



2023 UNIVERSAL REGISTRATION DOCUMENT

Including the Annual Financial
Report and the Integrated Report

FORVIA
Inspiring mobility

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In this Universal Registration Document, unless otherwise stated, the "Company" refers to FORVIA SE and the "Group" refers to FORVIA SE together with its consolidated subsidiaries.

UNIVERSAL REGISTRATION DOCUMENT 2023

**INCLUDING THE ANNUAL FINANCIAL REPORT
AND THE INTEGRATED REPORT**



This Universal Registration Document has been filed on 27 February 2024 with the AMF as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129. The English language version of this Universal Registration Document is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein the original language version of the document in French takes precedence over this translation.

This Document is a reproduction of the official version of the Universal Registration Document including the 2023 Annual Financial Report prepared in accordance with the European Single Electronic Format (ESEF) and filed with the AMF, available on the website www.forvia.com.

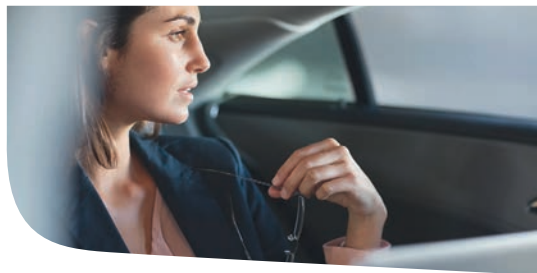
A SUSTAINABLE MOBILITY TECHNOLOGY LEADER

This integrated report aims to give all stakeholders a better understanding of the company's vision and strategy for profitable growth. FORVIA's business model is focused on creating value for all its stakeholders, ensuring both financial and non-financial performance over the short and long term.

FORVIA's mission is to pioneer technology for mobility experiences that matter to people. This year we have reached significant milestones and continued to lay the foundations for our growth, making us a stronger, more resilient and more future-focused Group.

This document is the introductory chapter of FORVIA's 2023 Universal Registration Document. For further information, please consult www.forvia.com

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“The Group is robust and committed to sustainable, safe, customized and affordable mobility.”

Foreword from Michel de Rosen

Chairman of the Board, FORVIA

Back from CES* 2024, where FORVIA showcased industry-leading technologies, I am deeply proud of the progress achieved by our company in the last two years. The Group is robust and committed to sustainable, safe, customized and affordable mobility.

The Rolling Stones' most famous song says: 'I can't get no satisfaction'. In 2023, FORVIA and its customers had many reasons to be satisfied. FORVIA's cutting-edge broad portfolio led to significant commercial success across all regions and activities. The year was marked by pioneering developments in future-facing areas, including hydrogen and low-carbon materials, and the ongoing implementation of an ambitious Net Zero roadmap.

The Group moved forward with its POWER25 plan, as announced to the financial community at the end of 2022. The three priorities of this plan are: to reduce our debt following the acquisition of the majority stake in HELLA; to unlock the synergies made possible by this acquisition; and to pursue sustainable growth that creates value for all our stakeholders through innovation. The Group has made progress on all fronts, in a highly

volatile and uncertain context. The efforts and the results are impressive. Deleveraging was our top objective: FORVIA successfully completed its €1 billion asset disposal program in record time – and then launched an additional program of the same magnitude.

These achievements have been made possible by close and fruitful cooperation with HELLA teams, facilitated by the Group's balanced governance structure and a dedicated integration organization. This setup encourages smooth decision-making and mutual support, while allowing HELLA, a German-listed company, to continue delivering value in its best interests and for its stakeholders.

Support for our strategy was shown by the approval by our shareholders of all the resolutions presented at our Annual General Meeting in May. On this occasion, we welcomed two new members to our board: Esther Gaide brings her expertise in auditing and finance, and Michael Bolle brings his experience in automotive technology. This General Meeting also marked a new stage in the development of FORVIA, with the approval of the change of name of the parent company from Faurecia SE to FORVIA SE. This decision by our

shareholders is in line with the Group's founding strategy: to be strongly positioned to grow and benefit from the major factors transforming the automotive industry today.

In October, Jürgen Behrend resigned for personal reasons. Jürgen was one of the architects of FORVIA's creation, and, for many reasons, a pillar of HELLA. I thank him sincerely for his invaluable leadership, contribution and sensitivity. We welcomed Nicolas Peter to our Board of Directors. His rich knowledge of the automotive sector makes him an ideal partner to continue building the future of FORVIA. We will propose that our shareholders appoint Christel Bories, the current Chief Executive Officer of Eramet, with broad and recognized managerial and operational experience.

In a challenging, volatile yet exciting environment, our success is driven by the leadership of our management, the dedication of our teams, the trust of our customers and the confidence of our shareholders. I extend my warmest thanks to all of you.

*Consumer Electronics Show

Interview with Patrick Koller

Chief Executive Officer, FORVIA



"2023 was a year of acceleration."

2023 was another eventful year for FORVIA. As the Group approaches its second anniversary, can you share some highlights?

I would first like to thank all our teams, whose hard work and dedication contribute to the continued success of our Group. As FORVIA, we are addressing our strategic challenges. Our broad portfolio and diversified technology offerings empower us to rapidly tap into growing segments of the mobility industry. 2023 brought us new high-value contracts, confirming the compelling appeal of our sustainable, safe, customized and affordable solutions.

This was a year of acceleration on many fronts. We intensified cash generation and deleveraging, completing a €1 billion disposal program ahead of schedule and launching another of equal value. We accelerated our synergies with HELLA, particularly in sales, purchasing, IT and operations with the implementation of our common FORVIA Excellence System. Another milestone was the definition of the six values that are the cornerstones of our shared culture: drive, accountability, teamwork, agility, respect and open-mindedness. We also accelerated our POWER25 strategy, driven by technology, sustainability and the need for speed. In less than four months, we inaugurated three industrial sites and an R&D center dedicated to future mobility in hydrogen, sustainable materials and advanced electronics. We achieved all that while dealing with a challenging and unpredictable environment, marked by ongoing inflation and high interest rates. This illustrates just how much stronger we are together.

"2023 brought us new high-value contracts, confirming the compelling appeal of our sustainable, safe, customized and affordable solutions."

“Climate change calls for a rapid and profound transformation of industry players and a great capacity for innovation.”

You mentioned technology and sustainability as your guiding principles. How does that translate into action?

FORVIA aims to address future mobility needs with sustainable and innovative solutions that benefit our customers, consumers and the planet. Climate change is the major trend transforming our industry; the second is artificial intelligence. Climate change affects everything in a vehicle: powertrains, design, architecture, materials. It calls for a rapid and profound transformation of industry players and a great capacity for innovation to meet these challenges.

Today, we emit just over 39 megatons of CO₂ a year, equivalent to the emissions of 2 million European electric vehicles over their lifespan. Our journey to net zero by 2045 is well underway. In our plants, we are acting in two key areas: energy efficiency and renewable energy. We are one year ahead of our planned schedule to reach CO₂ neutrality by 2025. When it comes to products, we have committed to reduce our emissions by 45% by 2030, coining our own expression: “designed for scope 3.” This involves rethinking our architecture to make systems more modular and upgradable, using fewer and lighter components, and developing a range of cutting-edge low-carbon materials within our MATERI'ACT activity.

We are accelerating our own transition to net zero, as well as supporting our customers in their drive to create more sustainable vehicles. All of this must be achieved without a cost increase for the consumer. Sustainable mobility must remain affordable.

What about zero-emission mobility?

Future mobility will be both battery electric and hydrogen-powered. FORVIA offers a comprehensive technology range – from hydrogen storage systems to fuel cell stacks and battery management solutions – suitable for every electrification strategy, in all regions. We believe in hydrogen as the only credible complementary alternative to battery electrification. Through Symbio, our joint venture with Michelin and Stellantis, we control 75% of the hydrogen mobility value chain. 2023 was eventful for us in this field, with the inauguration of two cutting-edge industrial sites: Allenjoie, the first mass production plant of hydrogen storage tanks for mobility applications in Europe, and SymphonHy, Europe’s largest integrated site producing hydrogen fuel cells. In 2023, FORVIA delivered 10,000 tanks worldwide and has been awarded two contracts in North America, achieving an important milestone in our quest to become the market leader.

Another megatrend is AI. What’s the potential?

AI will bring disruptions in numerous areas over the next three to five years: engineering, design, operations. We are already capitalizing on AI throughout our value chain, from optimizing R&D to streamlining operations to providing cutting-edge features for customers. It helps us boost efficiency, makes us more competitive by streamlining our development timelines, reduces the necessary testing, and enables us to better forecast future demand – allowing for adjustments in our inventory. On scope 3 more specifically, AI enables us to accelerate time-to-market and maintain price

“The Electronics megaplant we inaugurated in Fengcheng this year is our Group’s first net zero plant and an industry-leading example of sustainable production.”

“One of the main challenges ahead is reaching our 2030 target for scope 3. We have six years – two generations of cars – to transform powertrains, architecture and materials.”



competitiveness in sustainable materials, which are more costly to develop. Through the creation of adaptive formulas, AI also ensures the stability of these materials despite variability in raw resources.

Talking about zero emissions and digital innovation, a market that comes to mind is China.

Absolutely. The automotive industry’s center of gravity has shifted to Asia: first and foremost China, which is a major player in the electric vehicle market and at the forefront of digital and connected cockpit technologies. FORVIA has been present there for 30 years. Today, we collaborate with over 40 original equipment manufacturers (OEMs) in China. Among the top 20 Chinese OEMs, 19 are FORVIA clients. We also support these OEMs in their global development, such as in Thailand, where we have recently launched the construction of a new seat assembly plant with our partner BYD.

Our activities in China are at the vanguard, both from a business and environmental perspective. Take the Electronics megaplant we inaugurated in Fengcheng this year, which is our Group’s first net zero plant and an industry-leading example of sustainable production.

What’s your outlook for the next few years?

2023 confirmed that the creation of FORVIA has paved the way for profitable growth and strong value creation. We are now better equipped to navigate market challenges through an extended geographic and customer reach, and have reduced exposure to the internal combustion engine. One of the main challenges ahead is reaching our 2030 target for scope 3. We have six years – two generations of cars – to transform powertrains, architecture, materials. This is a challenging but exciting task for our engineers and all our teams, which motivates us and makes us proud. I’m confident FORVIA will achieve its goals, and I would like to thank everyone who is working in or with the Group to advance our mission: We pioneer technology for mobility experiences that matter to people.

Accelerating the energy transition

-45%

of FORVIA
scope 3 CO₂
emissions
by 2030





Globally, the transportation sector ranks second in emitting greenhouse gases, accounting for just over one-fifth of CO₂ emissions worldwide. In the US, it has become the top emitter of greenhouse gases, surpassing the electric power sector since 2017.

Electrification, a key factor in emissions reduction, extends beyond battery electric vehicles. Hydrogen fuel cell vehicles offer a versatile alternative. Clean electrons can be sourced from hydrogen production using renewable, nuclear or even fossil energy with carbon capture.

As electrification gains traction, hydrogen will play a vital role, particularly in hard-to-electrify sectors such as long-haul trucking and aviation. Hydrogen's appeal lies in its fast filling rate, comparable to diesel and shorter than batteries, making it suitable for large vehicles requiring long-range capabilities and quick refueling. Beyond fuel cells, hydrogen can also be used in internal combustion engines.

Whether hydrogen becomes widely adopted is dependent on achieving a market-driven price. This requires making low-carbon energy more affordable and achieving economies of scale for production, storage, distribution and dispensing systems. While some regions may have access to low-cost solar, wind or hydro power, in other areas, R&D breakthroughs will be required in advanced water-splitting methods, still under development, as well as continued advancements in storage and transport solutions.

Tackling greenhouse gas emissions requires improving vehicle efficiency, embracing electrification through diverse means, and investing in cutting-edge technologies to make alternative fuels such as hydrogen economically viable. This integrated strategy is crucial for a sustainable, low-emission future in the transportation sector.

Reuben Sarkar

President and CEO for the American Center for Mobility

Elisabeth Delval

Sustainability Vice President, FORVIA



As an automotive supplier, FORVIA provides, on average, half of a car's content. In the energy transition, we are working to address the CO₂ emissions throughout the vehicle's lifecycle: from manufacturing to usage and recycling phases – from cradle to grave.

We support automakers in their drive toward ultra-low and zero-emission mobility by pioneering hydrogen solutions, energy-management innovations for battery electric vehicles and depollution technologies for combustion engines.

At FORVIA, our goal is to achieve net zero by 2045, with two intermediate milestones: CO₂ neutrality on scopes 1 & 2 by 2025; -45% on scope 3 by 2030. "Using less, better, longer" is our mantra. We design our products for scope 3: working with fewer virgin materials, transitioning to frugal architecture, and creating products that last longer and are easier to recycle. On scopes 1 & 2, we have been leveraging partnerships with major energy players since 2019 to implement and accelerate energy reduction strategies, generate green power at our own sites, and purchase renewable energy. We are on track to achieve our ambitious net zero goal approved by the Science Based Targets initiative – a first in the automotive industry (see page 22).

Mobility is at the heart of people's lives: in the climate transition, the car must be both sustainable and affordable. At FORVIA, we are challenging ourselves to inspire future mobility in a cost-conscious way (see page 50).

Embracing AI in mobility

250+

use cases for generative AI identified at FORVIA





Kay Talmi

Head of Global Technology
and Innovation, FORVIA HELLA

Companies in the mobility sector can clearly benefit from transformative opportunities by leveraging AI in three key areas.

The first is personal productivity: I like the analogy of AI as “the world’s best intern” – it can augment human performance, freeing up time so we can focus on what we do best.

The second area is company productivity to fully automate certain activities, from inventory optimization to quality checks. AI can help to reveal bottlenecks and reduce inefficiencies.

The third area involves using AI to enhance the core business, such as in product design to develop digital twins, to expand the usage of virtual simulations before building the physical asset, and to reduce the CO₂ footprint.

Furthermore, there are opportunities to leverage AI to bring new innovative product solutions to the market, such as a “concierge” inside the cockpit that can be activated by voice. Another area with a lot of potential is predictive maintenance, for example, to use AI to monitor the health of the car.

Of course, all this relies on data: there is no AI without data. A company may have a great idea for a use case, but it needs the data at scale and the IT foundation to achieve it. With this in place, AI can result in significant benefits for customers, employees and society.

Eric Chaniot

Data and AI-driven Innovation
General Manager, Microsoft



There has been tremendous progress in AI in the last 12 months, and it is starting to become a major game changer when it comes to automotive use cases. On the one hand, AI will help us expand our portfolio of products for the benefit of customers – for example, in car access applications, autonomous parking and other driver assistance and safety features. On the other hand, AI holds immense potential to amplify our competitiveness, profitability and operational efficiency across all domains.

It will make it possible to enhance R&D efforts significantly. For example, our software developers are using AI-tools like GitHub Copilot to assist them in programming, which already saves them a lot of time and lets them focus on value creation.

The most critical success factor lies in identifying and prioritizing high-impact use cases for AI. The funnel of ideas is endless, but we need to prove and measure the added value before we scale a solution throughout our organization. Looking forward, one thing is certain: there will be a lot more technology advances in the years to come. We need to be open and flexible and ready to embrace anything that we can use to our benefit.

Driving a circular economy

70%

recycled content
in FORVIA's new
plastics by 2030



Rémi Daudin

President of MATER'ACT



Giving new life to plastic waste is an important part of society's transition to a circular economy. At Plastic Odyssey,* we are on the frontline.

Oceans represent the planet's main reservoir of biodiversity: preserving and restoring them is essential in the fight against climate change. Currently, five billion tons of untreated waste materials are floating in the ocean. By recycling one out of every two waste items in the 30 coastal countries most affected by this plastic pollution, we could avoid 40% of global pollution.

Our laboratory ship left Marseille in October 2022 for a three-year, three-continent expedition across the world, navigating to the regions most affected by plastic pollution. The aim is to identify innovative and practical solutions for recycling plastic waste and test scalable models for replication. Our goal is also to foster economically viable local businesses that transform existing plastic waste into resources.

As experts in materials, FORVIA, as part of a partnership signed in June 2023 between the FORVIA Foundation and Plastic Odyssey, provides an industrial perspective that will help us refine recycling processes for plastic waste and optimize the quality of recycled materials – a key lever to give them a second life.

*Plastic Odyssey is a global project to reduce plastic pollution in the ocean by creating a worldwide network of local recycling initiatives.

Simon Bernard

Co-founder of Plastic Odyssey



Leveraging 20 years of materials innovation, FORVIA established MATER'ACT as a pure player in sustainable materials in 2022. In late 2023, we inaugurated our world-class R&D Center in Villeurbanne, France, where we develop and industrialize innovative low-CO₂ materials. Our offering ranges from sustainable foils to bio-based and recycled plastic compounds, and carbon fibers with an ultra-low footprint, enabling a reduction in CO₂ emissions of up to 85% by 2030 compared to existing materials.

When it comes to securing the appropriate types and volumes of raw materials and identifying new formulations, speed is of the essence. At MATER'ACT, we are using AI to progress more rapidly and develop stable, homogeneous products from variable feedstock. Plastics are the second most-used material in a vehicle: by 2030, our goal is to achieve approximately 70% recycled content in our new plastics for upcoming automotive programs – a significant contribution to FORVIA's circular economy and Net Zero roadmap.

Our partnership with Plastic Odyssey is yet another example of our circular approach. Through our team's pro bono engagement, we co-created and showcased a door panel prototype made of collected plastics at CES 2024 – a real breakthrough innovation in the automotive industry. This solution is more environmentally friendly and also supports local entrepreneurs.

China: a laboratory for new mobility

46%

of FORVIA's sales in China are in the electric vehicle segment



Ma Chuan

Executive Vice President,
China, FORVIA



Since 2009, the automotive industry in China has been the largest in the world. While most of the cars manufactured in China are sold in its home market, in 2023 the country also became the world's largest car exporter. This remarkable acceleration has been driven in part by the Chinese industry's ability to leverage its "youth," allowing it to quickly pivot to become a leader in the electric vehicle (EV) market.

Since 2020, they have scaled from producing 1 million EVs to 9 million – about a third of their total car production. By 2030, the electric vehicle penetration rate in China is likely to reach 60%.* Today, Chinese brands are selling 85% of new EVs in China.

While affordability is a key strength, Chinese OEMs also really know how to deliver popular digital features in electric vehicles. They see the car as a connected place where your time can be used productively. The cockpit is conceived as a platform, a data aggregator for personalized user experiences. China is the world's largest digital economy, and Chinese brands are very strong in in-cabin connectivity – Chinese consumers demand this. Looking forward, what I call a "smart tier" of technology integrators that have the capability to create a differentiated user-centric experience will be the winners in this new ecosystem.

*Source: China Society of Automotive Engineers – 2030 forecast

Bill Russo


CEO of Automobility Ltd. and Chair of the
Automotive Committee at the American
Chamber of Commerce in Shanghai



With over 80 sites and 32,000 employees, China is FORVIA's primary country in terms of operations. In 2023, we inaugurated the Group's first net zero plant, a site that is also at the forefront of digitization. China is an important market for its growth potential and innovation dynamic. We have been present here for more than 30 years, including through a number of joint ventures with local OEMs. This allows us to serve more than 40 OEMs in total, global and Chinese, especially in the electric vehicle segment, which today represents 46% of our sales in China.

Key to this are our local R&D centers, where our Chinese teams participate in the development of technology for the Chinese market and beyond. A great example is the second-row zero-gravity Captain Chair that we showcased at Auto Shanghai 2023, which reclines the seat to an angle that is almost completely flat. This was specifically engineered with the Chinese premium customer in mind, meeting the market's demand for heightened comfort in rear seats. Our state-of-the-art LUMI seating illumination technology was also developed in China and has now been sold to Renault.

Our presence here – with local talent and local leadership – gives us insights into local customers, which, alongside the expertise and support of our teams around the world, allow us to create technologies that elevate the in-car experience to new levels for all markets.



