

MOTORCAR PARTS OF AMERICA, INC. CORPORATE GOVERNANCE GUIDELINES

(APPROVED BY THE BOARD ON November 21, 2024)

The following Corporate Governance Guidelines (these “Guidelines”) have been adopted by the Board of Directors (the “Board”) of Motorcar Parts of America, Inc. (the “Company”) to establish a governance framework that complies with applicable laws and regulations and to assist the Board in the exercise of its responsibilities. These Guidelines reflect the principles by which the Company operates and the Board’s commitment to monitoring the effectiveness of policy and decision making both at the Board and management level, with a view to enhancing stockholder value over the long term. These Guidelines should be interpreted in the context of all applicable laws, regulations, including the NASDAQ Stock Market Rules (the “NASDAQ Rules”), the New York General Corporation Law, as well as the Company’s certificate of incorporation and bylaws (the “Bylaws of the Company”). The Board may modify or make exceptions to these Guidelines from time to time in its discretion and consistent with its duties to the Company and its shareholders. These guidelines are to be posted on the Company’s website in the Corporate Governance webpage upon the approval and adoption by the Nominating and Corporate Governance Committee.

I. DIRECTOR QUALIFICATIONS AND BOARD COMPOSITION

A. Board Size & Term

The total number of directors may be within the range of five (5) to eleven (11) directors, as provided in the Bylaws of the Company. The Board periodically reviews the appropriate size of the Board (based, in part, on the recommendation of the Nominating and Corporate Governance Committee, which may vary to accommodate the availability of suitable candidates, the needs of the Board and its ability to function efficiently and effectively as a governing body of the Company. The Board’s size and composition will be reviewed annually by the Nominating and Corporate Governance Committee to evaluate and improve, to the extent possible, the Board’s overall ability to govern the Company, including with respect to independence (as described below). Each director is elected for a term of one year.

B. Independence and Qualifications

It is the policy of the Board that a majority of the members of the Board will be “independent” in accordance with the NASDAQ Rules. The NASDAQ Rules define independence through a series of objective tests, such as that directors are not employed by the Company and have not engaged in enumerated types of business dealings with the Company. Because it is not possible to anticipate or explicitly provide for all potential conflicts of interest that may affect independence, the Board is responsible to affirmatively determine as to each independent director that no relationships exist which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out

the responsibilities of a director. In making these determinations, the Board will review information provided by the directors and the Company with regard to each director's business and personal activities as they may relate to the Company and the Company's management, with the assistance by the Nominating and Corporate Governance Committee.

The Nominating and Corporate Governance Committee shall annually review each director's independence in accordance with the NASDAQ Rules and SEC requirements, as well as any other standards (not inconsistent with NASDAQ and SEC requirements), established by the Board, and make recommendations to the Board based on its findings for the Board's determination. In addition, the Nominating and Corporate Governance Committee shall annually assess the Board's overall composition regarding diversity, age, skills and experience in the context of the needs of the Board and the completion and oversight of the Company's strategic plans.

Each independent director should promptly notify the chair (the "Chair") of the Nominating and Corporate Governance Committee and the legal department of the Company (the "Legal Department"), as soon as reasonably practicable, if his or her personal circumstances change in a manner that may affect the Board's evaluation of such director's independence.

C. Nominees for Annual Election & Vacancies

Directors are elected by the shareholders at each annual meeting of shareholders (or any adjournment or continuation thereof) at which a quorum is present, to hold office until the next annual meeting of shareholders, but shall continue to serve despite the expiration of their terms until their respective successors are duly elected and qualified.

The Nominating and Corporate Governance Committee is responsible for evaluating the size and composition of the Board, including what types of experience, areas of expertise or other skills or qualifications should be added to the Board, and recommending any proposed changes to the Board. The Nominating and Corporate Governance Committee will review all nominees for director in accordance with its charter and select and put forth those nominees whose attributes it believes would be most beneficial to the Company. The Nominating and Corporate Governance Committee evaluates possible candidates based on its criteria for Nomination to the Board of Directors set forth in the Nominating and Corporate Governance Committee Charter. Board members should possess certain core competencies, some of which may include broad experience in business, finance, accounting, marketing or administration, familiarity with national and international business matters, and familiarity with the Company's industry. In addition to having one or more of these core competencies, Board member nominees are identified and considered on the basis of knowledge, experience, integrity, diversity, leadership, community prominence and reputation, and ability to understand the Company's business. The diversity of a board member or board member candidate is considered in all forms, including but not limited to, race, gender, sexual orientation, background, and business experience.

