



**PHINIA Inc.**  
**Board of Directors**  
**Compensation Committee Charter**

**Purpose**

The Compensation Committee (the “**Committee**”) of **PHINIA** Inc. (the “**Company**”) is appointed by the Board of Directors (the “**Board**”) to assist the Board with its responsibilities relating to: (i) approving and evaluating the compensation of the Company’s Chief Executive Officer (“**CEO**”) and other executive officers (collectively, including the CEO, the “**Executive Officers**”) and the Company’s plans, policies, and programs for compensating and providing benefits to Executive Officers; (ii) confirming the compensation of Executive Officers is internally equitable, externally competitive, motivates Executive Officers toward the achievement of business objectives and aligns their focus with the long-term interests of Company shareholders; and (iii) preparing the Compensation Committee Report required to be included in the Company’s annual proxy statement in compliance with the rules of the Securities and Exchange Commission (the “**SEC**”).

**Membership**

The Committee will consist of at least three directors who meet the independence requirements of the New York Stock Exchange (the “**NYSE**”) and other applicable independence requirements, as determined by the Board, and who qualify as “non-employee” directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

The Chair and members of the Committee will be appointed and replaced by a majority vote of the Board, based on the recommendation of the Corporate Governance Committee. The Chair of the Committee will, in consultation with the other members of the Committee and the appropriate officers of the Company, be responsible for calling and conducting meetings of the Committee and establishing the agenda for the meetings.

**Responsibilities and Duties**

The Compensation Committee will:

1. Review and approve the Company’s compensation philosophy governing all executive compensation plans and programs, including base salary, annual incentives, long-term incentives, severance agreements, employment agreements, retirement benefits, perquisites, other executive benefits, and change-in-control provisions affecting elements of compensation and benefits.
2. Review and approve the Company’s executive compensation strategy to confirm Executive Officers are rewarded appropriately for their contributions to the achievement of business objectives, corporate growth, and value creation and that the executive compensation strategy supports business objectives and shareholder interests.



3. Review and approve the Company's comparator group used for purposes of benchmarking the compensation levels of the CEO and other Executive Officers.
4. Review and make recommendations to the Board with respect to all annual incentive, long-term incentive, and equity-based plans to be adopted or submitted to shareholders for approval.
5. Oversee the administration and management of the Company's compensation and benefit plans, including savings, retirement, annual incentive, long-term incentive, and equity-based plans, in accordance with specific provisions of the plans.
6. Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and determine and approve the CEO's compensation level based on this evaluation, including annual base salary, annual incentive opportunity and awards, long-term incentive opportunity and awards, and any special or supplemental benefits or other compensation. In determining the incentive components of CEO compensation, the Committee may consider a number of factors, including, but not limited to, the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
7. Review and approve the compensation of the Executive Officers, including annual base salary, annual incentive opportunity and awards, long-term incentive opportunity and awards, and any special or supplemental benefits or other compensation, such as employment agreements or consulting, severance and change in control arrangements.
8. Consult with the Corporate Governance Committee regarding changes to non-employee director compensation.
9. Review and discuss with management the Compensation Discussion and Analysis (the "**CD&A**") required to be included in the Company's annual proxy statement and Annual Report on Form 10-K in compliance with the rules of the SEC and, based on such review and discussion, determine whether or not to recommend to the Board that the CD&A be so included.
10. Oversee risks related to the Company's compensation policies and practices, and review and discuss with management an assessment of the Company's compensation policies and practices, including to confirm that the incentive compensation programs do not encourage excessive or unnecessary risk taking that could be reasonably likely to have a material adverse effect on the Company.
11. Prepare the Compensation Committee Report required to be included in the Company's annual proxy statement in compliance with the rules of the SEC.
12. Determine, periodically review, and monitor compliance with the stock ownership guidelines applicable to the Company's Executive Officers.



13. Oversee the Company's reporting, strategies, risks, and opportunities related to human capital management, including diversity, equity, and inclusion.
14. Assess whether environmental, social, and governance metrics or goals, if appropriate, are effectively reflected in executive compensation.
15. Report regularly to the Board and perform other such duties and responsibilities that are consistent with the purpose of the Committee and as the Board or the Committee shall deem appropriate.
16. Review and evaluate the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.
17. Annually evaluate the Committee's own performance.

### **Committee Meetings**

The Committee will meet as often as it determines necessary. Attendance by one third of the members of the Committee, but not less than two members, will constitute a quorum, and all matters will be determined by a majority vote of the Committee members present at a meeting.

The Committee may request any officer or employee of the Company or the Company's independent legal counsel or other third parties to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Minutes of Committee meetings and actions taken without a meeting will be kept in accordance with the Company's Amended and Restated By-Laws.

### **Committee Authority**

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel, or other advisers to assist in the performance of its responsibilities hereunder. The Committee will be directly responsible for the appointment, compensation, and oversight of the work of any compensation consultant, independent legal counsel, or other advisers retained by the Committee. The Company will provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, independent legal counsel, or any other advisers retained by the Committee.

Before selecting a compensation consultant, independent legal counsel, or other adviser (other than an adviser subject to an exclusion under the NYSE listing standards), the Committee will take into consideration all factors relevant to that party's independence from management, including any factors required to be considered under the NYSE listing standards.



## **Committee Procedures**

The Chair of the Committee will establish such rules for the Committee and its members as may from time to time be necessary and proper for the conduct of the Committee's business in conformity with applicable laws, rules and regulations.

The Committee may form and delegate authority to subcommittees (consisting of one or more members) or Company officers, when appropriate, consistent with applicable laws, regulations, and listing standards.

*Last Updated: August 1, 2024*