At FORVIA, we're driven by our mission of pioneering technology for mobility experiences that matter to people. Our strategy is to embrace, advance and grow with the transformations that are shaping our industry. We are leveraging our innovation ecosystem and the power of digital solutions to accelerate the transition to sustainable mobility, while taking a holistic approach to reducing our environmental impact that goes beyond decarbonization. To achieve this, we put our people, who are our greatest asset, at the center of our activity as we strive for excellence in industrial performance.

LEADING SUSTAINABLE TRANSFORMATION



Three strategic pillars

The only constant is change – and in mobility, the pace of change is accelerating. FORVIA's strategy is to embrace, drive and grow with this transformation.

With game-changing shifts toward electrification and connected mobility, the automotive industry must unlock the potential of two key market trends: digitalization and sustainability. At the heart of these trends, we at FORVIA are on a mission to pioneer technology for mobility experiences that matter to people.

With our diversified portfolio spanning six business groups, FORVIA offers comprehensive technology across all the key areas essential for tomorrow's mobility. The creation of the Group in 2022, bringing together the complementary activities of Faurecia and HELLA, marked a step change in scale, geographic and customer reach, and our strategic options. In 2023, we continued to capitalize on our three strategic pillars – electrification and energy management, safe and automated driving, sustainable and digital cockpit experiences – recording €31 billion in order intake, including more than €14 billion in electric vehicles – a clear indicator of customer satisfaction and trust.

The Group secured multiple hydrogen storage system programs, including two contracts in North America; a €1.7 billion global award in seating for commercial vehicles; a groundbreaking contract with a premium German OEM to introduce VIBE® in a next-generation SUV by the end of 2025; and over €11 billion in orders in Asia. Contracts also included awards for innovations in Electronics and Lighting, such as the world premiere of the digital headlamp system SSL | HD in the new Porsche Cayenne.

These sustained sales successes stem from our ability to offer state-of-the-art solutions, with a strategic focus on research and development. A range of innovation recognitions demonstrate our technology focus.

In 2023, we contributed key technologies to six of the seven vehicles shortlisted for the European Car of the



“Our strong order book is the result of our sound strategy. To remain the supplier of choice for our customers, it is important that we continue to focus on delivering a five-star experience in every interaction we have with them.”

Thorsten Muschal, Executive Vice President,
Sales & Program Management, FORVIA

Year awards, including the winner, the Jeep Avenger. At the Consumer Electronics Show 2024, we received four innovation awards for vehicle technology and advanced mobility.



Electrification and energy management

FORVIA is supporting automotive manufacturers as they reduce fleet emissions, comply with air-quality regulations, and shift from ultra-low to zero emissions. There is no universal one-size-fits-all technology solution: considering the variety of user requirements for vehicles, regional regulations, automakers' roadmaps, and the uncertainty surrounding raw material supply for batteries, tomorrow's mobility environment will be characterized by a mix of powertrain technologies. To meet these diverse needs, FORVIA offers a range of solutions: ultra-low emissions technology for depolluting 22 million internal combustion engine passenger and light commercial vehicles; a growing portfolio of technologies to optimize the performance, range and efficiency of battery electric vehicles; storage and distribution systems; and fuel cell stacks through our joint venture Symbio for zero-emission hydrogen. In strategic terms, this broad product portfolio ensures the relevance of our offer across all powertrains.



Safe and automated driving

With our industry-leading expertise in lighting, sensors, perception software and actuation, FORVIA provides solutions both inside and outside the vehicle. These are already playing a vital role in making the driving environment safer for all road users. Our innovations include radar and camera solutions, best-in-class sensors, intelligent lighting, interior monitoring, eMirrors, and by-wire technology, replacing mechanical systems and paving the way to automated driving. With our focus on safety-critical solutions, we are helping to build public trust in tomorrow's automated and autonomous mobility modes.

Digital and sustainable cockpit experiences

One of FORVIA's core principles is to frame everything through the lens of sustainability; another is to see everything from the point of view of end users. In our approach to digital and sustainable cockpit experiences, we bring these two imperatives together, offering solutions that improve comfort and usability while reducing environmental impacts. We develop modular seats and interiors for maximum flexibility, upgradability and sustainability. Our new materials, such as bio-based and recycled compounds, foils and fibers, reduce resource consumption. Combined with lightweight architecture and energy-optimized electronics, they enable significantly lower CO₂ emissions. We also offer functions that reduce drivers' cognitive load, allowing them to access menu items while keeping their eyes on the road.



Climate and environment

Through a holistic approach to reducing carbon emissions and minimizing environmental impact, FORVIA is accelerating the transition to sustainable mobility.

As automakers strive to create more sustainable vehicles, FORVIA aims to be a driving force, focusing not only on decarbonization but also on initiatives to preserve biodiversity, reduce water and natural resource consumption, and adapt to the effects of climate change.

Climate: partnering on the path to carbon neutrality

Our overriding climate objective is our Net Zero roadmap: by 2025, we will already be carbon neutral in scopes 1¹ and 2;² by 2030, we will cut scope 3³ by 45%; we will reach net zero in 2045. In 2022, we became the first French company and first global automotive group to be awarded the Science-Based Targets initiative's most ambitious certification: Net-Zero Standard. This trajectory is a collective journey toward carbon neutrality as we collaborate with partners, including energy players.

With energy being key to reaching our first milestone in 2025, we are accelerating our efforts to improve energy efficiency (-26% in 2023 versus 2019) and to increase the use of renewable power through on-site generation (solar panels) and off-site purchases. As the Group's first net zero plant, our recently inaugurated Electronics site in China reflects our ambitions. Additionally, a new wind power purchase agreement announced with Renewable Power Capital in May has boosted our renewable energy capacity to up to 70% of consumption within Europe.

In design and production, we follow the principles of using less, using better, and using longer, designing repairable and replaceable products while developing bio-based and recycled materials. One year on since the establishment of MATERI'ACT in late 2022, with nearly 100 engineers, researchers and data scientists, and a recently inaugurated world-class headquarters and R&D center, this activity is strategically positioned to produce the next generation of low-CO₂ materials and support our scope 3 targets.

Moreover, carbon neutrality forms part of our executive pay structure, with variable remuneration for our CEO, the Group's top 300 senior executives and 4,800 managers,⁴ and the HELLA Management Board, linked to our scope 1 and 2 targets. To finance climate-related, environmental and sustainable projects, we have also issued €2.4 billion in green and sustainability-linked bonds to date.

Environment: caring for those around us

To reduce the footprint of our sites worldwide, we follow an eco-design approach encompassing every aspect of the environment, from waste management and water use to protecting local biodiversity. Our Green Factory White Book outlines the best environmental practices and constraints to be applied when developing new facilities – approximately 15 to 20 annually. An example is our new industrial platform in Allenjoie, France, which incorporates 5,000 m² of photovoltaic panels and three biomass-fired boilers.

With 24 of our sites located within 3 km of protected areas, we have a role to play in preserving biodiversity. We have initiated biodiversity audits to define local action plans. FORVIA is also committed to the international Act4Nature initiative led by the Enterprises for the Environment association (EpE), promoting practical business actions that benefit nature based on ten standard commitments and individual pledges. FORVIA supported ETE 2030, a study released by EpE in late 2023, outlining initiatives to accelerate the ecological transition in France.

We are also working on adaptation measures, contracting AXA Climate to assess how climate change will affect our sites, while a study with Carbone4 is examining our process resilience at three locations. Our proprietary 24-hour FORVIA Weather Alert System protects both our employees and our production capacity.

1. Direct emissions
2. Emissions from bought-in power
3. Indirect emissions
4. Excluding HELLA perimeter

Virtuous supply chain: a joint effort

As a prerequisite to joining our supplier panel, our suppliers are assessed by EcoVadis on 21 criteria grouped into four themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. In 2023, FORVIA required suppliers to get a minimum score of 45 out of 100; those scoring above 62 are assessed every three years, while others are assessed annually. On its own EcoVadis assessment, FORVIA scored 74, placing the Group in the top 3% of companies in its category; FORVIA's purchasing department scored 80, demonstrating the robustness of the Group's methodology.

-45%

scope 3
emissions
by 2030



"Addressing all levers of scope 3 – accounting for 98% of our CO₂ emissions – is crucial to achieve net zero. Our employees are decisive players in this cultural transformation, influencing everything we do, from processes to new automotive architecture. Therefore, we are expanding our climate and environmental awareness training."

Victoria Chanial, Executive Vice President
Group Communications, Public Affairs and
Sustainability, FORVIA

We believe people matter

Our mission is to pioneer technology for mobility experiences that matter to people. Our teams are what make this possible.

We put people – our employees, customers, stakeholders and communities – at the center of our activity. After all, mobility is not just about how we move, but how we live. Our greatest asset is our teams, whose excellence and diversity give FORVIA its edge as a global technology leader.

We attract the best talent

Our attractiveness continues to progress, and now, with our AI-powered careers website, we have boosted our capacity to find talent that matches the needs of our journey. This has resulted in quadrupling the number of quality applicants: a total of 150,000 CVs received, with one-third coming from the more than 70 virtual fairs that we have organized. Close to 6,000 managers and professionals have made the choice to join FORVIA in 2023 and “take a journey that matters.”

Learning at the core of what we do

Joining FORVIA means diving into a transforming industry and fast-changing environment, where learning and growing are encouraged. We foster continuous skills development for our employees through FORVIA University. Its five campuses deliver key training in leadership and functional areas, including new skills such as international relations and sustainability. This is complemented by the online Learning Lab, which has reached 400,000 hours of training. To grow talent, we prioritize internal promotions, dynamic and personalized career paths, and the opportunity to work on challenges that matter – especially as our core activities change. For instance, at the new Clean Mobility plant in Allenjoie, France, our H₂ School is training our employees in hydrogen activities, developing the people who will help shape future mobility. 80% of our talent working in hydrogen today has come from our traditional depollution business.

Diversity and inclusion

Diversity is in our DNA, with operations in 41 countries and 140 nationalities in our workforce. We aim to build an inclusive workplace that provides equal opportunities for all, based on performance and potential. This commitment is a fundamental driver of our transformation, as a more diverse and inclusive workforce gives us a richer understanding of our environment and acts as a key catalyst for innovation.

FORVIA has been a signatory of the UN’s Women’s Empowerment Principles since 2020, and the compensation of the Group’s top 300* managers is linked to the achievement of gender diversity targets. Our active policy to promote gender diversity globally encompasses the systematic and rigorous roll-out of our Diversity & Inclusion (D&I) initiatives throughout the Group, which has intensified over the years. These include training to support female leadership and foster an inclusive culture, the development of targeted recruitment, coaching and mentoring programs – featuring our RISE program specifically designed to accelerate the representation of women in our leadership team – and the highlighting of women’s careers in our communications.

Our robust internal network of 60 ambassadors, located in 20 countries, plays a pivotal role in bringing D&I to life locally through initiatives tailored to specific contexts and through the sharing of experiences.

In 2023, with 30.8% of women managers and skilled professionals and 27% in the top 300 positions, the Group* achieved its gender diversity objectives two years ahead of schedule – an exciting milestone resulting from several years of commitment, and a significant step in our collective dedication to fostering a truly diverse workplace.

*Excluding HELLA perimeter



38%

of new recruits were women managers and skilled professionals in 2023*

* Excluding HELLA perimeter

35%

women managers and skilled professionals and 30% women in top 300 by 2030

Defining our values

We celebrate diversity, but we share a common culture. In 2023, co-design workshops involving employees from Faurecia and HELLA defined the six key values intrinsic to FORVIA's identity: drive with vision, build on accountability, cultivate teamwork, embrace agility, act with respect, and believe in open-mindedness. These values will allow us to continue to push the boundaries to deliver sustainable, safe, customized and affordable mobility for all.



€3M

yearly budget to support local communities through the FORVIA Foundation

6,000

beneficiaries from employee-led solidarity actions since 2020

Solidarity actions: inspired to care

FORVIA is a member of the community in each region where we operate, contributing to local economic development and creating social value. One lever to address local needs and make a positive impact is the FORVIA Foundation, which supports employee-led projects with a tangible social impact linked to advancing education, improving mobility or protecting the environment. In 2023, the Foundation funded 26 projects led by employees from 11 countries, ranging from helping schools to promote girls' education, to planting trees to reforest land, to creating clean energy solutions for villages. In 2023, it joined forces with two new partners – Plastic Odyssey and the Maud Fontenoy Foundation – to raise awareness of the need to protect the oceans, which represent the planet's main reservoir of biodiversity and, therefore, a key ally in the fight against climate change.



"Diversity & Inclusion is not a target; it's our journey. Let's continue progressing toward an ever-more inclusive workplace, where individuals can thrive to their full potential and drive our collective success."

Jean-Pierre Sounillac,
Executive Vice President,
Group Human Resources, FORVIA

Cultivating innovation

FORVIA's innovation ecosystem brings together our own experts with cross-sector mobility innovators around the globe, enabling us to pioneer transformative technologies with speed and efficiency.

The Group leverages an internal network of experts in electronics, artificial intelligence, system architecture, product design, and materials science. Our R&D engineers actively share insights across diverse expertise to anticipate the design needs of tomorrow.

Collaboration and collective thinking

Innovating requires collaboration and knowledge-sharing across industries. We actively engage in consortiums that bring together key players, start-ups, think tanks, and academic institutes, serving as a powerful tool for securing funding, pooling skills, and sharing innovation risks. The Group also participates in various Society of Automotive Engineers initiatives, including leading the Technical Committee of FISITA, the International Organization for Automotive Engineers.

Since 2022, FORVIA has participated in four EU-funded programs exploring sustainable composite manufacturing and circular approaches for automotive electronics. Our R&D teams engage with French engineering schools on polymers and mechatronics. We have also partnered with the University of California (Berkeley), the Indian Institute of Science (Bangalore), and Tongji University (China) on cutting-edge sensor development. In 2023, we started a 4-year collaboration with CentraleSupélec (France) focusing on the automotive applications of artificial intelligence for sensor fusion.

We collaborate with a diverse range of players, from global industrial groups to promising start-ups with disruptive ideas identified through our scout network. Through Symbio, an equally owned joint venture between FORVIA, Michelin and Stellantis, we inaugurated SymphonHy in 2023, Europe's largest integrated site for producing hydrogen fuel cells, paving the way for large-scale production. In Berlin, we operate The Drivery, a mobility innovation hub with over 800 members, including 140 start-ups, and expanded this concept to



“We have taken the necessary steps to unlock AI’s potential. The greatest risk would be not capitalizing on this technology. FORVIA’s future competitiveness will also depend on its ability to intelligently harness the advantages of AI.”

Christopher Mokwa, Executive Vice President,
Strategy & Digital Transformation, FORVIA

China in 2023. These innovation ecosystems are crucial to meet scope 3 targets.

The power of digital

At FORVIA, digitalization has three priorities: enhancing decision-making by leveraging data, fostering digital co-innovation, and increasing agility through new ways of working. We strategically partner with key tech players, for example, Accenture for scaling our digital transformation, Palantir for data analysis, and Microsoft for our AI transformation. Data-based innovations leveraging AI facilitate collaboration between designers, engineers and customers, accelerating product development. Our digital transformation boosts our competitiveness and our capacity for innovation.



AI to accelerate innovation

FORVIA harnesses data and AI across its value chain, with a dedicated team and powerful tools in a company-wide program. This initiative improves decision-making and execution across R&D, Operations, and support functions. Our Palantir Foundry platform is a key asset in this domain. AI improves quality control, safety and the driving experience, with features such as hands-free trunk access and child-presence detection in unattended vehicles. In sustainable materials engineering, AI develops predictive algorithms for adaptive formulations, ensuring stability and compliance of end products despite variations in raw materials. FORVIA also embraces generative AI solutions such as GitHub Copilot for software coding, critical in the continuous improvement of operational efficiency and product portfolio enrichment.

15,000

R&D engineers

13,000+

patents

Operational excellence

In a volatile, competitive environment, we need to excel at what we control: operations. Striving for best-in-class industrial performance, we transform our activities for sustainable competitiveness.

Safety and environment: a must

Ensuring the safety of our teams is our top priority. Our 7 Safety Fundamentals and CARE program aim to create a safe workplace, supporting our zero-accident goal. These are mandatory rules. Following two fatal accidents in October 2023 and January 2024 (the first since 2018), we are reminded of their importance. We insist on their rigorous application. Compliance audits and governance will continue to be enforced for these mandatory rules. We are also committed to continuously improving the environmental performance of our activities (see page 22).

A comprehensive approach to excellence

Our 360° lean manufacturing approach, the FORVIA Excellence System (FES), is designed to help us achieve best-in-class industrial performance. It integrates best processes and practices from Faurecia and HELLA, incorporating digitalization and our sustainability roadmap.

Rolled out to FORVIA sites since mid-2023, FES plays a key role in achieving both our financial POWER25 and scope 1 & 2 carbon neutrality targets for 2025. This is our way to execute and improve. It serves as the foundation for delivering safety, performance and total customer satisfaction.

Digital transformation; industrial application

Across our sites, we deploy automated guided vehicles, data analysis, and 3D simulations to optimize operations. In 2023, more than 90 digital model plants were utilizing the latest digitalized tools and processes, and over 30 more are planned for 2024. Innovative approaches are tested in benchmark model plants before wider implementation. We are also exploring GenAI, with pilots launching in selected plants in 2024.



“With its emphasis on digitalization and sustainability, the FORVIA Excellence System aligns perfectly with our Industry 4.0 ambitions, representing a roadmap to premium customer service, intelligent production, maximum efficiency, and sustainable competitiveness.”

Olivier Lefebvre, Executive Vice President, Group Industrial Operations and Clean Mobility, FORVIA

131

supplier quality awards from 25 customers in 2023

Allenjoie: a blueprint for Industry 4.0

Inaugurated in 2023, the Allenjoie platform includes two major sites and is FORVIA's technological flagship in France. One plant produces seating components at an unparalleled degree of digitalization and automation, making it one of our most advanced facilities worldwide. The other is the first mass production site of vehicle hydrogen storage systems in Europe and will allow production costs for hydrogen solutions to be cut by five within two years. By 2030, this "Clean Mobility" plant will produce 100,000 hydrogen tanks a year, supporting the evolution in transport from ultra-low to zero emissions. Both plants are industry-leading examples of sustainable production, meeting the strictest environmental standards. The platform's rooftop solar arrays, biomass-fired boilers, heat-recovery and rainwater sanitation systems have earned it BREEAM¹ Excellent certification – the first awarded to an industrial site in France.



Phoenix: a lighthouse in digitalization

Also inaugurated in 2023, the Phoenix plant in Fengcheng, China, is best-in-class both in smart manufacturing and sustainability. This new Electronics megaplant uses end-to-end digitalization to produce electronics systems for cockpit displays and automated driving, with a capacity of 2 million units per year. It sets a precedent for FORVIA – the first plant to be designed using digital-twin technology at such a level and scale to simulate its 89 production lines and workflows in a virtual environment, allowing streamlined construction and improved operational efficiency. This strategic pilot plant is on track to become a full "lighthouse" for the group, setting the standard for other similar plants around the world with real-time data analysis, state-of-the-art automation tools and intelligent digitalized warehousing. It is also FORVIA's first plant to achieve net zero on scopes 1 and 2: its green building design has been awarded LEED² Gold certification.

1. Building Research Establishment Environmental Assessment Methodology
2. Leadership in Energy and Environmental Design



PIONEERING TRANSFORMATIVE TECHNOLOGIES



The automotive industry is evolving rapidly. Electrification, connectivity and individualization, combined with growing expectations for greater sustainability, are changing the way vehicles are designed and produced, and how consumers use them.

Safe. Affordable. Sustainable. Customized. Explore how FORVIA is pioneering technology for mobility experiences that matter to people.

Sustainable technologies

To reduce our scope 3 emissions by 45% by 2030 and reach net zero in 2045, we have to radically rethink our products, starting with what they are made of. With MATERI'ACT, we are accelerating the development of cutting-edge, low-carbon materials.

Developing the materials of tomorrow with MATERI'ACT



Interview with Laurence Dufrancatel,
Engineering Director, MATERI'ACT



Just one year after the creation of MATERI'ACT, the company's headquarters and R&D center were inaugurated in November 2023. How key is this step for FORVIA?