The Nominating and Corporate Governance Committee will annually review the adequacy of the criteria for nomination to the Board and make changes it deems necessary.

D. Shareholder Recommendations of Potential Nominees

The Nominating and Corporate Governance Committee considers possible candidates from many sources, including shareholders, for nominees for directors. The procedure for shareholders who wish to recommend a nominee for director is determined by the Nominating and Corporate Governance Committee and included in the Bylaws of the Company, as updated.

The Company shall consider all candidates nominated by shareholders of the Company if such nominations are communicated to the Board through proper procedures, within the required time deadline, and with adequate information for the Board to evaluate qualifications of the proposed nominee.

E. Shareholder Communications with the Board

The Company shall facilitate shareholder communications to the Board and provide a method whereby interested parties can make their concerns known to the independent directors. The procedures for interested shareholders to communicate with independent directors are as follows:

Interested parties may communicate with the Board of Directors by: Email to:

legal@motorcarparts.com

Writing to:

Motorcar Parts of America, Inc.

Attn: Board of Directors c/o General Counsel

2929 California Street

Torrance, CA 90503

All communications must state the number of shares of capital stock of the Company owned by such shareholder making the communication. The general counsel will review each communication and forward it to the Chairman of the Board, who will forward it to the Board or to any individual director to whom it is addressed, unless the communication is frivolous in nature or unduly hostile or similarly inappropriate, in which case the general counsel may discard the communication. In addition, no response is required if a communication is determined to be invalid, including, but not limited to, a phishing incident or other malicious cybersecurity attempt.

The Company shall post these procedures on its website.

F. No Term Limits

There are no specific term limits for directors, given the normal process of annual election of Board members by the shareholders. Directors, who have served on the Board for an extended period, provide valuable insight into the operations and strategic development of the Company based on their experience with and understanding of the Company's history, policies, operations, and objectives. The Board believes that while Board refreshment should occur regularly, term limits should not be mandated, as the Board will continue to evolve and adopt new viewpoints through the annual evaluation and selection process described herein.

G. Change in Principal Occupation of Directors

Directors who change the principal occupation or position they held when they were initially elected to the Board must provide written notice to the Chief Executive Officer of the Corporation (the “CEO”), the Chairman of the Board (the “Chairman”), and the Chair of the Nominating and Corporate Governance Committee at the time of the change of their present employment. The Board, through the Nominating and Corporate Governance Committee, shall evaluate whether the director continues to meet the Board’s membership criteria under the new circumstances and assess each situation for potential conflicts based on the individual circumstances.

H. Director Orientation and Continuing Education

All new directors are required to participate in the Company’s new director orientation program, as soon as practicable after their election. This orientation program may include briefings by senior management to familiarize new directors with the Company’s strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Ethics and Business Conduct (the “Code of Conduct”), its principal officers, and its independent auditors and receipt of a Board Orientation and web portal.

The Company may periodically provide additional materials or briefing sessions or arrange for outside preparation for all directors on subjects that would assist them in discharging their duties. The Board encourages its members to participate in continuing education programs sponsored by universities, stock exchanges or other organizations or consultants specializing in director education. Directors may attend reasonable continuing education programs at the Company’s expense. Each director is strongly recommended to attend 12 hours of training per year, including training specific to any Board committee chairs. Such training shall be tracked by the Corporate Secretary.

I. Director Compensation

The Human Resources and Compensation Committee shall determine the form and amount of director compensation in accordance with the policies and principles set forth in its charter, and review and determine the compensation levels for directors in accordance with the outcome of a periodic review and then review with the full Board. In discharging this duty, the committee will be guided by three goals:

- compensation should fairly pay directors for work required in a company of the Company’s size and industry;
- compensation should align directors’ interests with the long-term interests of shareholders; and
- structure of the compensation should be simple, transparent, and easy for shareholders to understand.

Directors may receive, in addition to or as a part of their compensation, stock options, restricted stock, stock appreciation rights, performance shares or performance units. *See Section II(F) Equity Ownership Requirements for additional information.*

J. Chairman and CEO Positions

The Board appoints its Chairman. When making its appointment, the Board will review and consider the recommendation for the Chairman position from the Nominating and Corporate Governance Committee. The Board has no policy respecting the need to separate or combine the offices of Chairman of the Board and CEO. The Nominating and Corporate Governance Committee, however, will periodically review the Board management structure, including the role and responsibilities of the Chairman and/or the appointment of a Lead Independent Director.

