan 2018
- Plan to find similar applications across other OEMs where such covering can be used

WOOD PINE (BIO WASTE) BASED PLASTIC



Use of wood fiber generated from tree waste and shavings of wood can effectively be used as a filler in a Polypropylene plastic, replacing synthetic fillers like talc and glass fiber. This filler is lighter and, in many cases, can be less costly than chemical fillers. Ultimately, this brings weight and potential cost savings to the part and is suitable for exterior and possibly interior vehicle applications.

PRODUCT FEATURES:

- Promotes green technology, reducing carbon footprint
- Lower specific gravity than synthetic fillers (weight save ~4-7% on parts basis)
- Offers reinforcing properties with improved stiffness and impact strength
- Excellent chemical and mold resistance
- Applications: exterior and possibly interior (odor)

PROCESSING:

• Current injection molding machines with same tooling. Molding temps are crucial to keep the odor level down.

CURRENT STATUS & TIMELINE OF DEVELOPMENT:

- Four different prototype designs of Fuse Box and Cover made across several car lines in Na and Asia
- DVP Testing going on
- Material meets OEM Odor test for exterior applications. Applicability for interior TBD
- Cost neutral with benchmark material with ~4.7% weight saving at part level



ELECTRIFICATION



Demand for more energy efficient vehicles continues to increase. OEMs must meet fuel economy and emissions standards, and consumers seek environmentally responsible, high-value transportation choices. Providing cleaner and more efficient transportation requires use of advanced powertrains such as hybrid, plug-in hybrid, and electric vehicles.

The ease of electric charging is crucial to support consumer adoption of electric vehicles. Our efforts to develop and launch innovative wireless charging systems takes charging ease to the next level.

PRODUCT CHARACTERISTICS:

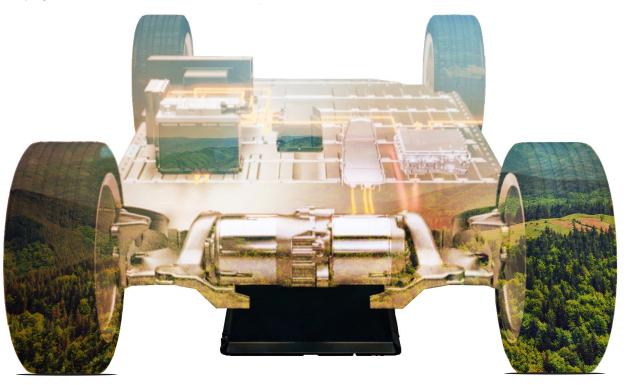
• Fully automatic charging simply by parking the vehicle over a charging pad, eliminating the need for consumers to physically handle plugs

BENEFITS:

• Charging system efficiency in excess of 90%

ISSUES ADDRESSED:

- Electric vehicle battery range and efficiency
- Consumer barriers to EV adoption



LIGHTWEIGHT STRUCTURES



The current factors driving the automotive industry are the need for weight reduction and optimized efficiency, while increasing the comfort for the driver and passengers. Seats play an integral role in reducing the overall weight of the vehicle and improving the fuel efficiency of the vehicle.

Lear partners with OEMs to engineer lightweight structures that maintain performance, safety and functionality. Lear's Apex Low Mass front seat 8-Way power structure boasts increased comfort and safety features and weighs an industry leading 10.9kg. The technology optimizes mass and performance through advanced materials, minimizes complexity with improved manufacturability through component commonality and provides design flexibility to meet varied vehicle segments and OEM goals.

PRODUCT CHARACTERISTICS:

- 75% lighter than steel
- Can be used in multiple seats
- Frame is exposed on the seat, allowing for material reduction in terms of trim materials and additional panels that would have covered the frame

BENEFITS:

- Reduces mass that contributes to overall vehicle weight reduction
- Assists in increasing vehicle MPG rating and meeting mandated OEM Global Fuel and Emission Reduction Regulation
- Material reduction which not only contributes to mass reduction, but also to the reduction of waste that would end up in landfills

ISSUES ADDRESSED:

- Vehicle fuel use
- Electric vehicle battery range and efficiency



SUSTAINABLE SURFACE MATERIALS

Lear's ImpACT brand features a diverse product portfolio of natural, renewable, recycled, and zero waste materials to meet the many needs of our customers. Through our vertically-integrated business structure, Lear provides holistic solutions that maximize performance while addressing future environmental needs.





NATURAL + RENEWABLE

RESPONSIBLE LEATHER

- Natural and renewable resource
- By-product of the meat industry, reducing waste to landfill
- Inherently durable and cleanable

NATURAL TANNING

- Up to 100% natural and renewable ingredients
- Responsibly harvested extracts
- Chromium free

NATURAL FIBER

- Premium offering with renewable content
- Breathable, moisture absorption properties
- Natural fibers obtained from plants

SUSTAINABLE SURFACE MATERIALS



RECYCLED + ZERO WASTE

RECYCLED POLYESTER

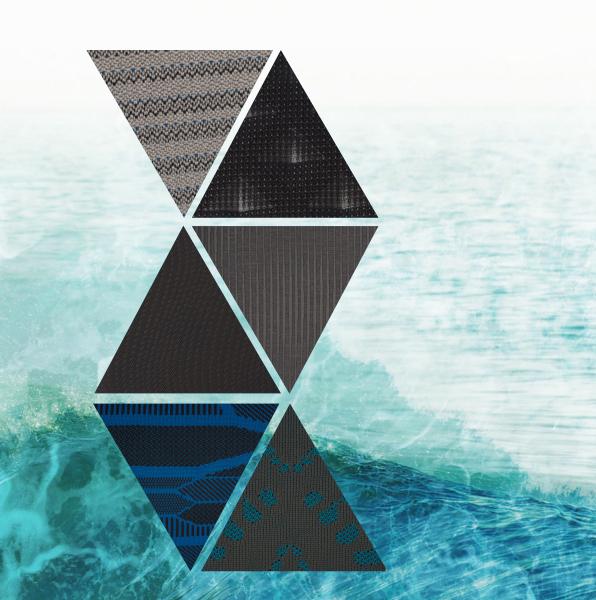
- Derived from post-industrial or post-consumer PET waste
- PET is recycled into polymer and turned into yarn
- Every pound of recycled yarn conserves a 1/2 gallon of fossil fuel

OCEAN WASTE YARN

- By-product of the fishing industry
- 5.25 trillion pieces of plastic debris pollute the ocean
- One pound of gathered ocean waste produces one pound of yarn

3D KNIT

- Zero waste in the cut process
- Minimization or elimination of conventional trim methods
- Reduction of polyurethane foam foundation



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OUR CORE VALUES





IN CLOSING...

Lear strives to be a leader in the management of environment, health, and safety, and seeks to continually minimize the impact our business activities and products have on the environment. Our overarching goal is to protect people and planet by instilling a "sustainability mindset" in all we do, achieved by adhering to the three Pillars of Sustainability noted in the preceding pages.

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

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

Thank you for taking the time to read this summary report and for your interest in Lear and our sustainability efforts. Additional information about our sustainability program is available in the "Sustainability Report Supplement" and other related documents posted at lear.com.

Best regards, Jack Nunes

Vice President Global Health, Safety and Environmental Management Lear Corporation



To consistently be recognized as:

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