Materials are a key lever for decarbonizing the automotive industry. In 2011, with the NAFILean family (see page 35), we were the first automotive supplier to bring to market a bio-composite meeting the stringent requirements of a car cockpit. With MATERI'ACT, we are scaling up and leveraging more than a decade of expertise to produce cutting-edge materials that are not only less carbon-intensive, but are also making vehicles lighter and more recyclable. Sustainability and our knowledge across the value chain, from processes to materials, are unique strengths that guide the way we design system architecture and parts. This is a profound transformation.

Can you tell us about MATERI'ACT's ambition?

MATERI'ACT has three product lines – recycled and bio-based compounds, bio-based and recycled foils, and low-CO₂ carbon fibers for hydrogen tanks – and our target is to achieve sales of €2 billion by 2030.

In our world-class R&D center near Lyon, France, our teams leverage AI to develop materials faster,

guaranteeing their stability and conformity, whatever the variability of the initial raw materials. Then, we test our formulations in our pilot production line and our laboratory. In a nutshell, we control the entire chain, from formulation to production, enabling us to be agile and fast. Today, MATERI'ACT brings together a team of close to 100. By 2025, this will grow to 400.

MATERI'ACT is working with a wider ecosystem. Can you tell us more?

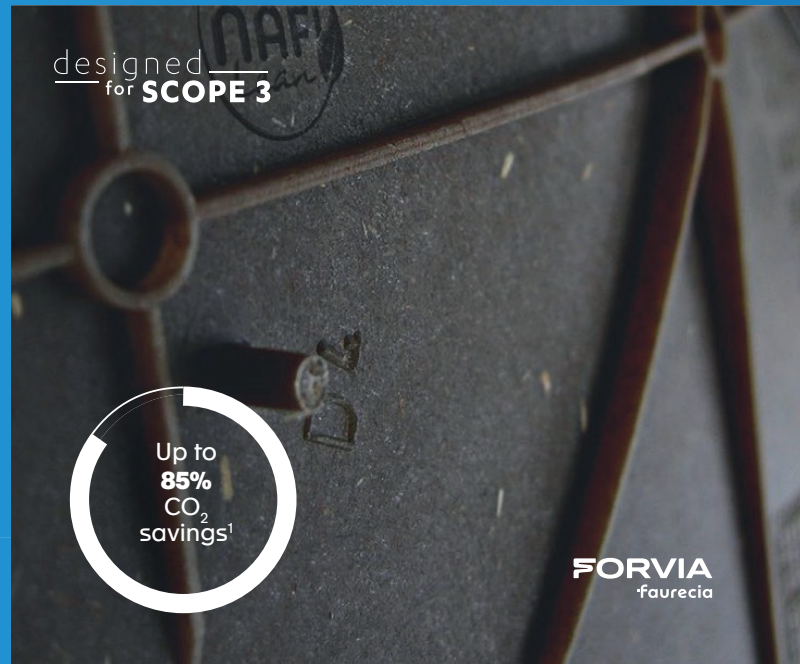
Pooling complementary expertise is vital to meet complex challenges such as qualifying, securing and transforming plastic waste or hemp into high value-added materials. Collaboration is also key to develop breakthrough solutions, accelerate their time to market and improve their affordability. MATERI'ACT has forged strategic collaborations with the agricultural cooperative INTERVAL (an APM joint venture) to integrate hemp fibers into polymers; with VEOLIA, to incorporate recycled plastics into polymers; and with ANANAS ANAM, to develop a leather alternative repurposing waste pineapple fibers. Additionally, our R&D center hosts an incubator for start-ups. This environment facilitates collaboration with entrepreneurs, fostering creativity and the cross-fertilization of ideas.

Sustainable

At FORVIA, we frame everything through the lens of sustainability. We design products for scope 3, reducing our environmental impact and promoting responsible progress for our industry.

MATERI'ACT: materials acting for the planet

Launched in late 2022 to accelerate the development of cutting-edge sustainable materials, MATERI'ACT has reached several major milestones in its first full year of operation. In 2023, the FORVIA company opened its headquarters as well as a world-class R&D center in Lyon, complete with a laboratory and pilot workshop. Mobilizing an entire ecosystem, MATERI'ACT is now spearheading development of three product lines, offering up to 85% carbon savings: bio-based and recycled compounds for interiors, seats and lighting; recycled and bio-based foils as leather alternatives for seats and interiors; and low-emission carbon fibers for hydrogen tanks.



designed for SCOPE 3

technologies

NAFILEan: a natural performer

Developed by Faurecia since 2011, the NAFILEan family of bio-composite materials is already found in more than 9 million vehicles worldwide, with plans to accelerate to 15 million vehicles by 2025. It now forms part of the MATERI'ACT low-carbon portfolio. In 2023, the NAFILEan-R compound, combining natural fibers and recycled materials, was recognized in the Innovation Awards organized by CLEPA, the European Association of Automotive Suppliers, for its ability to improve performance while supporting the circular economy and carbon emissions reductions. Combining 20% natural hemp fibers with a matrix of 100% recycled polypropylene, NAFILEan-R is used in injection-molded structural parts. The result is an 87% reduction in CO₂ emissions compared to industry benchmarks without compromising rigidity or durability. The latest generation, NAFILEan Vision, has been developed for visible parts. It integrates various biomass sources and recycled plastics. It offers a wide variety of colors and textures, creating an advanced decorative effect and an impactful appearance.



Ecorium: sustainable premium

After three years in development, Ecorium, FORVIA's premium sustainable trimming material, was launched into mass production in 2023. We have been working with TMG, a leader in automotive coating materials, to integrate renewable and recycled materials into a more environmentally friendly vinyl with the same aesthetic appeal as real leather. The result is Ecorium, which now features in the trim of the all-new Renault Rafale scheduled for the first quarter of 2024. The new material offers carbon emissions reduction of 90% compared to natural leather or up to 37% (including biogenic carbon) compared to conventional synthetic alternatives.

1. 2030 versus 2019

2. Including biogenic carbon; 2030 versus 2019

Sustainable



FORVIA
faurecia



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for SCOPE 3

Supremo: in the driving seat

The shift toward battery electric and hydrogen vehicles opens new possibilities in vehicle design, and FORVIA is at the forefront with the Supremo seat. Based on a structure that is more compact than traditional seats, it frees up extra space for batteries and allows rear passengers to place their feet comfortably under the front seats. When the vehicle is recharging, occupants can enjoy optimum comfort in a highly reclined position, thanks to the design of the seat's compact frame as well as a headrest that is as soft as a pillow. Furthermore, its use of green-steel frames and other sustainable materials results in up to 68% lower CO₂ emissions compared to conventional designs.

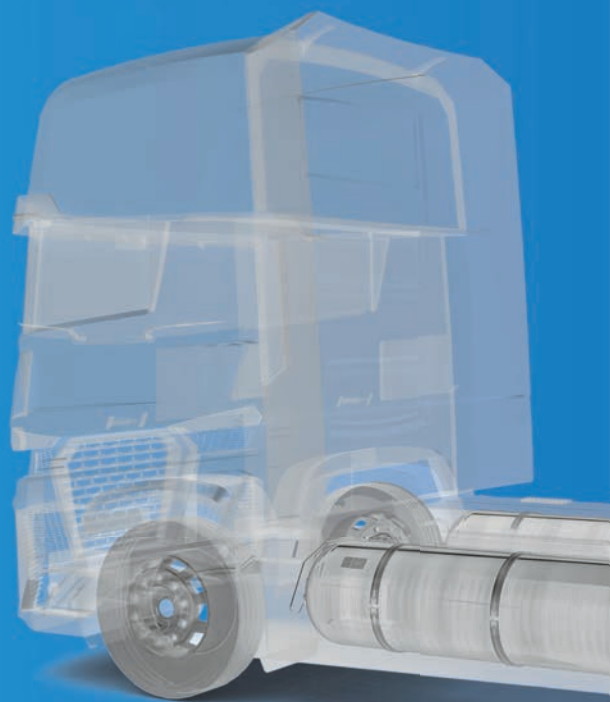
1. 2030 versus 2019

Hydrogen solutions: tanks for trucks

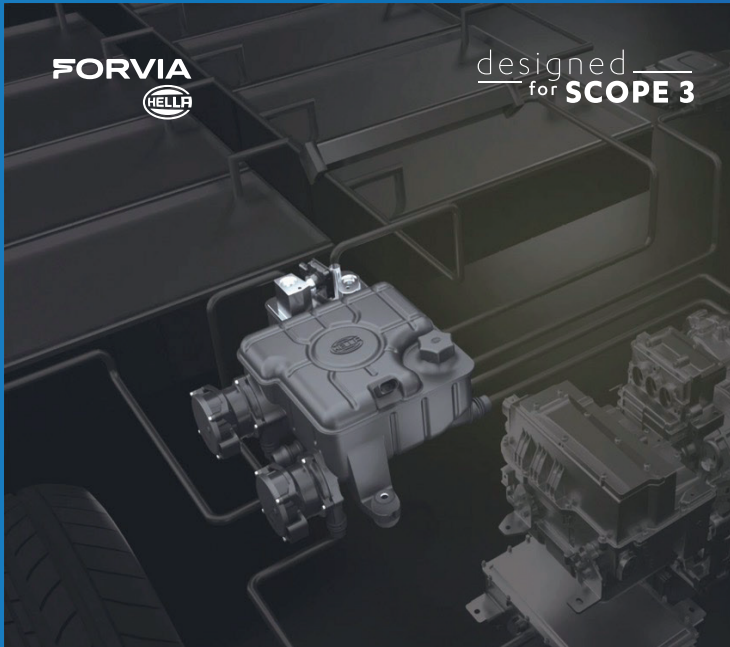
The pioneering Faurecia Hydrogen Solutions division is targeting two key verticals: hydrogen mobility and hydrogen transportation and distribution. Developed specifically for trucks, the XL Type IV composite storage tank represents a leap forward in hydrogen mobility for heavy goods vehicles. Pressurized at 700 bars, the Type IV tank offers up to 80% more storage capacity than 350-bar tanks and complies with side tank truck installation and belt mounting. This enables a real boost in vehicle autonomy and a path to market leadership for FORVIA in this segment – no wonder it was recognized in the 2023 Innovation Awards organized by CLEPA, the European Association of Automotive Suppliers.

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for SCOPE 3

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technologies



HV PowerBox: more power to you

Presented at CES 2024, the latest FORVIA HELLA HV PowerBox offers a high-voltage DC/DC² converter with an onboard charger in a single device. The solution provides a safe and stable onboard power supply tailored to a vehicle's platform with reduced costs, installation space and weight. In addition, the PowerBox is specifically designed for cost-optimized production in large quantities. As a component in the electrical/electronic (E/E) architecture, the HV PowerBox shows how FORVIA can adapt existing products in its portfolio as new opportunities arise, enabling communication between hardware components in an electronic powertrain environment.

2. Direct current

FORVIA
HELLA

designed
for SCOPE 3

Cool as a control hub

The Coolant Control Hub (CCH) from FORVIA HELLA is an innovative subsystem that is revolutionizing thermal management. CCH, which will be launched on the market as soon as this year, connects the cooling circuits for the battery, electric motor and vehicle interior. At CES 2024, the next level of CCH, with a maximum integration level now also including air conditioning, was launched. With the extension to the refrigerant cycle, CCH max can replace the refrigerant R-1234yf with natural refrigerants such as CO₂ or propane in a safe and economical way.



SSAB steel: hard and fast reductions

2023 saw FORVIA unveil the world's first carbon-free steel seat structure. As part of a strategic partnership with Nordic steel manufacturer SSAB, from 2026 on, FORVIA will be using carbon-free steel for full-scale integration. The prototype was manufactured with steel produced at the HYBRIT pilot plant in Luleå, Northern Sweden, which replaces fossil-fuel power by hydrogen and renewable electricity. The structure is made up of 1.5 mm-thick parts, representing a total of 10 kg of steel per vehicle and an almost 90% carbon savings compared to conventional steel. By 2030, this sustainable supply should account for up to 45% of FORVIA's steel consumption.

designed
for SCOPE 3

FORVIA
faurecia

01

Pioneering transformative technologies

02

03

04

Safe technologies

As the level of automated driving increases, people need to trust handing over control of the vehicle. We support automakers in building confidence in future automated and autonomous mobility modes through safety-critical solutions – from best-in-class sensors and radars to intelligent lighting and innovative by-wire vehicle controls.

Powerful radars with 360° coverage for safe mobility on the roads



Interview with
Sebastian Joussem,
Global Head R&D Radar,
FORVIA HELLA

Sensors, trust and safety – where do they connect?

Sensing systems inside and outside the vehicle as part of automated driving systems can assist drivers in making sound decisions. Utilizing our radar sensors and intelligent software to detect and share information or even to take action, we can provide maximum road safety.

With sensors, we are transitioning to a new mobility experience where the driver acts as a vehicle supervisor. While remaining responsible for the car, the driver relies on onboard intelligence to adjust speed, align on the road, and identify obstacles. Ensuring the system sees, understands and reacts appropriately to the environment is crucial for safety, and this relies on highly reliable technology. Trustworthy features significantly contribute to increased safety.

So radars, which capture the information needed to inform the system's decisions, are at the core of this safety improvement trend?

Absolutely. And as we move toward autonomy, the demand for high-quality and reliable sensors both inside and outside the vehicle increases. Some years ago, cars

were equipped with two or three radar sensors, but now we reach 10, or even more radars on some models.

FORVIA HELLA pioneered the development of these components, building its radar sensor portfolio over the years to meet the evolving demands of autonomous driving. With Gen 7, our solutions provide a 360° view, irrespective of external conditions such as brightness, humidity or fog. They enable the vehicle to detect stationary objects or road boundaries continuously and precisely, and to dynamically track moving elements such as pedestrians, bikes or cars, ideal for driving or parking assistance.

Leveraging this extensive 20-year experience and collaborations with over 20 customers worldwide, FORVIA HELLA has established itself as a mature and reliable safety partner.

What are the latest developments?

We've introduced 77 GHz radars, equipped with innovative waveguide antenna and advanced chip technology, providing extended distance recognition and precision to support complex scenarios in automated driving at Level 3 and beyond.

Our ongoing work on the seventh generation of these radars builds on the reliability of the six previous generations, still in use today, to continue improving safety on the road at lower prices with higher performance.

Safe

We relentlessly seek to enhance vehicle safety – inside and out. Through our safety-critical solutions, we're proactively addressing the challenges that will face tomorrow's vehicles while innovating for smoother, smarter and safer driving today.



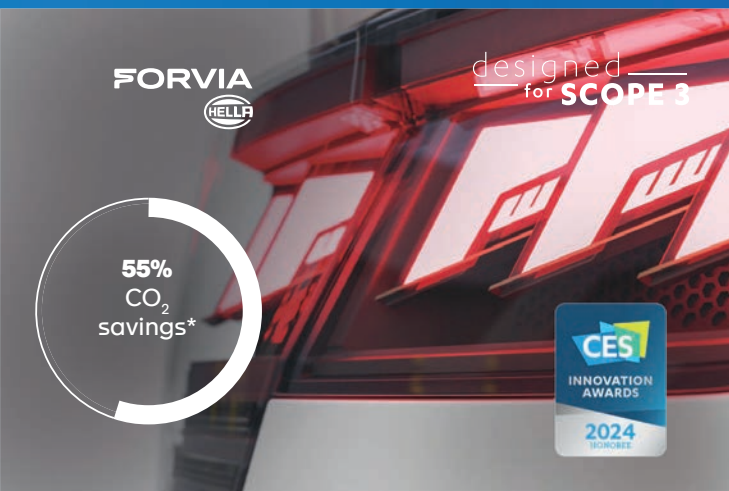
designed _____
for **SCOPE 3**

Radar portfolio for powerful 360° coverage

Based on more than 20 years of experience and business with over 20 global customers, FORVIA HELLA provides scalable, flexible radar sensors, either standalone or integrated into the Advanced Driver Assistance System (ADAS) platforms of cooperation partners. Our 77 GHz radars are equipped with innovative waveguide antennae and the latest chip technology to provide extended distance recognition and greater precision over the whole field of view. With the latest Gen 7 solutions, we continue to extend our portfolio, offering increased sensor capability that is also cost-effective.



technologies



Advanced lighting technologies

Winner of a CES 2023 Innovation Award, the FORVIA HELLA Solid State Lighting | High Definition (SSL | HD) headlamp provides new, safety-relevant functionalities thanks to the intelligent control of up to 25,000 individual LED pixels. Front Phygital Shields are not only used as a style-defining, brand-differentiating design element of electric vehicles, but can also integrate radar sensors. The FORVIA HELLA FlatLight | μ MX, winner of a CES 2024 Innovation Award, is based on micro-optics, enabling extremely thin modules and multi-colored combinations of indicators, stop lights and tail lights in just one optical element, while reducing energy consumption by 80% compared to conventional LED tail lights.

"We are driven by the ambition to keep pushing the boundaries of what is feasible in automotive lighting technology and thus ensure greater safety, efficiency and comfort on the road."



Yves Andres,
Managing Director Lighting, FORVIA HELLA

* 2030 versus 2019

Activating interior surfaces

FORVIA is innovating to "activate" the car interior for the purposes of safety or aesthetics, converging the physical and digital to create a phygital cockpit. An example is our Light Tile Technology, which won a CES 2024 Innovation Award. A transparent light tile is perfectly integrated into the upper door panel, providing a high-quality display of the outside vehicle environment to detect potential risks. In addition to serving as an ADAS, the tile technology can be used for dynamic ambient surface lighting to produce a unique onboard atmosphere.



Safe



Intelligent Power Distribution Module with Integrated Electronic Fuse

After introducing the first eFuse to the market in 2023, FORVIA HELLA is now one of the first to replace the traditional fuse functionality in the Intelligent Power Distribution Module. This solution manages any operational concerns regarding the power distribution within demanding vehicle powertrains, an especially important aspect as vehicles move toward autonomous driving. Our integrated eFuse recognizes and reacts to critical energy-usage-related safety situations, requesting energy management changes to prevent issues from occurring.

Traffic Rules Engine

Highly automated vehicles (Level 3+) can handle driving scenarios without human intervention. To do so, they must always know and manage the applicable traffic regulations. FORVIA HELLA developed the Traffic Rules Engine to meet this need. Like a virtual co-driver, this software continuously monitors planned actions of the car and compares them with the current traffic rules based on sensor and map data. The Traffic Rules Engine ensures the use of the latest and locally applicable traffic regulations at all times, and will be certified and used by TÜV Rheinland to homologate cars in a virtual environment.



technologies



Bringing Smart Car Access to the next level

FORVIA HELLA continuously develops further software functions for its UWB²-based Smart Car Access System. With Smart Presence Detection, vehicle safety is brought to a new level by alerting drivers in the case of intrusions as well as occupancy detection. For child-presence detection, our algorithms can detect even the slightest chest movements of a baby or animal under a blanket. In case of a risk, a notification is immediately sent to the linked mobile phone. The kick sensor for trunk opening and closing eliminates the need for an additional conventional system, while providing extra comfort.

2. Ultra-wideband

eMirror Safe UX

Winner of a CES 2024 Innovation Award and certified for both EU and Chinese standards (FORVIA was the first to get certification for an eMirror in China), the latest generation of our eMirror Safe UX software platform helps drivers better see their environment by replacing side and rearview mirrors with a camera-based system to provide better visibility, safety alerts, and fuel/energy efficiency. Transparent View, Reactive Dimming, and Advanced Image Processing are software features expanding the driver's field of view and improving visibility in challenging environments.