K. Lead Independent Director

If the Chairman is not an independent director, the independent directors of the Board shall by majority vote of independent directors appoint a Lead Independent Director. When making this appointment, the independent directors will review and consider the recommendation for the Lead Independent Director position from the Nominating and Corporate Governance Committee. The Lead Independent Director's duties will include, but not limited to: (1) presiding at all executive sessions of the independent directors and Board meetings at which the Chairman is not present; (2) serving as liaison between the Chairman and the independent directors; (3) coordinating with the Chairman on the Board meeting agendas and schedules and the subject matter of the information to be sent to the Board; (4) the authority to call meetings of the independent directors; (5) ensuring he or she is available for consultation and direct communication if requested by major shareholders, relating to governance and compensation matters; and (6) performing such other duties as the Board deems appropriate.

L. Resignation, Retirement or Intent not to Stand for Reelection

If a Board member wishes to resign, retire or not stand for reelection at the end of his or her current term, such Board member shall notify the Chairman in writing promptly upon making such decision.

M. Indemnification

The Company provides reasonable directors' and officers' liability insurance for the directors and shall indemnify the directors to the fullest extent permitted by law and the Company's charter documents and bylaws.

II. DIRECTOR RESPONSIBILITIES

The Board is responsible for oversight of the Company's mission, long-term strategy and objectives, and oversight of the management of the Company's risks and controls. The Board should foster and encourage a corporate environment of strong disclosure controls and procedures, including internal controls, fiscal accountability, high ethical standards and compliance with applicable policies, laws, and regulations.

Each member of the Board is expected to conduct him or herself with the highest degree of honesty, integrity and ethics and within the confines of the law when acting on behalf of the Company. Each director shall adhere to the applicable Company policies concerning integrity and ethical behavior to which the Company's management and employees are subject, including the Code of Conduct and its policies on insider trading.

A. Business Judgment

Directors shall exercise their business judgment by acting in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that responsibility, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors.

B. Code of Ethics and Business Conduct

Directors shall comply with the Company's Code of Ethics and Business Conduct. The Nominating and Corporate Governance Committee shall review the Code of Ethics and Business Conduct to ensure its adequacy.

Directors must disclose outside activities, financial interests or relationships that may present a possible conflict of interest or the appearance of a conflict to the Legal Department. The Legal Department will report all such disclosures to the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee shall consider, and the Board will resolve, issues involving possible conflicts of interests of directors, including any waivers to the Code of Conduct. If a significant conflict exists and cannot be resolved, the director should resign. Directors will recuse themselves from any Board discussion or decision affecting their personal, business or professional interests. Any director who knows of or suspects a violation of the Code of Conduct or the Company's policy on insider trading shall promptly report the situation to the Legal Department to be addressed in accordance with the Code of Conduct or the policy on insider trading, as applicable. All related person transactions, as defined in Item 404 of Regulation S-K, must be approved by the Audit Committee.

C. Limitation on Other Board Service

Each Board member must ensure that other existing and anticipated future commitments do not materially interfere with the member's service as director. Directors are encouraged to limit the number of boards (excluding non-profit) on which they serve in addition to the Company's Board, taking into account the nature of and time involved in service on such other boards. However, (i) no director shall serve as a director of more than three (3) public company boards in addition to the Company's Board and (ii) the CEO shall not serve on more than one (1) public company board in addition to the Company's Board, without prior consultation with the Chair of the Nominating and Corporate Governance Committee. Directors shall have the responsibility of ensuring that the Nominating and Corporate Governance Committee has accurate and current information regarding the other boards and committees on which the director serves. The Nominating and Corporate Governance Committee and the full Board will take into account the nature of and time involved in a director's service on other boards in evaluating the suitability of individual directors and making its recommendations. Directors must provide written notice to the CEO, the Chairman, and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of any other

public company. In addition, management directors must obtain the approval of the Nominating and Corporate Governance Committee prior to accepting an invitation to serve on the board of directors of a public company. Service on boards and/or committees of other organizations should be consistent with the Code of Conduct.

D. Access to Management and Outside Advisors

The Board encourages presentation at Board meetings given by managers who can provide additional insight into matters being discussed to the Board. In addition, directors have full and free access to executive officers of the Company. Each director is expected to use his or her judgment to ensure that any such contact is not disruptive to the business operations and inform the CEO of such contact. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the Legal Department. The Legal Department advises the Board on appropriate procedures for the conduct of meetings and on corporate governance matters and all Board members shall have access to his or her advice and services.