1. 2030 versus 2019



01

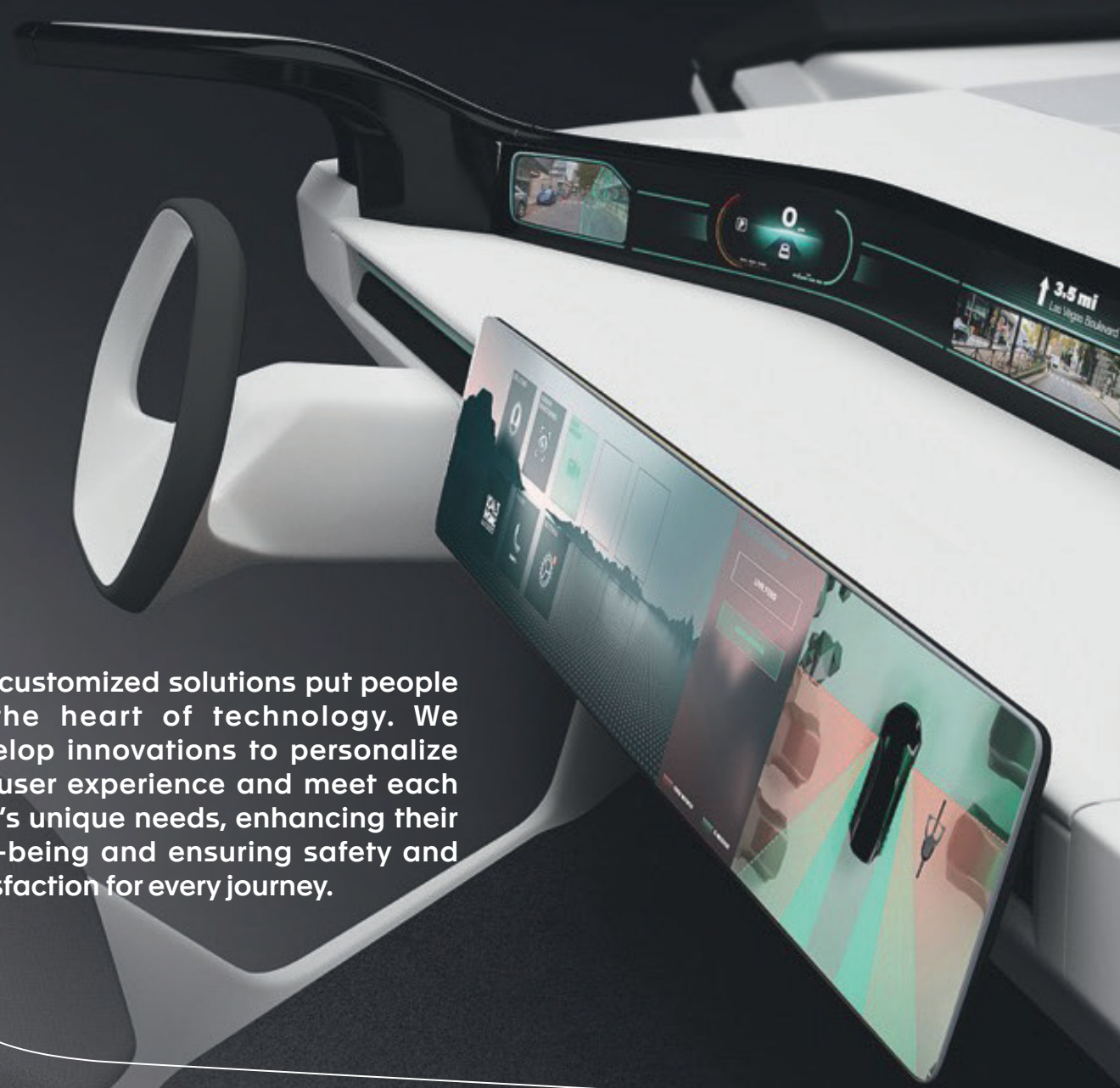
Pioneering transformative technologies

02

03

04

Customized technologies



Our customized solutions put people at the heart of technology. We develop innovations to personalize the user experience and meet each user's unique needs, enhancing their well-being and ensuring safety and satisfaction for every journey.

A cockpit connected to the future



**Interview with Vanessa Picron,
Innovation, Strategy
& Automated Driving
Vice President, Faurecia
Clarion Electronics**

What do you see as a growing need from automakers and end users?

Connectivity – along with vehicle electrification and automation – is a major trend shaping our industry. Today, when you purchase a vehicle, you're not just buying a means of transportation, but a mobility experience. People want a vehicle that allows them to use their time efficiently and safely, while staying connected during their journey. The state-of-the-art features we're developing respond to this need and will be a growing factor in consumers' purchase decisions.

So what should we put in the cockpit to attract consumers?

With the digitalization of the onboard experience, connected services are increasingly important. End users expect services personalized for their unique tastes and habits that are integrated into their vehicles and intuitive to use. We are developing electronics innovations that enhance the driving environment in terms of safety, comfort and enjoyment. One example is our immersive display, which offers a new era of perceptual experience, capable of customizing a user's perception depending on interior and exterior context. Coupled with our camera systems and AI, it enhances situational awareness, as does our eMirror

Safe UX, which received a CES 2024 Innovation Award. Another example is our connected cockpit software services offer, based on our leadership position in the automotive apps market with Faurecia Aptoide Automotive.

Where does the Faurecia Aptoide apps market fit into this landscape?

A seismic shift in the automotive industry is occurring, from closed proprietary solutions to open digital platforms that allow more personalized and continually evolving services. It is expected that from 2025, more than 50% of all cars will come with Android Automotive systems. The Faurecia Aptoide apps market is at the forefront of this transformation. It offers data protection and a seamless digital experience with a broad app portfolio for the end user. From a car manufacturer standpoint, our leading white-label platform enables fully branded integration and new monetization opportunities, including in-car payment. With more than 8 OEMs onboarded worldwide and 20 million cars equipped by 2025, app developers will have unique access to automotive users through a single interface.

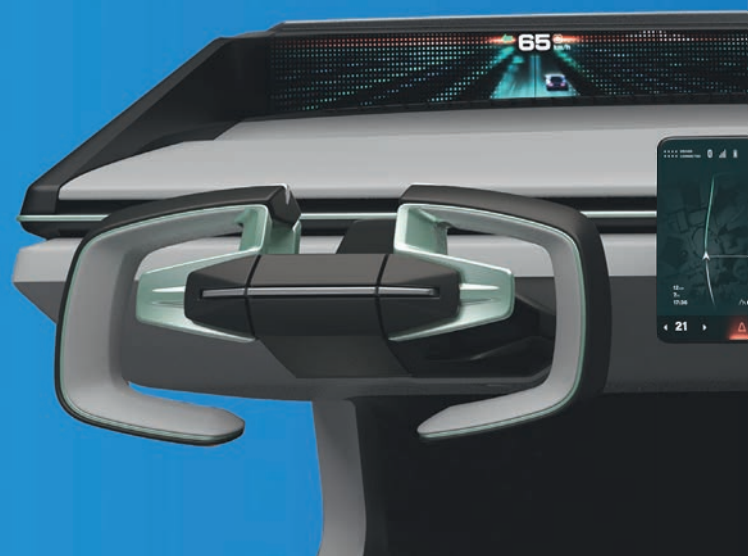
Customized

Our solutions represent a new era of mobility, one that must increasingly resonate with users' lifestyles and preferences. With our customized innovations, we're ensuring that everyone can navigate the world in vehicles that enhance their well-being.



Connected cockpit

Faurecia Aptoide is the leading white-label automotive apps market customizable by automakers. With it, automakers can easily integrate around 200 applications – including music, podcasts, gaming, web conferencing, video streaming and more – into their vehicle. Vehicle owners can access their digital world and preferred app seamlessly from the car independently of their smartphone. Over 3 million users are already using our apps market. By 2025, an estimated 20 million vehicles will feature this ecosystem, enabling vehicle owners to stay connected – safely – during their journey.



technologies

Award-winning immersive screen

Our Skyline Immersive Display was a winner of a CES 2024 Innovation Award. This next-generation cockpit interface uses LED rather than LCD screen technology, offering a more visually dynamic and affordable alternative than a traditional Heads-Up Display, and is fully customizable with the automaker's in-vehicle technology. Information is displayed at the bottom of the windshield to avoid driver distraction, and floating windows allow personalization by the user. This digital cockpit experience delivers flexibility and customization to automakers and vehicle owners alike, without sacrificing functionality or safety.



* 2030 versus 2019



FORVIA
faurecia

designed
for SCOPE 3



Tactile seating technology

A contract was signed in 2023 with a top-tier German OEM for VIBE®, an industry-first innovation that embeds tactile sensations within the car seat. This biomechanics solution will enhance safety: its Advanced Driver Assistance System (ADAS) features haptic alerts for blind spots, lane changes, speed limits and drowsiness. By emitting warm, low-frequency vibrations through the seat foam, it also offers a heightened level of immersion for music and entertainment, or promotes relaxation or boosts energy. Developed with the audio-haptic expert Aurasens, VIBE® is set to make its debut at the end of 2025, transforming the driving experience.

Customized

Seatback-embedded illumination

The all-new Renault Rafale, set to hit markets in 2024, will be the first to feature LUMI – a bold new approach to seating illumination. Ultra-thin LED-powered panels integrated into the front seats light up and pulse like a heart to greet the driver as they approach the car. The lighting also shifts from one tone to another to reflect driving modes. This state-of-the-art innovation is energy efficient and is covered with a perforated diffusion layer to keep seat comfort unaffected. LUMI transforms the way drivers interact with their vehicles, establishing a deeper connection and an invitation to driving pleasure.



Floating image projection with AirVision

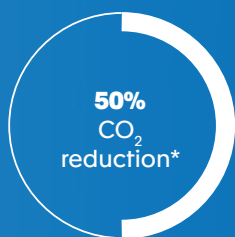
FORVIA's AirVision is an integrated system solution that offers new ways of displaying information and creating immersive experiences through image reflection. AirVision offers stable and vibration-free reflection by creating a 3D, virtual image of a display on a flat translucent surface integrated on the instrument panel. The system combines displays, lighting, surfaces and structures in a game-changing way. This scalable system can replace clusters, center displays, and co-driver display configurations in automotive applications.

technologies

FORVIA
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All-in-one sensing seat

Our Intelligent Sensing Seat is equipped with advanced sensors that analyze the occupant's position and provide real-time feedback – enabling healthy postural adjustments without sacrificing in-vehicle safety. Integrated lighting accents give the seat a futuristic appearance, with precision stitching tailored to automakers' design requests creating a premium look and feel. This elegant concept made its debut at CES 2024: an "all-in-one" innovation that integrates comfort, safety, sustainability and intelligence into a single seat design.



designed
for **SCOPE 3**



* 2030 versus 2019

01

Pioneering transformative technologies

02

03

04

Affordable technologies

By making cutting-edge technologies affordable, we're expanding access to ambitious, practical and sustainable innovations, empowering automakers to deliver advanced technological experiences without exhausting resources. FORVIA's focus on affordability ensures that innovation is within everyone's reach.

Seats for the future: bridging innovation and affordability



Interview with Nicolas Michot,
Complete Seat Product
Line Director, FORVIA

For FORVIA, what is the role of affordability in the future of mobility?

More than ever, there's a real need for technologies to do more than push the boundaries of possibility for mobility. Solutions for next-generation vehicles must be cost-effective, as much for our partners as for our end customers. At FORVIA, we're leveraging our expertise to respond to this challenge. This means taking an entirely new approach to the way we design and manufacture technology, rethinking innovation and production to also consider affordability and accessibility. A great example of our differentiating approach in action is happening in Seating, with our disruptive modular architecture.

Tell us more about how rethinking seats can transform the industry and improve affordability.

Our modular seat architecture is designed with a focus on limited modules, integrating comfort and safety functions. This approach transforms our challenging seat manufacturing process into an easy assembly process, leading to a more than 50% reduction in manufacturing and assembly time in our just-in-time plants. There is no variability linked to seat content or difficult operation,

resulting in a less costly process. Modules can be mass produced in regional hubs before commissioning complete seats close to, or even within, our customers' assembly plants.

Significant cost reductions can be achieved in development and design, as a wide range of modules can be plugged into the same platform, serving multiple vehicle models.

This architecture has also been designed following circular economy principles to minimize the use of materials, facilitating the incorporation of recycled and recyclable materials. The comfort module functions can be easily dismantled (in less than 5 minutes), enabling updates, upgrades, refurbishments or repairs to seats at any time. This contributes to an extended lifespan of the car, reduces cost impact, and increases affordability for the end consumer.

How has FORVIA's focus on affordable solutions led to strategic partnerships?

Our partnerships enable us to strengthen our innovative solutions. A key challenge for the "Seat for the planet" project was how to replace polyurethane, a polymer found in comfort parts such as foam. Through our partnership with Indorama Ventures, we developed Auraloop, a 100% recyclable solution that offers a twofold carbon footprint reduction compared to current materials. It's thanks to these projects that our innovations remain affordable, bringing us toward a more circular economy.

Affordable

At FORVIA, our approach to innovation and production puts a priority on affordability. We're determined to create cost-effective solutions that support aspirations without exhausting resources.

A modular seat for reduced costs and environmental footprint

FORVIA teams have come up with a radically new approach to designing and manufacturing automotive seats with a sustainable modular seat approach. Composed of a limited number of components and made with sustainable materials, this new seat is adaptable and affordable for both manufacturers and car owners. In production, the modular concept offers major synergies in automotive value chains. First, modules can adapt to any given seating frame platform, enabling customers to fit multiple vehicles at reduced upfront costs. Second, seat modules can be produced at scale at regional hubs and assembled close to or even at vehicle manufacturing plants, generating significant savings in logistics and quicker assembly. As the seat can be easily assembled and disassembled, its parts can also be replaced and upgraded with new functions and features at any point in its lifetime. This increases the seat's longevity and facilitates the recycling of its constituent parts. This modular, sustainable seating innovation received an eco-design trophy at the prestigious 2023 Sustainable Industry Awards organized by L'Usine Nouvelle.

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for SCOPE 3

Up to
68%
CO₂
savings*



* 2030 versus 2019

technologies



Hydrogen: faster, cheaper and cleaner

New technologies must be affordable, practical and accessible to be adopted on a wide scale, and when it comes to the environment, speed is also of the essence. With this in mind, FORVIA is playing a key role in driving the development of hydrogen mobility. We believe that hydrogen is a cornerstone of the energy transition and that hydrogen mobility is not only complementary to battery electrification, but the only credible alternative to it.

Scaling up hydrogen mobility

FORVIA's industrial strength and experience are enabling us to ramp up production and make this innovative technology affordable. Notably, in 2023, the company commissioned Europe's first mass production plant for Type IV hydrogen tanks, in Allenjoie, France. The plant has already shipped

its first hydrogen storage systems. The aim is to produce 100,000 tanks annually by 2030 and reduce manufacturing costs by fivefold by 2025 as processes gain efficiency. We are the first automotive supplier globally to have serial production across major regions. Expansion plans in Asia and North America are already in motion, reinforcing our commitment to a decarbonized industry.

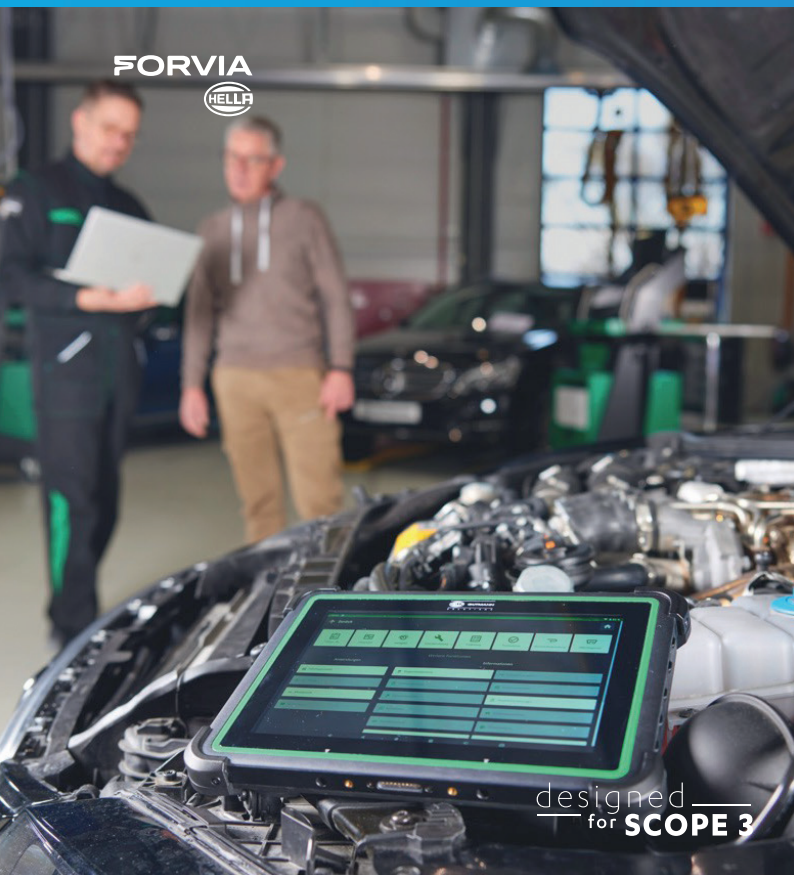
Mastering 75% of the drivetrain value

Together with Symbio, our equally owned joint venture with Michelin and Stellantis, we cover 75% of the hydrogen drivetrain value: from fuel cell stacks to hydrogen storage systems. By 2030, our target is for our global systems to be no more costly than an equivalent battery pack. A key part of our plan is Symbio's gigafactory, SymphonHy, inaugurated in 2023. It is Europe's largest integrated site producing hydrogen fuel cells. By 2026, SymphonHy aims to produce 50,000 systems, up from 15,000 today. SymphonHy is part of HyMotive, a strategic €1 billion project to develop disruptive technology, supported by the European Union and the French government. Together with the manufacturing strength of Allenjoie, this production capability will help lower the costs of hydrogen systems, making these solutions more affordable for our clients and contributing to our goal of leading the hydrogen solutions market by 2030.

Containerized solutions for transportation and distribution

FORVIA's hydrogen solutions are not limited to the mobility market. Work is underway on a containerized solution for hydrogen storage and distribution that will support the development of critical hydrogen infrastructure. It offers a world-class payload using large, lightweight tanks and a modular architecture. Designed to store up to 1 ton of usable compressed hydrogen, this lightweight solution drastically lowers the cost and CO₂ footprint of transporting hydrogen, contributing to affordability.

Affordable



Automated diagnostics: big data – big savings

The most important factor in vehicle repair is time. For vehicle users, especially commercial customers, time without their usual car, van or truck can lead to inconvenience and knock-on costs, while for the workshop, time spent looking for the cause of the problem can be costly. In response, HELLA Gutmann Solutions, a FORVIA HELLA subsidiary specializing in sophisticated vehicle diagnostics equipment, has created an automated system harnessing Big Data and artificial intelligence to identify faults faster than ever before. Available in 17 languages across 24 countries, this new automatic diagnostics function is now available to all workshops already using a current HELLA Gutmann Solutions diagnostic device and at no additional cost. The technology ascertains the vehicle identification number (VIN), accesses previously stored fault codes, evaluates their relevance, and compares actual and target values in the system parameters. It then consults 2 billion records of historic diagnostic cases, using AI to identify parallels and narrow down the origin of the fault to a specific component. This complex Big Data process chain runs in less than five minutes, helping workshop mechanics to start their search in the right place and radically speed up their work on each vehicle. Thanks to the swift roll-out of this automated diagnostics function and the quicker, cheaper repairs offered to end users, CLEPA, the European Association of Automotive Suppliers, named HELLA Gutmann Solutions a Top Innovator in its 2023 Innovation Awards.



technologies

Lifecycle Solutions: maximizing vehicle and environmental potential

Both sustainable and affordable mobility is not just about switching to zero-emission solutions; it also means maintaining a vehicle's value and extending its lifespan. That's why FORVIA HELLA has brought together its Independent Aftermarket, Workshop Solutions, and Special Original Equipment activities in the Lifecycle Solutions Business Group. This business aims at offering solutions covering the whole lifecycle of vehicles: from long-lasting design and robust production, through to fault diagnostics and spare-parts distribution, protecting the value of vehicles for everyone involved while promoting the responsible use and reuse of resources.

Customers are seeking longer lifespans for their commercial vehicles as vehicle uptime is crucial for business success. To this end, the Special Original Equipment segment is developing robust and modular products that allow long lifetimes and repairability. This supports customers in meeting environmental regulations and operational requirements at the same time. In the truck segment, for instance, EU legislation will require many truck cabins to be completely redesigned, allowing the development of wind-resistance optimized headlamps.

The segment of Workshop Solutions takes diagnostics to the next level, leveraging AI to automate the diagnoses, improving the efficiency of the workshops for our customers. In a next stage, this capability will allow us to move down the value chain from fault diagnostics in the workshop to predictive maintenance based on digital vehicle monitoring in the car. For fleet operators, having a partner that uses real-time data to identify and then rectify problems before they arise means savings – both on repairs and by avoiding lost capacity.

In addition, the Lifecycle Solutions Business Group is gearing up to offer solutions in the Independent Aftermarket for electric vehicles. As the first generations of EVs enter this sector, the requirements will change for spare parts, as well as for workshop equipment and expertise. FORVIA HELLA, through its subsidiary HELLA Gutmann Solutions, already offers a health check for the high-voltage batteries that are the core (and highest-value component) of electric vehicles, to help users maintain the vehicle's value and maximize its lifespan.



Governance and performance

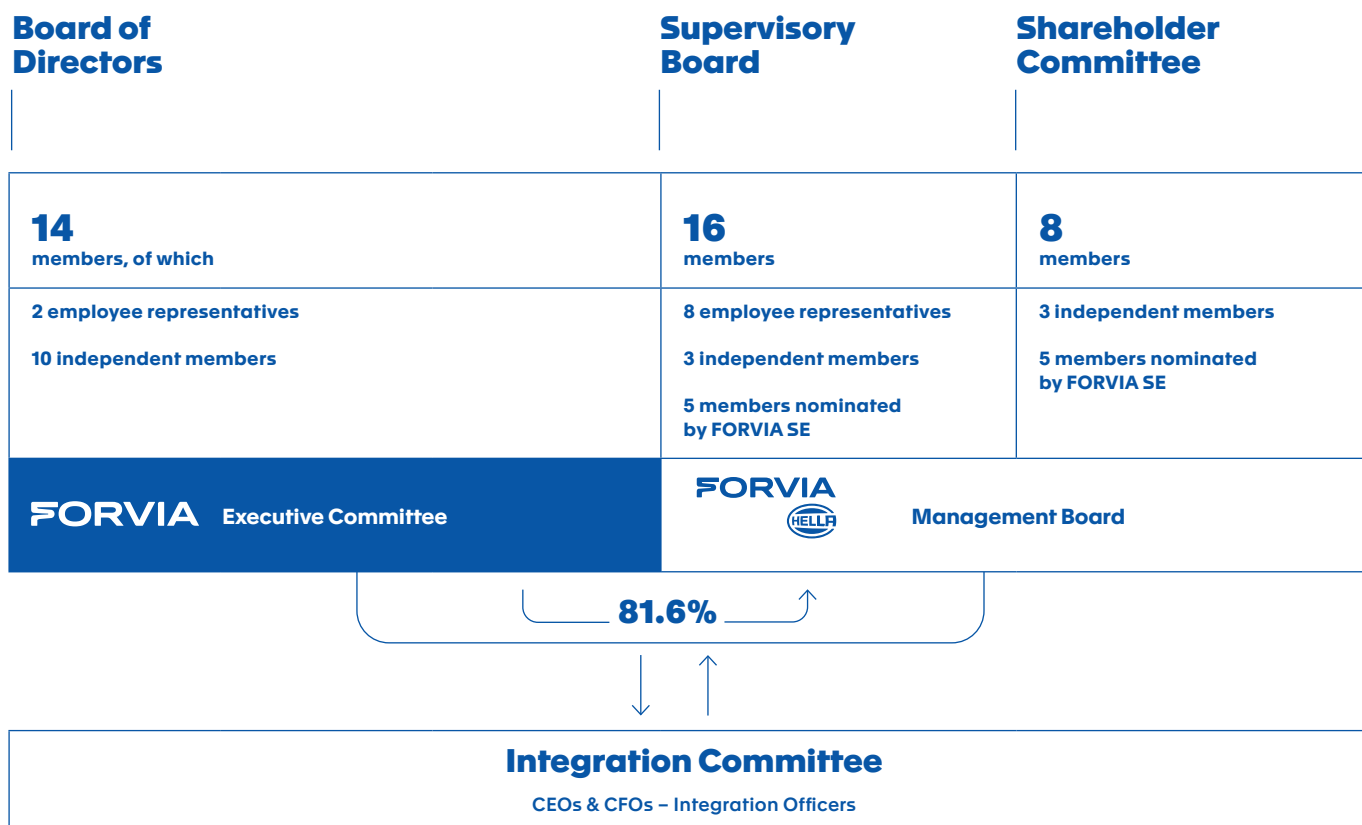
Effective governance

The governance structure of the FORVIA Group comprises separate but complementary governance bodies at FORVIA SE and HELLA GmbH & Co. KGaA ("HELLA") (together with FORVIA SE, the "Group") with efficient decision-making processes within each governing body. This governance model allows the Group's companies to work together effectively, while adhering to the governance principles required for HELLA and FORVIA SE.

The highest standards of independence, transparency, openness, inclusiveness and responsibility guide the governance of FORVIA SE and HELLA, ensuring that the companies deliver on their joint strategy while acting in the best interests of their shareholders.

One Group, two listed companies

At the date of the 2023 Universal Registration Document



FORVIA SE: an active and independent Board of Directors

At the date of the 2023 Universal Registration Document

The Board of Directors oversees FORVIA SE's business, financial and economic strategies, and the implementation of these. Meeting at least four times a year, the Board of Directors of FORVIA SE consists of 14 members, two of whom are employee representatives.

Three permanent committees are tasked with preparing discussions on specific topics:

- the Audit Committee
- the Governance, Nominations and Sustainability Committee
- the Compensation Committee.

The Board may establish ad hoc committees to exercise oversight on key topics.

The committees make proposals and recommendations and give advice to the Board of Directors in their respective fields of expertise.

Changes in 2023

The 2023 Shareholders' Meeting of FORVIA SE approved the appointment of Esther Gaide and Michael Bolle as independent Board members, respectively replacing Yan Mei and Peter Mertens, who opted not to be renewed for the subsequent terms.

At its meeting on October 19, 2023, the Board of Directors of FORVIA SE decided to coopt with immediate effect Nicolas Peter as an independent Board member on the proposal of the Hueck and Roepke family pool, following the July 13, 2023 resignation of Jürgen Behrend and the ensuing recruitment process.

The cooptation is subject to approval by the next Annual General Meeting.

Changes in 2024

In December 2023, the Board of Directors decided to modify the composition of the Governance, Nominations and Sustainability Committee and the Audit Committee as follows:

- Judy Curran and Nicolas Peter joined the Audit Committee on February 14, 2024,
- Robert Peugeot, permanent representative of Peugeot 1810, was transferred from the Audit Committee to the Governance, Nominations and Sustainability Committee with effect on February 13, 2024.



Michel de ROSEN
Chairman of the Board ● ●
End of mandate – 2024 AGM



Patrick KOLLER
Chief Executive Officer
End of mandate – 2025 AGM



Daniel BERNARDINO
Employee representative ●
End of mandate – 10/31/25



Michael BOLLE
Board member ● ●
End of mandate – 2027 AGM



Judy CURRAN
Head of Automotive Strategy of ANSYS ● ●
End of mandate – 2024 AGM



Odile DESFORGES
Board member ● ●
End of mandate – 2024 AGM



Esther GAIDE
Board member ● ●
End of mandate – 2027 AGM



Penelope HERSCHER
Board member ● ●
End of mandate – 2025 AGM



Valérie LANDON
CEO France and Belgium, Credit Suisse ● ●
End of mandate – 2025 AGM



Jean-Bernard LÉVY
Board member ● ●
End of mandate – 2024 AGM



Denis MERCIER
Deputy Chief Executive Officer of Fives Group ● ●
End of mandate – 2027 AGM



Nicolas PETER
Board member ● ●
End of mandate – 2026 AGM



Robert PEUGEOT
Permanent representative of Peugeot 1810, Chairman of the Board, Peugeot Invest ●
End of mandate – 2025 AGM



Emmanuel PIOCHE
Employee representative ●
End of mandate – 10/31/25

- Independent
- Governance, Nominations and Sustainability Committee
- Compensation Committee
- Audit Committee



A strong, international and expert management

Members of FORVIA SE and HELLA's management hail from a wide range of backgrounds, contributing a range of diverse and complementary skills.

FORVIA SE's executive functions are performed by an Executive Committee that meets at least once per month to review the Group's results and discuss operations and strategy.

Operating under the responsibility of the Chief Executive Officer (CEO), the FORVIA SE Executive Committee is composed of the CEO and 12 Executive Vice Presidents from the Group's international Business Groups and functional roles.

Executive Committee

As of January 1, 2024



Patrick KOLLER
Chief Executive Officer



Victoria CHANIAL
Executive Vice President,
Group Communications,
Public Affairs and
Sustainability



Olivier DURAND
Executive Vice
President, Group Chief
Financial Officer



Nik ENDRUD
Executive Vice
President, Americas



Jill GREENE
Executive Vice
President, Group
General Counsel and
Board Secretary



Olivier LEFEBVRE
Executive Vice
President, Group
Industrial Operations
& Clean Mobility



MA Chuan
Executive Vice
President, China



Jean-Paul MICHEL
Executive Vice
President, Interiors



Dr. Christopher MOKWA
Executive Vice
President, Strategy &
Digital Transformation



Thorsten MUSCHAL
Executive Vice
President, Sales &
Program Management



Christophe SCHMITT
Executive Vice
President, Seating



Jean-Pierre SOUNILLAC
Executive Vice
President, Group
Human Resources



François TARDIF
Executive Vice President,
Asia Business Region
& Faurecia Clarion
Electronics

The HELLA Management Board oversees the strategic and operational management of the HELLA Group.

The Shareholder Committee consists of four members nominated by the majority shareholders of FORVIA SE (Executive Committee members of FORVIA SE) and three independent members. The Shareholder Committee is the decision-making body of HELLA. Together with the Supervisory Board (see below), the Shareholder Committee advises the Management Board and decides on certain measures requiring approval. This multi-layered governance structure ensures compliance with German corporate law requirements and strong governance principles.

The HELLA Supervisory Board is composed of 16 members, five of whom are nominated by FORVIA SE. Together with the Shareholder Committee, it advises and supervises the Management Board, and oversees the delivery of certain required actions under the German Factual Group structure, such as the preparation and review of HELLA's Dependency Report.



Bernard SCHÄFERBARTHOLD
CEO, CFO, Managing Director Human Resources until February 29, 2024



Yves ANDRES
Managing Director Lighting



Stefanie RHEKER
Managing Director Human Resources from March 1, 2024



Stefan VAN DALEN
Managing Director Lifecycle Solutions



Philippe VIENNEY
CFO from March 1, 2024



Jörg WEISGERBER
Managing Director Electronics

Smart on risks

In a complex and volatile world, the Group’s robust Enterprise Risk Management (ERM) program allows us to maximize opportunities while minimizing threats, enhancing our performance and our resilience.

In today’s environment, organizations need to be agile and reactive without jeopardizing business continuity. An effective risk-based thinking mindset is crucial for protecting and creating value. A cornerstone of this for FORVIA is our ERM framework, a systematic process based on the ISO 31000 standard that enables continuous improvement in the Group’s performance. Its primary focus is the management of operational and industrial risks, the core business of our Group.

The ERM monitors 22 major risks that the Group could potentially face: operational and industrial, financial and market, and legal, regulatory and reputational. These are classified in three categories (A, B or C) according to the degree of threats and opportunities, and then processed by the relevant area to provide the most appropriate response. This risk mapping is overseen by FORVIA’s Risk Committee and is supported by a network across all Business Groups and regions. It is also shared quarterly with the Audit Committee and the Board of Directors.

70

A network of close to 70 champions and sponsors to boost risk awareness

120

key risk indicators to continuously improve FORVIA’s vulnerability management

500+

employees involved in specific risk mapping worldwide

This governance enables our Group to anticipate threats more effectively and develop targeted mitigation plans in the case of adverse events (e.g., natural hazards, supply disruptions, critical program launches or cybersecurity incidents). Boosting awareness of risk culture is a significant milestone in this risk approach, as all our teams potentially deal with risks daily around the world.

Risk classification



Strong on ethics and compliance

In today's business environment, in which organizations are challenged to be increasingly agile and fast, FORVIA needs, more than ever, to be vigilant and remain compliant with the highest ethical business standards in all countries where it operates.

Since 2004, FORVIA has been a member of the UN Global Compact, demonstrating our commitment to respecting ILO* conventions on human rights, labor standards, and the environment in our business practices.

The Group is committed to strict compliance on ethics in every aspect of its activities. Our Code of Ethics enshrines fundamental rights for all, economic and social dialogue, and skills development. Our standards and rules of conduct must be understood and respected everywhere by all employees and business partners.

Our anti-corruption Code of Conduct, available in 12 languages, promotes best practices concerning policy

on gifts and hospitality, donations and sponsorship, managing conflicts of interest and competition law. Regular controls are carried out in business areas exposed to corruption risks. To complement this set of framework documents, FORVIA has deployed its Human Rights Policy since 2022, which is applicable to all employees, business partners and suppliers. As part of our Duty of Care plan, it aims to prevent serious violations of human rights, fundamental freedoms, or threats to the health and safety of people and the environment resulting from our activities or those in our supply chain.

*International Labor Organization



Speak up

FORVIA fosters a speak-up culture in line with our zero-tolerance policy for non-compliance, with a channel for employees (including temporary employees, subcontractors, etc.), partners, suppliers, civil society (NGOs), and local communities to raise concerns or report violations via www.faurecia.ethicspoints.com and <https://hella.whistleblownetwork.net/FrontPages/Default.aspx>.

All alerts are received only by the Group Chief Compliance Officer and Group General Counsel. They ensure, with the Regional Compliance officers, the anonymity of the whistleblower.

FORVIA's business model

FORVIA resources

Strategy & operational model



People

- **153,000** employees
- **140** nationalities in 41 countries
- **5** FORVIA University campuses
- **106,750** employees connected to the e-learning platform, **48%** of whom are operators



Business

- **€2,198M** gross R&D expenditure
- Global innovation ecosystem
- **15,000** R&D engineers
- **13,400** patents in our portfolio



Planet

- **Up to 70%** renewable energy capacity across Europe
- Sustainable materials innovation with MATERI'ACT
- **88%** of production sites certified ISO 14001
- **24.9%** of sales aligned with green taxonomy

FORVIA
Inspiring mobility

We pioneer technology



OUR THREE STRATEGIC PILLARS

- Electrification and energy management
- Safe and automated driving
- Digital and sustainable cockpit experiences

○ **ENVIRONMENTAL, SOCIAL AND GOVERNANCE AS A BUSINESS DRIVER**



1. Includes Faurecia Clarion Electronics and HELLA Electronics
2. HELLA
3. Excluding HELLA perimeter

4. FORVIA scope including the top 200 suppliers in HELLA's panel
5. Dividends paid to minority interests in consolidated subsidiaries

OUR SIX BUSINESS GROUPS

- Seating
- Interiors
- Clean Mobility
- Electronics¹
- Lighting²
- Lifecycle Solutions²

...
for mobility experiences that matter to people.

○ **POWER25:
MEDIUM-TERM PLAN FOR
PROFITABLE GROWTH**

Value created in 2023



People

- **28.6%** of managers and skilled professionals are women
- **27%** of the Top 300 leaders are women³
- **26.9 hours** of training per employee³



Business

- **1,283** patent filings in 2023
- **84%** of direct purchasing volume assessed for CSR performance by EcoVadis⁴
- Customer satisfaction: **4.7 stars** out of 5³



Planet

- CO₂ intensity: **26 tons** of CO₂eq scopes 1 & 2 / € million sales
- Energy intensity of sites: **92 MWh** scopes 1 & 2 / € million sales
- Waste intensity: **8.9 tons** waste / € million sales

2023 REVENUE

€27,248M

EMPLOYEE SALARIES & SOCIAL CHARGES

€5,786M 22.7%

SHAREHOLDER DIVIDENDS⁵

€133M 0.5%

BANK FINANCE COSTS

€496M 1.9%

NATIONAL/LOCAL TAXES

€287M 1.1%

SUPPLIER PURCHASES & OTHER EXTERNAL COSTS

€19,630M 77.1%

Ability to finance future growth

INVESTMENT IN FIXED ASSETS

€1,137M 4.5%

GROSS R&D EXPENDITURE

€2,198M 8.6%

INVESTMENT IN ACQUISITIONS

€359M 1.4%

2023 financial performance



In 2023, a robust rebound in production across all regions, facilitated by the gradual improvement of supply chains, allowed the automotive market to recover to its pre-Covid level.

In this context, FORVIA significantly outperformed the market by 430 basis points, recording sales of €27.2 billion and achieving organic growth of 14%.

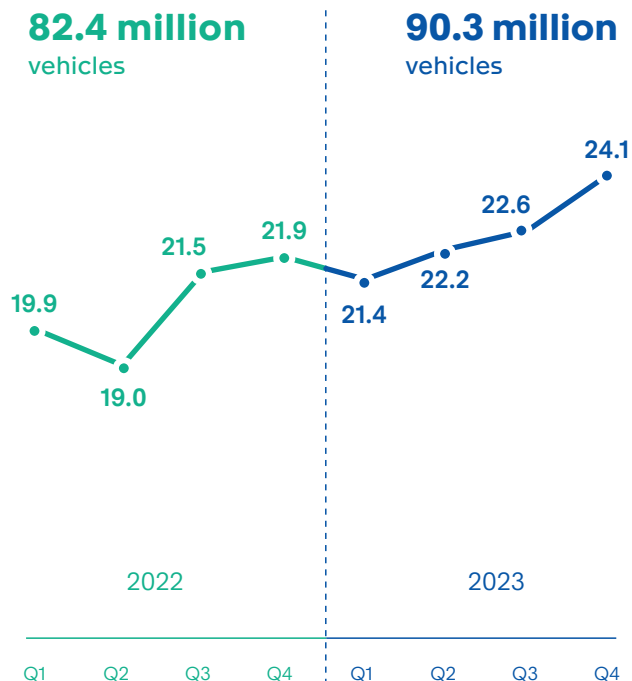
Our key financial indicators are on the rise and in line with the goals of our POWER25 plan presented at our Capital Markets Day in November 2022. Despite persistent inflation, the Group has improved its operational profitability by one point, reaching 5.3% of sales, notably benefiting from synergies with HELLA. The generation of high net cash flow, amounting to €649 million or 2.4% of sales, and the successful completion of the €1 billion asset disposal program announced in 2022 have allowed a reduction in net debt of close to €1 billion and a one-point decrease in the Net Debt/EBITDA ratio over 18 months, reaching 2.1x by the end of 2023.

By launching a second €1 billion asset disposal program at the end of 2023, FORVIA has reaffirmed its absolute priority for debt reduction and its commitment to accelerating the reduction of financial expenses while simplifying its business portfolio. In response to the ongoing transformations in the automotive market, the reinforcement of the Group’s strategic and financial fundamentals instills confidence in the achievement of its 2025 objectives. We keep building a stronger Group, able to compete in a fast-changing environment.