The Board and each committee have the power to hire legal, financial, or other advisors, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. The Company will provide sufficient funding to the Board and to each committee, as determined by the Board and each of its committees, to exercise their functions and provide compensation for the services of their advisors.

E. Director Communications with Third Parties

The Board believes that executive management speaks for the Company (including, except as set forth below, all shareholder communications). With regards to public comments or statements regarding the Company, its business, plans, strategies, performance or any other matter, should be made only by designated officers of the Company. In the ordinary course, directors should not issue public statements that discuss or refer to the Company and should never do so without first conferring with the CEO of the Company. When appropriate, the Chairman speaks for the Board. In exceptional cases and subject to the prior consultation with the CEO or the Chairman and if authorized by the Board, in its discretion, individual directors may as needed, meet or otherwise communicate with various constituencies that are involved with the Company. The Lead Independent Director shall serve as an independent point of contact for shareholders wishing to communicate with the Board other than through the CEO as provided in these Guidelines.

F. Equity Ownership Requirements

The Board believes that it is desirable for directors and executive management of the Company to own stock in the Company. Such ownership will allow for a stronger alignment of the interests of the directors and officers of the Company with that of its shareholders.

Each non-employee director of the Board of the Company must own shares of the common stock of the Company that are of at least three times the value of his or her annual director retainer fee paid in cash,

within five years of their appointment. The Chief Executive Officer is expected to hold, within approximately five years after attaining his or her position, shares of Company common stock worth three times his or her base salary. Named executive officers other than the Chief Executive Officer are expected to hold, within approximately five years after attaining their position, shares of Company common stock worth two times their base salary.

The requirements of these provisions can be met by shares owned directly or indirectly, and allow: 1) unvested restricted stock vesting purely on a time basis, and 2) shares held in trust to be counted toward the stock owned under the guidelines. Once a director and/or officer meets the stock ownership guidelines they will not fall out of compliance based solely on a stock price decline.

III. BOARD MEETINGS

A. Attendance at Meetings

Directors are expected to attend at least 75% of the Board meetings and the meetings of committees on which they serve, to ask questions and engage in discussion and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Directors are expected to attend the Company's annual meeting of shareholders. The proceedings and deliberations of the Board and its committees are confidential. Each director will maintain the confidentiality of information received in connection with his or her service as a director.

B. Agenda Items

The Chairman, CEO, and corporate secretary, in collaboration with the Lead Independent Director, as applicable, shall establish the agenda for each Board meeting, considering suggestions from Board members. At the beginning of the year, the Chairman, CEO and corporate secretary, in collaboration with the Lead Independent Director, as applicable, shall identify agenda subjects to be discussed during the year to the extent this can be anticipated. The Board and each Board committee shall maintain a comprehensive yearly calendar of its planned activities. Meeting agendas should include, on a regular basis, a review of financial performance, a review of the business strategies and practices and reports from each Board committee. Each director may suggest the inclusion of items on the agenda and is encouraged to be proactive in setting agenda items. Each director may also raise at any board meeting subjects that are not on the agenda for that meeting.

Board meetings will be for such length of time as may be required to cover the subjects on the scheduled agenda. Special meetings of the Board may be called by the Chairman, the CEO or any two directors. The Lead Independent Director may call meetings of the independent directors of the Board.

C. Information Flow and Distribution of Meeting Materials

When a Special meeting is called, management will endeavor to find a time and date that the most directors can attend by conducting a poll of each director, prior to setting the final time. Meeting agendas, as well as information and data that are important to the Board's understanding of the

business to be conducted at a Board or committee meeting, should generally be distributed in writing to the directors a week in advance of the meeting to the extent possible. Directors should review these materials in advance of the meeting to preserve time at the meeting and to provoke questions and discussion about the material. Sensitive subject matters may be discussed at the meeting without written materials being distributed in advance or at the meeting. Directors should request any additional materials or resources they may need to make better informed decisions. For example, legal counsel, outside accountants, compensation experts, and others may assist the Board in its consideration of matters.

D. Executive Sessions

The independent directors shall meet regularly in executive sessions without the management and non-independent directors present. The Chairman, or the Lead Independent Director in the case where the Chairman is not deemed to be independent, will preside at these meetings. It is contemplated that executive sessions of the independent directors may occur after each regularly scheduled board meeting. If the Independent Chairman or Lead Independent Director is not available, or is not considered independent for a specific topic, then he/she can appoint another independent director to preside at these meetings.