Olivier Durand

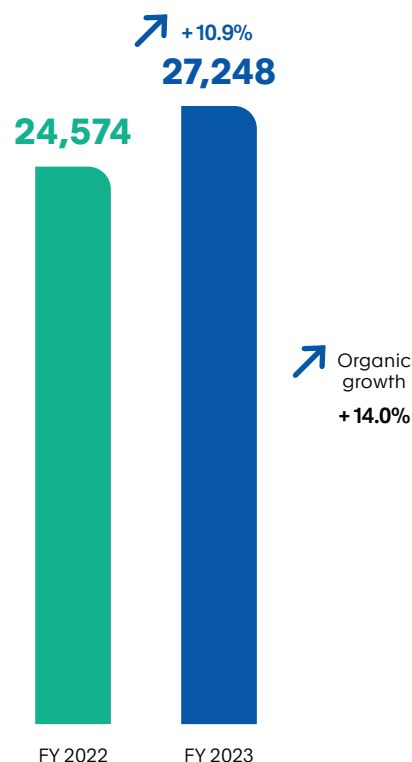
Executive Vice President
Group Chief Financial Officer, FORVIA

Worldwide automotive production



Sales

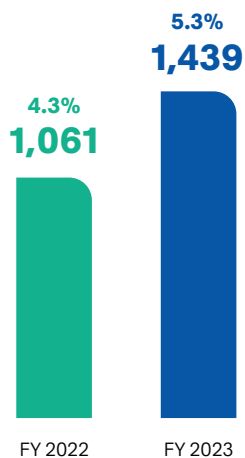
(in millions of euros)



Operating income

(in millions of euros)

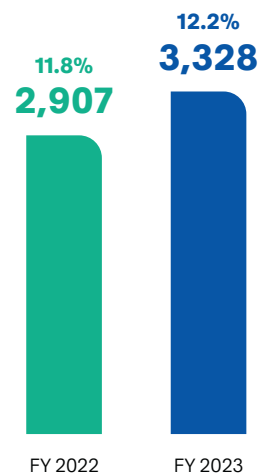
% of sales



Adjusted EBITDA

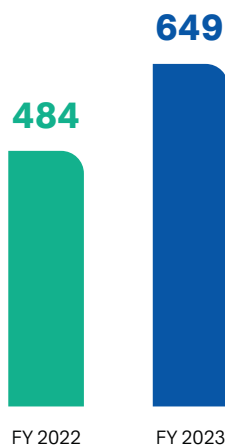
(in millions of euros)

% of sales



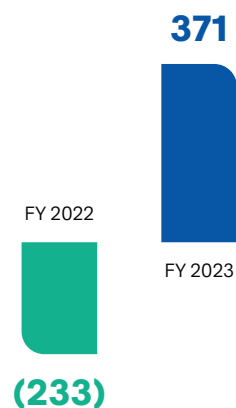
Net cash flow

(in millions of euros)



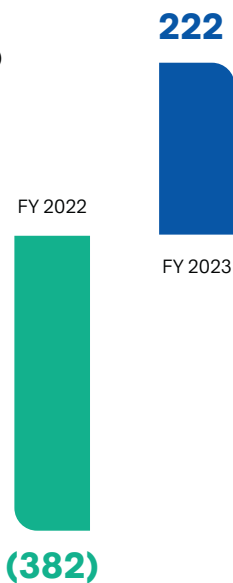
Net income from continued operations

(in millions of euros)



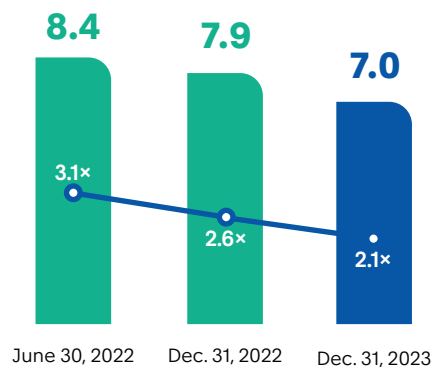
Net income Group share

(in millions of euros)



Net debt at year end Net debt/Adjusted EBITDA ratio

(in billions of euros)



2023 sustainability performance



The fight against global warming and the quest for a more inclusive world are increasingly at the heart of societal concerns. Faced with these challenges, FORVIA is a pioneer among the automotive sector industrial players.

The SBTi's approval of the Group's 2045 Net Zero roadmap is highly encouraging, and on this path, 2023 was another year of concrete actions. On scopes 1 and 2, FORVIA's ambition and speed are faster than the industry average. On scope 3, which is more challenging as it involves the value chain, upstream and downstream, FORVIA is demonstrating significant breakthroughs, particularly due to its investment in sustainable materials. This is a key lever for transforming industrial products and making them sustainable.

Beyond climate, the Group is committed to improving the environmental performance of its plants – waste and water management optimization, biodiversity –, building a responsible supply chain, promoting diversity and inclusion, and advancing societal engagement.

From the investment in technologies to the priorities set by the leadership team, FORVIA is walking the talk when it comes to sustainability – step by step. A lot has been achieved, and there is still work ahead. The journey continues.

Jean-Bernard Lévy

Member of FORVIA Board of Directors –
Chairman of the Governance, Nominations
and Sustainability Committee

Our key 2023 indicators

Our sustainability roadmap

Governance

Sustainability integrated into corporate governance

Planet

Care for the planet

<p>CO₂ EMISSIONS 0.69 metric tons of CO₂eq (scopes 1 & 2) 13.5 metric tons of CO₂eq (scope 3 - excluding product usage)</p>	<p>ENERGY INTENSITY 92 MWh scopes 1 & 2 / € million sales</p>
<p>CO₂ INTENSITY 26 tons of CO₂eq scopes 1 & 2 / € million sales</p>	<p>WASTE INTENSITY 8.9 tons waste / € million sales</p>
	<p>WATER INTENSITY 120.3 m³ / € million sales</p>
	<p>GREEN TAXONOMY 24.9% share of revenues aligned</p>

By 2025

CO₂ neutral in operations scopes 1 & 2

-28% in waste intensity

By 2027

-34% in waste intensity

By 2030

-45% in CO₂ emissions scopes 1, 2, 3

By 2045

CO₂ net zero

83%

independent Board members

14

Board members, including 2 employee representatives and 5 women (42%)

1

"Governance, Nominations & Sustainability" Board Committee

4

Executive Committee meetings on sustainable transformation initiatives per year

2

ESG criteria linked to remuneration (gender diversity and CO₂ emissions)



Business

Responsible performance

BUSINESS ETHICS
97% of targeted employees trained in the Code of Ethics

RESPONSIBLE SUPPLY CHAIN
84% of direct purchasing volume assessed for CSR performance by EcoVadis*
45/100 minimum score for suppliers assessed by EcoVadis

SAFETY AT WORK
2.70 accidents with & without stoppage per million hours worked (FR1t indicator)

*FORVIA scope including the top 200 suppliers in HELLA's panel

By 2025

BUSINESS ETHICS
100% of targeted employees trained in the Code of Ethics

RESPONSIBLE SUPPLY CHAIN
85% of direct purchasing volume assessed for CSR performance by EcoVadis

55/100 minimum score for suppliers assessed by EcoVadis

By 2027

SAFETY AT WORK
1.5 accidents with & without stoppage per million hours worked (FR1t indicator)



People

Contribute to society

DIVERSITY
27% of the top 300 leaders are women*
28.6% of managers and skilled professionals are women

LEARNING ORGANIZATION
26.9 hours of training per employee*

*Excluding HELLA perimeter

By 2027

DIVERSITY
25% women among the top 300 leaders
30% women among managers and skilled professionals

By 2030

DIVERSITY
30% women among the top 300 leaders
35% women among managers and skilled professionals


LEARNING ORGANIZATION
25 hours of training per employee per year

FORVIA's sustainability ecosystem

The Group adheres to international norms and standards, reflecting its commitment to best environmental, social and societal practices. The Group also relies on recognized partners and methodologies to develop and monitor its sustainability strategy. It uses international reporting frameworks and certifications to ensure its transparency and guarantee the quality of its management systems and processes.





FORVIA's ESG Ratings

MSCI 
A
 Scale AAA to CCC
 MOODY'S | ESG Solutions
62/100

SUSTAINALYTICS 
 Risk category
"Low risk"
 No. 2 in the automotive parts sector

CDP 
 Climate **A**
 Water **B**
CDP 
 A LIST 2023
 CLIMATE
 Supplier Engagement Leader **A**
 Scale **A** to **D**


 FTSE4Good
4/5
 Listed in the index series
ISS ESG 
C
 Scale A+ to D

1

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1.1. Review of the Group's business and consolidated results

1.1.1. Events of the financial year

1.1.1.1. Notable facts

The worldwide automotive production showed strong dynamics in 2023 with a global production of 90.3 million light vehicles, corresponding to a 9.7% growth year on year. The market was supported by a very robust global demand and the progressive normalization of semi-conductor's supply. The 2023 level exceeded the c. 89 million light vehicle production reached in 2019 (pre-Covid level), but with a different regional mix: in 2023, China represented 32% of worldwide light vehicle production (vs. 27% in 2019) and Europe represented 20% (vs. 24% in 2019).

Consistently with its early 2023 announcements, FORVIA has concluded its disengagement from Russia, with the sale of its three operating entities (Faurecia Environmental solutions-Russia, Faurecia Automotive Solutions, Faurecia Interior Togliatti) in December 2023, after having obtained the necessary regulatory authorizations from the Russian administration. FORVIA have no operational activities in Russia since end of December 2023.

The impact of cost inflation has however persisted during the year 2023; compared to 2022, which predominantly caused by increase in raw material prices, cost inflation in 2023 mainly related to energy, labor and, to a lesser extent, raw material prices (some of them starting to go down).

During 2023, FORVIA signed and closed agreements finalizing the €1 billion first disposals program initiated in 2022 :

- the sale of the SAS Cockpit Modules division to the Motherson group for a value of €540 million (see Note 2.1);
- the sale of part of its exhaust after-treatment business for commercial vehicles to the Cummins group for a value of €199.2 million (see Note 2.2);
- the sale of part of its stake in Symbio to Stellantis for a value of €150 million. Upon closing of this transaction FORVIA, Michelin and Stellantis will be equal partners in Symbio.

and has initiated the second €1 billion disposals program in October with the agreement of :

- the sale of HELLA BHTC shares for a total enterprise value of €600 million (€300 million for each of the two co-owners).

In August and November 2023, FORVIA's corporate ratings assigned by S&P (BB), Moody's (Ba2) and Fitch (BB+) were reaffirmed and the outlook was raised from "negative" to "stable" by the three rating agencies.

The Group's financial debt stood at €6,987 million at December 31, 2023 compared to €7,939 million at December 31, 2022. The €952 million decrease in the net debt mainly stems from the positive net cash flow evolution, the disposals that took place in 2023 and other elements.

In accordance with IFRS 5, "net income of discontinued operations" presented in the consolidated statement of comprehensive income amounted to €-5.4 million including the operations of the SAS business from January 1, 2023 to July 31, 2023 for total sales of €593.6 million as well as the net loss on disposal related to this activity of €-6.3 million and the directly incrementable expenses related to the sale.

The accounting principles and methods applied to discontinued operations are identical to those used for the annual financial statements.

MSCI leading ESG rating agency upgraded FORVIA's rating from "BBB" to "A". The agency welcomes positive evolution in the governance, specifically the alignment of the Board structure with investor's interests. MSCI also highlights the entry in the Lighting business which has intrinsically lower exposure to product liability risks than other products in the auto supplier sector. After the previous upgrade from "BB" to "BBB" obtained in July 2022, this new step underlines the Group's constant progress on ESG topics and now ranks FORVIA within the first quartile of the MSCI 32 auto components manufacturers universe.

1.1.1.2. Main events

January 2023

- FORVIA has successfully priced the New Notes, sustainability-linked 7.25% senior notes due 2026 (the "New Notes") following a private placement arranged by BNP Paribas. FORVIA priced the New Notes at 101.75% of par, or a yield of 6.65%.

February 2023

- As announced in January FORVIA has issued on February 1, 2023 €250 million of New Notes, sustainability-linked 7.25% senior notes due 2026. The proceeds of the issuance of the New Notes will be used to fully reimburse the Bridge-to-Bond and the Bridge-to-Equity in connection with the HELLA acquisition and for general corporate purposes.
- FORVIA has entered in February 2023 into exclusive negotiations with Cummins for the potential sale of a part of its Commercial Vehicle exhaust aftertreatment business. The potential transaction would be subject to customary conditions precedents, including regulatory approvals and completion of applicable employee representative consultations.
- FORVIA has announced mid-February 2023 to have signed with the Motherson group an agreement by which Motherson commits to acquire FORVIA SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors Segment, for an enterprise value of €540 million. The transaction will be subject to customary conditions precedents, including regulatory approvals.
- HELLA has appointed Jörg Weisgerber and Stefan van Dalen, two executives from its own ranks, to the Management Board. Jörg Weisgerber is taking over from Björn Twiehaus as head of HELLA's electronics business on April 1. Stefan van Dalen is succeeding Dr. Lea Corzilius as new Managing Director Lifecycle Solutions also as of April 1. Jörg Weisgerber and Stefan van Dalen both joined HELLA back in 2016.

March 2023

- FORVIA has added to its operational capacity in the Americas with the opening of a new, state-of-the-art manufacturing facility in Monterrey, Nuevo León, Mexico. Featuring bioclimatic design principles to optimize energy efficiency and support the Group's commitment to achieving carbon neutrality by 2045, the more than 33,500 square-meter facility will employ approximately 1,500 people and manufacture automotive seat structures, instrument panels, and center consoles aligned with industry megatrends in sustainability and light weighting.

April 2023

- Auto Shanghai 2023 – From electrification to captain chair: FORVIA displayed deep understanding of Chinese market. FORVIA showcased breakthrough technologies at Auto Shanghai, participating for the first time as the world's 7th largest automotive technology supplier. FORVIA presented its new solutions developed for the Chinese market alongside its global state-of-the-art portfolio, including its award-winning Solid-State Lighting High-Definition headlamp (SSL | HD).
- FORVIA, attended Hannover Messe 2023, in Hannover, Germany alongside Symbio, its joint-venture created with Michelin. Two breakthrough hydrogen solutions for Automotive and Infrastructure in the European Market were showcased:
 - containerized Hydrogen Storage: a lightweight storage solution aiming at drastically lowering the cost and CO₂ footprint of transporting hydrogen, by storing c. 1 ton of H₂ in the equivalent of a 40 feet container,
 - XL Gaseous Storage: a new 700 bar tank for truck applications which increases hydrogen capacity by 80% vs current 350 bar solution and provides new vehicle integration opportunities.

May 2023

- FORVIA, Michelin and Stellantis have announced the signing of a binding agreement for Stellantis to acquire 33.3% stake in Symbio, a leader in zero-emission hydrogen mobility. FORVIA and Michelin will remain shareholders with 33.3% holding each.

- With the acquisition by Stellantis of a stake in Symbio (a joint venture between FORVIA and Michelin), confirmed in a joint press release by the three partners, FORVIA will receive a total amount of €150 million which will contribute to its €1 billion asset disposal program by the end of 2023. This asset disposal program includes two other operations already announced, representing together a cumulated enterprise value of almost €700 million:
 - the sale of FORVIA's SAS Cockpit Modules division (assembly and logistics services) to the Motherson group, announced on February 19, is currently subject to regulatory approvals and the closing is expected early Q3 2023,
 - the sale of part of FORVIA's commercial vehicle exhaust gas aftertreatment business in Europe and the United States, announced on February 16, is currently under exclusive and final negotiations with Cummins.

These three operations are in addition to the two transactions already closed, the sale by FORVIA of its Interiors business in India to TAFE and the sale by HELLA of its stake in HBPO.

FORVIA confirms it will deliver its €1 billion asset disposal program by the end of 2023. Those divestments contribute to FORVIA's net debt reduction, its top priority following the acquisition of a majority stake in HELLA at the end of January 2022.

- FORVIA signed an agreement to transfer to Cummins a part of its commercial vehicle business in Europe and in the United States. Following an exclusive negotiations phase, FORVIA and Cummins have signed a Share and Asset Purchase Agreement under which FORVIA will sell a part of its commercial vehicle exhaust aftertreatment business in Europe and the US to Cummins for an enterprise value of €142 million after final technical adjustments.
- FORVIA boosts its renewable energy capacity to up to 70% across Europe with Renewable Power Capital deal. FORVIA continues to implement its decarbonization roadmap by signing a ten-year Power Purchase Agreement (PPA) with Renewable Power Capital. This deal is securing almost all the output from the 417 GWh, 24 wind turbines, Klevberget onshore farm in Sweden and will generate the equivalent of more than 40% of all FORVIA's European yearly electric consumption. Building on existing deals, up to 70% of FORVIA's consumption – 650 GWh – will be powered by renewable electricity thanks to a portfolio of 37 wind turbines. In addition to this capacity, 130 hectares of solar panels are being installed at more than 150 FORVIA sites, which provides up to 5% of its renewable energy mix.
- At the Shareholders' Meeting of May 30, 2023, shareholders have renewed Denis Mercier as Board member for a period four years, and have appointed Esther Gaide and Dr Michael Bolle as Board members for a period four years. All three are considered as independent within the meaning of AFEP-MEDEF Code. Yan Mei and Dr Peter Mertens, whose terms of office expired at the close of this Shareholders' Meeting, did not wish to be renewed.

June 2023

- The FORVIA Foundation joins forces with the Maud Fontenoy Foundation and Plastic Odyssey to protect the oceans. Through its Corporate Foundation, FORVIA, is extending its action to protect the environment by joining forces with the Maud Fontenoy Foundation and Plastic Odyssey, two renowned organizations dedicated to protecting marine biodiversity.
- FORVIA starts deliveries of hydrogen tanks from first mass production plant in France. Type IV Hydrogen tanks have started rolling out from FORVIA's groundbreaking mass production plant in Allenjoie, France. This first-of-its-kind facility in Europe and North America aims to produce 100,000 tanks annually. With hydrogen as a driving force behind the decarbonization of mobility and industry, FORVIA is committed to delivering safe and affordable hydrogen storage technology.

July 2023

- FORVIA and BYD have launched the construction of a new state-of-the-art seat-assembly plant in the Rayong province of Thailand.

This strategic leap strengthens the global technical partnership developed with Chinese electric vehicles manufacturer BYD, propelling both companies further into the Asia-Pacific market. The collaboration has already yielded impressive results, with seven cutting-edge factories established in China, including four within the past 18 months.

- HELLA, the automotive supplier operating under the umbrella brand FORVIA, and the luxury car manufacturer Porsche, have launched the world's first high-resolution headlamp based on matrix LED technology. With over 32,000 individually controllable pixels per headlamp, this agreement raises automotive lighting technology to a new level. The digital headlamp system SSL | HD is now available for the first time in the new Porsche Cayenne.

- FORVIA manufacturing sites received more than 80 supplier quality awards from customers around the world in the first six months of 2023. FORVIA sites received awards from a globally diverse range of customers located in Europe, Asia, and the Americas. The awards reflect a variety of Quality and Total Customer Satisfaction achievements including innovation, project support and development, problem solving, and response timing.

August 2023

- Motherson group has acquired 100% of "SAS" Cockpit Modules division ("SAS"), a global provider of assembly and logistics services for the automotive industry, based on an enterprise value of €540 million. Motherson is a diversified manufacturing specialist and one of the world's leading automotive Group. The transaction complements its Modules and Polymer Products portfolio.
- In August 2023, FORVIA's corporate ratings assigned by S&P (BB), Moody's (Ba2) were reaffirmed and the outlook was raised from "negative" to "stable" by the two rating agencies
- FORVIA has confirmed the sale of part of its shareholding in Symbio to Stellantis, completed on July 27. It enabled Stellantis to acquire a stake alongside Michelin and FORVIA in the leading company for fuel cell mobility, with each shareholder holding 33.33%.

September 2023

- Five FORVIA Innovations were named Automotive News PACE and PACEpilot Finalists. FORVIA was honored to have five technologies selected as finalists for the 2023 Automotive News PACE and PACEpilot Awards. The PACE awards, now in their 29th year, are given to automotive suppliers in recognition of a technological innovation in product or process that have reached the commercial market. Automotive News had selected 34 finalists for the PACE award, including two FORVIA technologies:
 - FORVIA's Immersive Display, a next-generation system that combines high and low-definition screen areas to create a seamless user experience, customizable to screen shapes and sizes,
 - FORVIA's All-in-one seating innovation, where seat sensors can help identify potential physical pain.
- FORVIA has announced two innovations showcased in the Esprit Alpine trim of the highly anticipated, All-new Renault Rafale. These groundbreaking technologies, LUMI and Ecorium, are set to transform the way drivers interact with their vehicles, adding enhanced style, emotional connection and sustainability to the driving experience.
- FORVIA has showcased its technology at AAI Mobility, Europe's largest automotive trade show. It presented its technology portfolio in three strategic growth areas at the IAA Mobility 2023 in Munich: Electrification and energy management, safe and automated driving, and digital and sustainable cockpit experiences.
- FORVIA has unveiled the world premiere of a seat structure made from fossil-free steel, produced with a very low CO₂ footprint, reduced by almost 90% compared to a traditional steel seat structure. This groundbreaking achievement, realized through a collaboration with leading Nordic-based steel manufacturer SSAB, marked a momentous stride towards sustainable innovation.
- On September 11, FORVIA and CHERY, the world-renowned large-scale automobile manufacturing enterprise, signed a strategic cooperation agreement in presence of Patrick Koller, CEO of FORVIA; Ma Chuan, China Deputy Executive Vice President, Yin Tongyue, Chairman of CHERY and Qi Shilong, Deputy General Manager at CHERY among other guests. Based on the strong business synergy and solid cooperation foundation, FORVIA and CHERY established a long-term strategic partnership and further deepened all-round cooperation, especially in the field of smart cockpits.
- Bernard Schäferbarthold, currently Chief Financial Officer of HELLA, will become the new Chairman of the Management Board. This was decided by the Shareholders' Committee of HELLA GmbH & Co. KGaA at its meeting on September 29. Bernard Schäferbarthold will take over the position on January 1, 2024 from Michel Favre, who has mutually agreed with the Shareholders' Committee on an early termination of his mandate.

October 2023

- FORVIA confirmed the successful completion of the transaction first announced on May 23, 2023 transferring designated parts of FORVIA's commercial vehicle exhaust aftertreatment business in Europe and in the United States, for a total transaction value of €199.2 million, to its longstanding partner Cummins. The decision to transfer this business to Cummins was part of FORVIA's strategy to focus on ultra-low emission solutions for light vehicles, where it is a leader in the market, and its hydrogen roadmap to bring a comprehensive portfolio of hydrogen storage solutions to market.
- HELLA, jointly with MAHLE, has announced the sale of their BHTC shares for a total enterprise value of €600 million (€300 million for each of the two co-owners). With the divestment of its stake in BHTC (accounted for by the equity method within HELLA's accounts), HELLA will strengthen its focus on its core business areas: Electronics, Lighting and Lifecycle Solutions. The transaction is subject to approval by the relevant foreign trade and antitrust authorities and closing is expected to take place by mid-2024.

- At its meeting on 19 October 2023, the Board of Directors of FORVIA SE decided to coopt with immediate effect Nicolas Peter as an independent Board member. This cooptation follows Jürgen Behrend's resignation for personal reasons. Nicolas Peter is co-opted for the remainder of Jürgen Behrend's term of office, i.e., until the 2026 Annual General Meeting. Nicolas Peter worked for the BMW Group in various positions for more than three decades and was the chief financial officer and a member of the Board of Management from 2017 to May 2023. He has been chairman of the Board of Trustees of the BMW Foundation Herbert Quandt since 2020. Nicolas Peter serves also as a member of the German Government Commission for the German Corporate Governance Code (GCGC).
- FORVIA has officially inaugurated its industrial platform in Allenjoie (France) in the presence of Ms. Marie-Guite Dufay, President of the Bourgogne-Franche-Comté region, Mr. Franck Robine, Prefet of the region and Mr. Bruno Bonnell, Secretary General for Investments. Inaugurated in 2023, the Allenjoie platform includes two major sites and is FORVIA's technological flagship in France. One plant produces seating components at an unparalleled degree of digitalization and automation, making it one of our most advanced facilities worldwide. The other is the first mass production site of vehicle hydrogen storage systems in Europe and will allow production costs for hydrogen solutions to be cut by five within two years. By 2030, this "Clean Mobility" plant will produce 100,000 hydrogen tanks a year, supporting the evolution in transport from ultra-low to zero emissions. Both plants are industry-leading examples of sustainable production, meeting the strictest environmental standards. The platform's rooftop solar arrays, biomass-fired boilers, heat recovery and rainwater sanitation systems have earned it BREEAM Excellent certification – the first awarded to an industrial site in France.
- FORVIA has concluded a groundbreaking contract with a premium German OEM to introduce VIBE®, its cutting-edge immersive technology that redefines consumers' time behind the wheel. FORVIA's VIBE® technology delivers an unparalleled and safe experience by embedding tactile sensations within the car seat, creating a fully-immersive journey. After five years of intensive research and development in collaboration with Aurasens, pioneers in vibro-haptic composition, VIBE® has been set to make its debut in a next-generation premium SUV end 2025.
- FORVIA received three accolades at the CLEPA Innovation Awards 2023. The European Association of Automotive Suppliers, CLEPA, has recognized FORVIA for its outstanding contributions to shaping the future of mobility. In the eighth edition of the international competition, with a focus on Digital and Green innovations, three technologies from different FORVIA Business Groups received an award from CLEPA:
 - Automatic Diagnostics: a world's-first strongly increasing vehicle repair efficiency,
 - NAFILean-R: more recycled content in sustainable materials,
 - XL Tank: game-changing solution to address the needs of Heavy-Duty hydrogen mobility.

November 2023

- FORVIA has been awarded a contract from a major automotive manufacturer to supply Type IV hydrogen storage systems for medium-duty commercial trucks in the North American market, with start of production in 2025.
- In November 2023 FORVIA's corporate ratings assigned by Fitch (BB+) was reaffirmed and the outlook was raised from "negative" to "stable" by Fitch.
- FORVIA, has officially inaugurated its latest Electronics mega plant Poenix in Fengcheng (Jiangxi, China) in the presence of government representatives, partners and more than 40 customers. The Phoenix plant in Fengcheng, China, is best-in-class both in smart manufacturing and sustainability. This new Electronics megaplant uses end-to-end digitalization to produce electronics systems for cockpit displays and automated driving, with a capacity of 2 million units per year. It sets a precedent for FORVIA – the first plant to be designed using digital-twin technology at such a level and scale to simulate its 89 production lines and workflows in a virtual environment, allowing streamlined construction and improved operational efficiency. This strategic pilot plant is on track to become a full "lighthouse" for the group, setting the standard for other similar plants around the world with real-time data analysis, state-of-the-art automation tools and intelligent digitalized warehousing. It is also FORVIA's first plant to achieve net zero on scopes 1 and 2: its green building design has been awarded LEED Gold certification.
- One year after its creation, MATERI'ACT, a company of the FORVIA group, inaugurated its Headquarters and R&D center in Villeurbanne (France) on November 13. At the cutting edge of technology, this center brings together engineers, researchers and data scientists, and is destined to become a world-class center of excellence, and one of Europe's leading centers in the field of materials with very low CO₂ footprints.
- FORVIA, combining the complementary strengths of Faurecia and HELLA, has received four accolades at the CES 2024 Innovation Awards in the category "Vehicle Tech & Advanced Mobility":
 - HELLA's FlatLight | µMX technology,
 - Skyline Immersive Display,
 - eMirror Safe UX,
 - Light Tile for Transparent Door.

December 2023

- TMD Friction and HELLA, a company of the group FORVIA, have agreed to transfer the 50 percent share currently held by TMD Friction in the brake joint venture HELLA Pagid to HELLA. The two companies signed a letter of intent. HELLA would thus become the sole shareholder of HELLA Pagid. Founded in 2013, HELLA Pagid, a joint venture between automotive supplier HELLA and brake friction manufacturer TMD Friction, sells brake components and accessories on the global automotive aftermarket.
- Symbio, an equally owned joint venture between FORVIA, Michelin and Stellantis, has inaugurated SymphonHy, its first gigafactory, a center of technological and industrial excellence. Located in Saint-Fons, in the Auvergne-Rhône-Alpes region, SymphonHy is the largest integrated fuel cell production site in Europe, confirming Symbio's role as a technological and industrial leader.
- FORVIA has set up a 4-year strategic partnership with CentraleSupélec, a renowned French Higher Education and Research Institution specialized in engineering and systems sciences, to shape the future of Smart Vehicles. In pursuit of scientific advancements, FORVIA's Clarion Electronics Business Group has harnessed its expertise and research activities in Artificial Intelligence (AI) for automotive applications, with a focus on data fusion and image processing.
- On December 8, 2023, FORVIA, successfully raised JPY19.2 billion – corresponding to c.€123 million - through a three-tranches senior bond issuance on the Japanese market. The three maturities of 2.25 years, 3.25 years and 5 years offer an average coupon of 2.62%. This transaction represented FORVIA's first issuance of a "Samurai bond" – yen-denominated bonds issued by non-domestic issuers as well as the first-ever Samurai bond issuance by an international automotive supplier. It contributed to the diversification of FORVIA's debt investor base and supports the globalization of its footprint.
- At its meeting held on December 14, 2023, the Board of Directors of FORVIA SE decided to propose, for approval at the 2024 Annual Shareholders' Meeting, the renewal of the following Board members, each of whose current terms expire in 2024: Judy CURRAN, Jean-Bernard LÉVY, and Michel de ROSEN.

January 2024

- Effective 19th December 2023, Jill GREENE is appointed Executive Vice-President, Group General Counsel and Board Secretary. She succeeds Nolwenn DELAUNAY and reports to CEO of FORVIA Patrick KOLLER.
- Effective 1st January 2024, Chuan MA is appointed Executive Vice-President, China. He reports to the CEO of FORVIA Patrick Koller. This appointment takes place at a time when Chinese OEMs are becoming Global Automotive players in the context of electrification of the Automotive industry.

February 2024

- FORVIA, has been recognized for leadership in corporate transparency and performance on climate change by global environmental non-profit Carbon Disclosure Project (CDP), securing a place on its annual 'A List'. Based on data reported through CDP's 2023 Climate Change questionnaire, FORVIA is one of the very few companies that achieved 'A' – out of over 21,000 companies scored.

All press releases related to these events are available on the site www.forvia.com.

1.1.2. Automotive production

Worldwide automotive production increased by 9.7% from 2022 to 2023. It increased in EMEA (Europe Middle East and Africa) by 11.5%, increased in Americas by 8.6% and increased in Asia by 9.4%, of which increased in China by 10.0%.

The data related to automotive production and volume evolution is based on S&P Global Mobility (ex-IHS Markit) forecast dated February 2024 (vehicles segment in line with CAAM for China).

AUTOMOTIVE PRODUCTION AND VOLUME EVOLUTION FROM 2022 TO 2023

	Q1	Q2	H1	Q3	Q4	H2	FY
EMEA	14.9%	15.9%	15.4%	7.5%	7.7%	7.6%	11.5%
Americas	10.2%	13.7%	12.0%	6.5%	4.2%	5.4%	8.6%
Asia	3.2%	18.4%	10.5%	3.7%	13.2%	8.5%	9.4%
China	-4.9%	22.2%	7.8%	2.3%	21.3%	11.7%	10.0%
TOTAL	7.3%	16.8%	11.9%	5.0%	10.3%	7.7%	9.7%

1.1.3. Sales

FORVIA's year-on-year sales evolution is made of three components:

- a "Currency effect", calculated by applying average currency rates for the period to the sales of the prior year;
- a "Scope effect" (acquisition/divestment);
- a "Growth at constant scope & currencies".

As "Scope effect", FORVIA presents all acquisitions/divestments, whose sales on an annual basis amount to more than €250 million. Other acquisitions below this threshold are considered as "bolt-on acquisitions" and are included in "Growth at constant currencies".

In 2023, there was no effect from "bolt-on acquisitions".

<i>(in € millions)</i>	H2 2023	Currencies	Scope Effect*	At constant scope & currencies	H2 2022 restated
Product Sales	12,872.7	(889.5)	(100.5)	1,276.9	12,585.8
Var. in %	2.3%	-7.1%	-0.8%	10.1%	
Tooling, Prototypes and Other Services	754.6	(60.8)	(1.1)	61.9	754.6
Var. in %	0%	-8.1%	-0.1%	8.2%	
SALES	13,627.3	(950.3)	(101.6)	1,338.8	13,340.4
VAR. IN %	2.2%	-7.1%	-0.8%	10.0%	

* Scope effect includes CVI sales from September to December 2022.

<i>(in € million)</i>	2023	Currencies	Scope Effect*	At constant scope & currencies	2022 restated
Product Sales	25,950.2	(1,193.9)	502.4	3,408.7	23,233.1
Var. in %	11.7%	-5.1 %	2.2%	14.7%	
Tooling, Prototypes and Other Services	1,297.7	(78.1)	12.8	22.4	1,340.6
Var. in %	-3.2%	- 5.8 %	1.0%	1.7%	
SALES	27,247.9	(1,272.0)	515.2	3,431.1	24,573.7
VAR. IN %	10.9%	- 5.2 %	2.1%	14.0%	

* Scope effect includes HELLA sales of January 2023 and CVI sales from September to December 2022.

Sales of products (parts, components and R&D sold to manufacturers) reached €25,950.2 million in 2023 compared to €23,233.1 million in 2022. This represents an increase of 11.7% on a reported basis and by an increase of 14.7% at constant scope & currencies.

Sales of tooling, prototypes and other services reached €1,297.7 million in 2023 compared to €1,340.6 million in 2022. This represents a decrease of 3.2% on a reported basis and an increase of 1.7% at constant scope & currencies.

Sales reached €27,247.9 million in 2023 compared to €24,573.7 million in 2022. This represents an increase of 10.9% on a reported basis and an increase of 14.0% at constant scope & currencies.

1 Financial and accounting information

Review of the Group's business and consolidated results

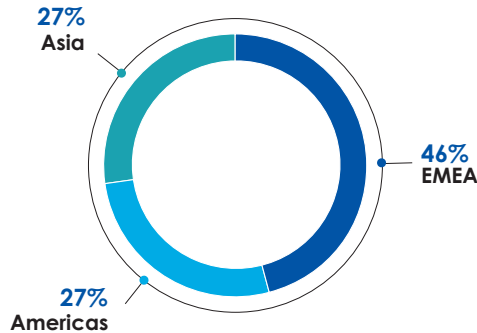
1.1.3.1. Sales by region

(in € million)	H2 2023	Scope Effect*	H2 2022 restated	Reported	At constant scope & currencies	Automotive Production
EMEA	6,121.1	(35.5)	5,768.3	6.1%	9.6%	7.6%
Americas	3,582.3	(66.1)	3,639.2	-1.6%	11.4%	5.4%
Asia	3,923.9		3,932.9	-0.2%	9.4%	8.5%
o/w China	3,142.3		3,150.9	-0.3%	9.9%	11.7%
TOTAL	13,627.3	(101.6)	13,340.4	2.2%	10.0%	7.7%

* Scope effect includes CVI sales from September to December 2022.

(in € million)	2023	Scope Effect*	2022 restated	Reported	At constant scope & currencies	Automotive Production
EMEA	12,650.6	327.6	11,050.2	14.5%	14.0%	11.5%
Americas	7,207.2	68.8	6,822.7	5.6%	10.9%	8.6%
Asia	7,390.1	118.8	6,700.8	10.3%	17.0%	9.4%
o/w China	5,850.8	104.6	5,282.5	10.8%	17.7%	10.0%
TOTAL	27,247.9	515.2	24,573.7	10.9%	14.0%	9.7%

* Scope effect includes HELLA sales of January 2023 and CVI sales from September to December 2022.

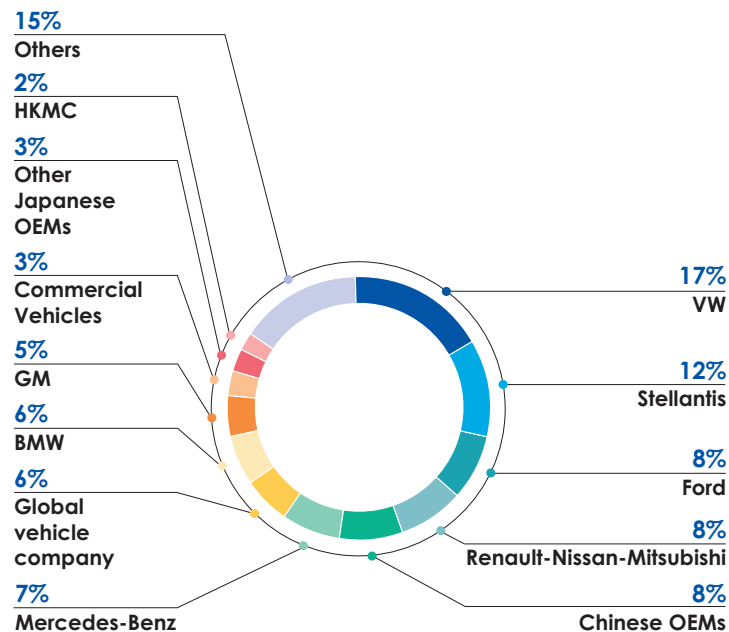


Sales by region in 2023 were as follows:

- in EMEA, sales reached €12,650.6 million (46.4% of total sales), compared to €11,050.2 million in 2022. This represents an increase of 14.5% on a reported basis and by 14.0% at constant scope and currencies. This is to be compared to a 11.5% upturn in production market in EMEA;
- in Americas, sales reached €7,207.2 million (26.5% of total sales), compared to €6,822.7 million in 2022. This represents an increase of 5.6% on a reported basis and by 10.9% at constant scope and currencies. This is to be compared to a 8.6% upturn in production market in Americas;
- in Asia, sales reached €7,390.1 million (27.1% of total sales), compared to €6,700.8 million in 2022. This represents an increase of 10.3% on a reported basis and by 17.0% at constant scope and currencies. This is to be compared to a 9.4% upturn in Asia and 10.0% in China;

Worldwide sales amounted to €27,247.9 million compared to €24,573.7 million in 2022. This represents an increase of 10.9% on a reported basis and 14.0% at constant scope and currencies. This is to be compared to a 9.7% upturn in production market in the world source S&P Global Mobility (ex-IHS Markit) forecast dated February 2024.

1.1.3.2. Sales by customer



In 2023, sales to FORVIA four main customers (VW, Stellantis, Renault-Nissan - Mitsubishi, Ford) amounted to €12,557.9 million or 46.1% compared to 47.9% in 2022:

- sales to the VW group totaled €4,739.3 million. They accounted for 17.4% of FORVIA's total sales. They increased by 13.5% on a reported basis and by 12.7% at constant scope & currencies compared to 2022;
- sales to the Stellantis group totaled €3,391.6 million. They accounted for 12.4% of FORVIA's total sales. They increased by 1.1% on a reported basis and by 3.8% at constant scope & currencies compared to 2022;
- sales to Renault-Nissan - Mitsubishi totaled €2,231.1 million. They accounted for 8.2% of FORVIA's total sales. They increased by 10.9% on a reported basis and by 15.2% at constant scope & currencies compared to 2022;
- sales to the Ford group totaled €2,195.9 million. They accounted for 8.1% of FORVIA's total sales. They decreased by 1.2% on a reported basis and increased by 8.5% at constant scope & currencies compared to 2022;
- sales to the Chinese OEMs totaled €2,190.9 million. They accounted for 8.0% of FORVIA's total sales. They increased by 2.9% on a reported basis and by 10.3% at constant scope & currencies compared to 2022;
- sales to the Mercedes-Benz group totaled €1,915.1 million. They accounted for 7.0% of FORVIA's total sales. They increased by 16.2% on a reported basis and by 12.6% at constant scope & currencies compared to 2022;
- sales to a Global vehicle company group totaled €1,624.1 million. They accounted for 6.0% of FORVIA's total sales. They increased by 34.2% on a reported basis and by 36.4% at constant scope & currencies compared to 2022;
- sales to the BMW group totaled €1,513.0 million. They accounted for 5.6% of FORVIA's total sales. They increased by 30.8% on a reported basis and by 28.0% at constant scope & currencies compared to 2022.