IV. COMMITTEES OF THE BOARD

A. Committees

The Board shall at all times have an Audit Committee, a Human Resources and Compensation Committee, and a Nominating and Corporate Governance Committee. The purposes, goals, and responsibilities of each committee shall be set forth in the applicable committee's charter.

The Audit Committee shall review and approve all related person transactions required to be disclosed by Item 404 of SEC Regulation S-K and shall also review all Item 404 disclosures, consistent with the Audit Committee Charter.

The Board may have additional committees as it determines from time to time are necessary or appropriate in accordance with the recommendations of the Nominating and Corporate Governance Committee.

B. Independence of Committee Members

The members of the Audit Committee, Human Resources and Compensation Committee, and the Nominating and Corporate Governance Committee shall be independent in accordance with the provisions of the NASDAQ Rules, and SEC requirements, as well as and any other standards established by the Board. If any conditions exist that may raise questions as to independence of a director, the disinterested members of the Nominating and Corporate Governance Committee shall determine if independence is jeopardized and recommend a course of action to address the issue.

C. Composition of Committees

The Nominating and Corporate Governance Committee, in conjunction with the Chairman, is responsible for evaluating the composition and experience base of the members of each committee and making recommendations to the full Board for committee appointments.

The Nominating and Corporate Governance Committee and the Board may, but are not required to, consider the rotation of committee chairs and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

Each committee will have a chair designated by the Board. The committee chair will preside at each committee meeting and, in consultation with the other members of the committee, set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chair should circulate the agenda to all committee members before each meeting.

D. Committee Charters

Each committee will have its own charter as adopted by the Board. Each committee charter will set forth the purposes, goals and responsibilities of the committee as well as qualifications for committee membership and committee reporting to the Board. Each committee will at least biennially evaluate its performance in accordance with the procedures and criteria established by the Nominating and Corporate Governance Committee, review the adequacy of its charter and recommend any proposed changes to the Board for approval.

E. Committee Meetings

Each committee will hold such regular meetings as may be necessary. The charter of each committee will designate who may call a special meeting of the committee.

V. ANNUAL SHAREHOLDERS MEETING

A. Attendance

All directors are expected to attend the annual meeting of the Corporation's shareholders in person for in-person meetings or virtually for virtual meetings.

VI. PERFORMANCE EVALUATION AND SUCCESSION PLANNING

A. Chairman and Lead Independent Director Evaluations

Annual assessment of the performance of the Chairman and the Lead Independent Director shall be performed by the full Board.

B. CEO Evaluation

The Human Resources and Compensation Committee will review and determine the compensation level for the CEO in accordance with compensation philosophy adopted by such committee.

C. Succession Planning

The Nominating and Corporate Governance Committee is responsible for overseeing Board succession planning and should report periodically on its progress and at least annually with a summary of material changes. The Board will have final approval of the Board succession plan. The Nominating and Corporate Governance Committee will oversee the strategy in relation to Board succession planning and will work with the Board to make sure the long-term strength of the Board is maintained and contingency planning is in place for transitions, expansions and unexpected resignations.

D. Board and Committee Self-Evaluation

The Board will conduct a self-evaluation to determine whether it and its committees are functioning effectively and completing their self-assessments. The Nominating and Corporate Governance Committee is responsible for establishing criteria and processes for director and Board evaluations and oversee self-evaluation of the Board as a whole.

Each director will annually complete a self-evaluation of his or her own performance as a director, an evaluation of the effectiveness of the Board as a whole and at least biennially an evaluation of each committee of which he or she is a member. The Nominating and Corporate Governance Committee will review all such evaluations, receive comments from all directors and provide the Board with a summary of its findings and an overall assessment of the Board's performance. The assessment will focus on the Board's contribution to the Company, compliance with the principles set forth in these guidelines (including with respect to diversity in Board composition) and specifically focus on areas in which the Nominating and Corporate Governance Committee believes that the Board could improve.

VII. GOVERNANCE RELATED POLICIES

A. Equity Compensation

All equity compensation plans shall be submitted to shareholders for approval to the extent required by the NASDAQ Rules. The Company shall not reprice stock options without obtaining stockholder approval. Any option granted will be priced, at least equivalent to the closing stock price on the grant date.