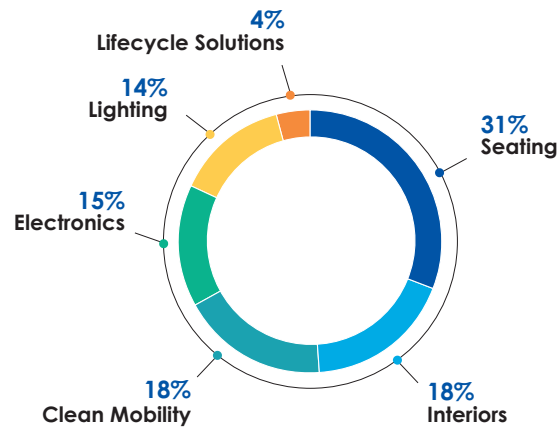
1.1.3.3. Sales by Business Group

(in € million)	H2 2023	Scope Effect*	H2 2022 restated	Reported	At constant scope & currencies
Seating	4,303.2		4,174.4	3.1%	10.3%
Interiors	2,484.7		2,473.2	0.5%	8.0%
Clean Mobility	2,364.6	(101.6)	2,451.0	-3.5%	11.2%
Electronics	2,090.7		1,971.3	6.1%	11.8%
Lighting	1,871.6		1,792.6	4.4%	8.3%
Lifecycle Solutions	512.5		477.9	7.3%	11.6%
TOTAL	13,627.3	(101.6)	13,340.4	2.2%	10.0%

* Scope effect includes CVI sales from September to December 2022.

(in € million)	2023	Scope Effect*	2022 restated	Reported	At constant scope & currencies
Seating	8,551.1		7,704.3	11.0%	16.2%
Interiors	4,922.7		4,644.9	6.0%	11.5%
Clean Mobility	4,832.2	(101.6)	4,735.8	2.0%	11.4%
Electronic	4,137.9	247.1	3,521.7	17.5%	14.8%
Lighting	3,745.9	281.4	3,074.0	21.9%	15.2%
Lifecycle Solutions	1,058.1	88.3	893.0	18.5%	12.8%
TOTAL	27,247.9	515.2	24,573.7	10.9%	14.0%

* Scope effect includes HELLA sales of January 2023 and CVI sales from September to December 2022.



In 2023:

- Seating totaled €8,551.1 million sales, up 11.0% on a reported basis and up 16.2% at constant scope & currencies compared to 2022;
- Interiors totaled €4,922.7 million sales, up 6.0% on a reported basis and up 11.5% at constant scope & currencies compared to 2022;
- Clean Mobility totaled €4,832.2 million sales, up 2.0% on a reported basis and up 11.4% at constant scope & currencies compared to 2022;
- Electronics totaled €4,137.9 million sales, up 17.5% on a reported basis and up 14.8% at constant scope & currencies compared to 2022;
- Lighting totaled €3,745.9 million sales, up 21.9% on a reported basis and up 15.2% at constant scope & currencies compared to 2022;
- Lifecycle Solutions totaled €1,058.1 million sales, up 18.5% on a reported basis and up 12.8% at constant scope & currencies compared to 2022.

1.1.4. Operating income

In 2023:

- the operating income before amortization of acquired intangible assets totaled €1,439.1 million (5.3% of sales) in 2023, compared to €1,060.5 million (4.3% of sales) in 2022;
- gross expenditures for R&D totaled €2,197.5 million, or 8.1% of sales in 2023, compared to €2,067.5 million, or 8.4% of sales in 2022. The portion of R&D expenditure capitalized amounted to €1,269.9 million, compared to €1,170.8 million in 2022. The R&D capitalization ratio represented 57.8% of total R&D expenditure, whereas it represented 56.6% over the same period in 2022;
- the net R&D expenses reached €953.0 million (3.5% of sales) compared to €896.0 million in 2022 (3.6% of sales);
- selling and administrative expenses reached €1,270.3 million (4.7% of sales) compared to €1,175.1 million (4.8% of sales) in 2022;
- adjusted EBITDA – which represents operating income before depreciation, amortization and provisions for impairment of property, plant and equipment and capitalized R&D expenditures – totaled to €3,328.0 million (12.2% of sales), to be compared to €2,907.3 million (11.8% of sales) in 2022.

1.1.4.1. By region

(in € millions)	H2 2023			H2 2022 restated		
	Sales	Operating Income	%	Sales	Operating Income	%
EMEA	6,121.1	145.7	2.4%	5,768.3	69.2	1.2%
Americas	3,582.3	164.1	4.6%	3,639.2	132.8	3.6%
Asia	3,923.9	454.4	11.6%	3,932.9	460.7	11.7%
TOTAL	13,627.3	764.2	5.6%	13,340.4	662.7	5.0%

(in € millions)	2023			2022 restated		
	Sales	Operating Income	%	Sales	Operating Income	%
EMEA	12,650.6	316.4	2.5%	11,050.2	175.0	1.6%
Americas	7,207.2	308.1	4.3%	6,822.7	175.5	2.6%
Asia	7,390.1	814.6	11.0%	6,700.8	710.0	10.6%
TOTAL	27,247.9	1,439.1	5.3%	24,573.7	1,060.5	4.3%

The operating income in 2023 compared to 2022 increased by €378.6 million:

- in EMEA, the operating income increased by €141.4 million, to reach €316.4 or 2.5% of sales. This is to be compared to €175.0 million or 1.6% in 2022;
- in Americas, the operating income increased by €132.6 million, to reach €308.1 or 4.3% of sales. This is to be compared to €175.5 million or 2.6% in 2022;
- in Asia, the operating income increased by €104.5 million, to reach €814.5 or 11.0% of sales. This is to be compared to €710.0 million or 10.6% in 2022.

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1.1.4.2. By Business Group

(in € millions)	H2 2023			H2 2022 restated		
	Sales	Operating Income	%	Sales	Operating Income	%
Seating	4,303.2	175.4	4.1%	4,174.4	132.4	3.2%
Interiors	2,484.7	107.4	4.3%	2,473.2	128.8	5.2%
Clean Mobility	2,364.6	193.3	8.2%	2,451.0	184.4	7.5%
Electronics	2,090.7	131.1	6.3%	1,971.3	77.9	4.0%
Lighting	1,871.6	101.5	5.4%	1,792.6	95.8	5.3%
Lifecycle Solutions	512.5	55.5	10.8%	477.9	43.4	9.1%
TOTAL.	13,627.3	764.2	5.6%	13,340.4	662.7	5.0%

(in € millions)	2023			2022 restated		
	Sales	Operating Income	%	Sales	Operating Income	%
Seating	8,551.1	314.7	3.7%	7,704.3	197.0	2.6%
Interiors	4,922.7	200.9	4.1%	4,644.9	191.3	4.1%
Clean Mobility	4,832.2	383.7	7.9%	4,735.8	336.3	7.1%
Electronics	4,138.0	219.4	5.3%	3,521.7	140.8	4.0%
Lighting	3,745.8	192.8	5.1%	3,074.0	106.5	3.5%
Lifecycle Solutions	1,058.1	127.6	12.1%	893.0	88.5	9.9%
TOTAL	27,247.9	1,439.1	5.3%	24,573.7	1,060.5	4.3%

In 2023 :

- Seating operating income amounted to € 314.7 million (3.7% of sales) compared to € 197.0 million in 2022 (2.6% of sales);
- Interiors operating income amounted to € 200.9 million (4.1% of sales) compared to € 191.3 million in 2022 (4.1% of sales);
- Clean Mobility operating income amounted to € 383.7 million (7.9% of sales) compared to € 336.3 million in 2022 (7.1% of sales);
- Electronics operating income amounted to € 219.4 million (5.3% of sales) compared to € 140.8 million in 2022 (4.0% of sales);
- Lighting operating income amounted to € 192.8 million (5.1% of sales) compared to € 106.5 million in 2022 (3.5% of sales);
- Lifecycle Solutions operating income amounted to € 127.6 million (12.1% of sales) compared to € 88.5 million in 2022 (9.9% of sales).

1.1.5. Net income

The net income group share is a gain of €222.2 million, or 0.8% of sales in 2023. This is to be compared to a loss of €381.8 million or -1.6% of sales in 2022. It represented an increase of €604.0 million.

In 2023:

- the amortization of intangible assets acquired represented an expense of €193.2 million compared to an expense of €189.9 million in 2022;
- the "other non-recurring operating income and expenses" represented an expense of €181.4 million, compared to an expense of €442.5 million in 2022. This item included €170.8 million in restructuring charges compared to an expense of €349.2 million in 2022;
- financial income amounted to €90.7 million, compared to €50.3 million in 2022;
- financial costs totaled €586.2 million, versus €377.1 million in 2022, mainly because of an increase in interest rates;
- other financial income and expense represented an income of €36.6 million, of which €158.0 millions due to the partial session of Symbio shares and CVI activities, compared to an expense of €168.4 million in 2022. This income included €22.4 million from discounting pension benefit liabilities;
- the tax expense reached €232.4 million, compared to €177.0 million in 2022;
- the share of net income of associates is a loss of €2.2 million, compared to a gain of €11.4 million in 2022;
- net income attributable to minority interests totaled €143.4 million in 2023. It consists of net income accruing to investors in companies in which FORVIA is not the sole shareholder, mainly in China and HELLA, compared to €131.4 million in 2022.

Basic earnings per share amounted to €1.17 (diluted net earnings per share at €1.16) compared to €-2.20 in 2022 (diluted net earnings per share at €-2.20).

1.1.6. Financial structure

1.1.6.1. Net cash flow

Net cash flow <i>(in € millions)</i>	2023	2022 restated
Operating income (before amortization of acquired intangible assets)	1,439.1	1,060.5
Depreciations and amortizations of assets	1,888.9	1,846.8
EBITDA adjusted	3,328.0	2,907.3
Change in working capital requirement	769.9	588.3
Paid restructuring	(170.2)	(181.9)
Capital expenditures	(1,137.3)	(1,137.0)
Capitalized development costs	(1,046.0)	(954.2)
Paid finance costs net of income	(529.0)	(362.4)
Paid taxes	(515.3)	(362.1)
Other	(51.1)	(14.6)
Net cash flow	649.1	483.4

The net cash flow was an inflow of €649.1 million or 2.4% of sales compared to a net cash inflow of €483.4 million or 2.0% of sales over the same period in 2022 after IFRS 5:

- the operating margin before depreciations and amortizations of non-current assets or adjusted EBITDA reached €3,328.0 million compared to €2,907.3 million in 2022, due to the increase in operating income by €378.6 million and the increase in depreciation and amortization by €42.1 million;
- restructuring represented cash outflows of €170.2 million compared to €181.9 million in 2022;
- the change in working capital requirement, including receivables factoring, represented a positive impact of €769.9 million compared to a positive impact of €588.3 million in 2022. This change consisted in part of a negative impact in inventories of €135.1 million mainly concentrated on Tooling inventories with €139.1 million, a positive impact in trade receivables of €207.6 million, payables of €444.2 million and other trade receivables and payables for €253.2 million. The evolution of these balance sheet positions was impacted by exchange rate changes;
- capital expenditures on property, plant and equipment and on intangible assets represented cash outflows of €1,137.3 million or 4.2% of sales, versus €1,137.0 million or 4.6% of sales in 2022;
- capitalized research and development costs represented cash outflows of €1,046.0 million or 3.8% of sales, versus €954.2 million or 3.9% of sales in 2022;
- income taxes represented cash outflows of €515.3 million, compared to €362.1 million in 2022;
- finally, other cash flow items represented €51.1 million in outflows, compared to €14.6 million in outflows in 2022.

Growth in net cash flow in 2023 is supported by the initial results of the "Manage by cash" program launched in mid-2022.

1.1.6.2. Reconciliation between net cash flow and cash provided by operating and investing activities

<i>(in € millions)</i>	<i>Notes</i>	2023	2022 restated
Net cash flow		649.1	483.4
Other changes		0.0	0.0
Net cash flow		649.1	483.4
Acquisitions/Sales of investments and business (net of cash and cash equivalents) from continued activities	2.3	303.6	(4 885.5)
Proceed from disposal of financial assets from continued activities	2.3	0.0	0.0
Other changes from continued activities	2.3	30.9	628.7
Financing surplus (used) from discontinued operations	2.3	106.8	(12.6)
Other changes from discontinued activities		0.0	0.0
Surplus (used) from operating and financing activities	2.3	1 090.4	(3 786.1)

1.1.6.3. Net Debt

<i>(in € million)</i>	12/31/2023	12/31/2022
Net Debt	6,987.3	7,939.1

The main elements of long-term financial resources are the following (Note 26 provides more details on each of these financings).

A series of bonds issued on the euro and yen financial markets:

- €300 million euros (1.00%) of bonds issued by Hella, maturing in May 2024;
- €1,000 million (2.625%) of bonds maturing in June 2025;
- ¥11.7 billion (2.48%) of bonds maturing in March 2026;
- €750 million (3.125%) of bonds maturing in June 2026;
- €950 million (7.25%) of sustainability-linked bonds maturing in June 2026 (of which €150 million have been tendered in 2023 bringing the balance at the end of December 2023 to 799.9 million euros);
- €500 million (0.50%) of Hella bonds maturing in January 2027;
- €1,200 million (2.75%) of sustainability-linked bonds maturing in February 2027;
- ¥6.8 billion (2.81%) of bonds maturing in March 2027;
- €890 million (2.375%) of bonds maturing in June 2027 (including a tap of €190 million issued in February 2021);
- €700 million (3.75%) of bonds maturing in June 2028;
- ¥0.7 billion (3.19%) of bonds maturing in December 2028;
- €400 million (2.375%) of Green Bonds maturing in June 2029;
- ¥12 billion (3.50%) of Hella Note maturing in 2032.

A series of Schuldscheindarlehen (private placement under German law):

- 213 million euros (out of the 700 million euros issued in 2018 and partially repaid since then) maturing in December 2024;
- 747 million euros issued in 2021 and 2022, maturing in July 2024, January 2026, January 2027 and January 2028.

A series of bank loans:

- a ¥30 billion credit facility maturing in February 2026. As at December 31, 2023, this facility was used up to ¥20 billion;
- a €315 million Credit Agreement with the European Investment Bank (EIB) maturing in July 2029 ; the amount drawn under the facility is €289 million euros as of December 31, 2023;
- a \$300 million syndicated loan, signed by Faurecia Sistemas Automotrices SA DE CV with Latin American investors, maturing in March 2028;
- a €500 million Term loan maturing in June 2026 with two one-year extension options;
- a ¥10,000 million loan signed by Hella with maturity June 2033.

Besides, Forvia holds a €1,500 million syndicated credit facility whose maturity has been extended to May 2027, with a remaining one-year maturity extension option. As at December 31, 2023, this facility was not used and fully available for its total amount.

Hella's syndicated credit facility amounts to €450 million, with one option to increase the available amount by €150 million and its maturity is December 2026, with a remaining one-year maturity extension option. As at December 31, 2023, this facility was not used and fully available for its total amount.

1.2. Outlook

2024 GUIDANCE

This guidance is based on:

- broadly stable worldwide automotive production in 2024 vs. 2023, in line with S&P's latest forecast dated February 2024 that estimates 90.0 million light vehicles produced in 2024 vs. 90.3 million in 2023 (-0.4%);
- average 2024 currency rates of 1.10 for €/USD and of 7.50 for €/CNY.

And assumes no major lockdown impacting production or retail sales in any automotive region during the year.

It takes into consideration:

- a limited negative scope effect on sales of c. €50 million as the net effect of the disposal of the CVI business to Cummins (deconsolidated as from Q4 2023) for €(300) million largely offset by the consolidation as from January 1, 2024 of HELLA's joint-venture in Lighting in China for c. €250 million;
- the impact of the first step, already announced, of the second €1 billion disposal program underway, i.e. the disposal by HELLA of its 50% stake in BHTC that should contribute cash proceeds estimated at c. €200 million.

2024 guidance is on track to reach POWER25 ambition:

- sales of between €27.5 billion and 28.5 billion;
- operating margin between 5.6% and 6.4% of sales;
- NCF ≥ 2023 in value;
- net debt/Adjusted EBITDA ratio ≤ 1.9x at Dec. 31, 2024.

ON TRACK TO POWER25 AMBITION

The Group reiterates its FY2025 objectives, as presented at the Capital Markets Day held in November 2022:

- sales of c. €30bn;
- operating margin > 7% of sales;
- NCF of 4% sales;
- net debt/Adjusted EBITDA ratio of < 1.5x at Dec. 31, 2025.

These objectives were based on average 2025 currency rates of 1.05 for €/USD and of 7.00 for €/CNY and assumed no major lockdown impacting production or retail sales in any major automotive region over the period.

These objectives, evidently, did not take into consideration any impact from the second €1 billion disposal program that was announced in October 2023.

1.3. Consolidated financial statements

In the financial statements reported thereafter, please note that figures reported for the year 2023 include 12 months of activity of HELLA (major acquisition of 2022) vs 11 months in 2022.

1.3.1. Consolidated statement of comprehensive income

<i>(in € million)</i>	Notes	2023	2022 restated*
SALES	4	27,247.9	24,573.7
Cost of sales	5	(23,585.5)	(21,442.1)
Research and development costs	5	(953.0)	(896.0)
Selling and administrative expenses	5	(1,270.3)	(1,175.1)
OPERATING INCOME (BEFORE AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	4	1,439.1	1,060.5
Amortization of intangible assets acquired in business combinations	11	(193.2)	(189.9)
OPERATING INCOME (AFTER AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)		1,245.9	870.6
Other non-recurring operating income	6	7.8	1.8
Other non-recurring operating expense	6	(189.2)	(444.3)
Income from loans, cash investments and marketable securities		90.7	50.3
Finance costs	7	(586.2)	(377.1)
Other financial income and expense	7	36.6	(168.4)
INCOME BEFORE TAX OF FULLY CONSOLIDATED COMPANIES		605.6	(67.1)
Taxes	8	(232.4)	(177.0)
<i>of which deferred taxes</i>	8	181.6	177.5
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES		373.2	(244.1)
Share of net income of associates	13	(2.2)	11.4
NET INCOME FROM CONTINUED OPERATIONS		371.0	(232.7)
NET INCOME FROM DISCONTINUED OPERATIONS	2.1	(5.4)	(17.7)
CONSOLIDATED NET INCOME (LOSS)		365.6	(250.4)
Attributable to owners of the parent		222.2	(381.8)
Attributable to minority interests from continued operations	23	143.4	131.4
Attributable to minority interests from discontinued operations		0.0	0.0
Basic earnings (loss) per share <i>(in €)</i>	9	1.13	(2.20)
Diluted earnings (loss) per share <i>(in €)</i>	9	1.12	(2.20)
Basic earnings (loss) from continued operations per share <i>(in €)</i>	9	1.15	(2.10)
Diluted earnings (loss) from continued operations per share <i>(in €)</i>	9	1.15	(2.10)
Basic earnings (loss) from discontinued operations per share <i>(in €)</i>	9	(0.03)	(0.10)
Diluted earnings (loss) from discontinued operations per share <i>(in €)</i>	9	(0.03)	(0.10)

* See Note 1 C.

OTHER COMPREHENSIVE INCOME

<i>(in € million)</i>	<i>Notes</i>	2023	2022 restated*
CONSOLIDATED NET INCOME (LOSS)		365.6	(250.4)
Amounts to be potentially reclassified to profit or loss from continued operations		(320.6)	79.5
Gains (losses) arising on fair value adjustments to cash flow hedges		(25.6)	92.6
<i>of which recognized in equity</i>		69.1	82.5
<i>of which transferred to net income (loss) for the period</i>		(94.7)	10.1
Exchange differences on translation of foreign operations		(297.7)	11.8
Tax impact		2.6	(24.9)
Amounts not to be reclassified to profit or loss from continued operations		(29.2)	168.6
Actuarial gain/(loss) on post-employment benefit obligations	25	(43.0)	244.2
Tax impact		13.8	(75.6)
Other comprehensive income from discontinued operations		(13.3)	(8.9)
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD		2.5	(11.2)
Attributable to owners of the parent		(102.2)	(150.8)
Attributable to minority interests		104.7	139.6

* See Note 1 C.

1.3.2. Consolidated balance sheet

ASSETS

<i>(in € million)</i>	Notes	2023	2022 *
Goodwill	10	5,129.6	5,260.3
Intangible assets	11	4,374.8	4,590.1
Property, plant and equipment	12A	4,934.9	5,055.8
Right-of-use assets	12B	946.1	1,183.5
Investments in associates	13	307.8	333.9
Other equity interests	14	116.4	128.5
Other non-current financial assets	15	156.5	158.1
Other non-current assets	16	154.7	187.1
Deferred tax assets	8	852.9	690.5
TOTAL NON-CURRENT ASSETS		16,973.7	17,587.8
Inventories, net	17	2,903.7	2,924.2
Contract assets		149.6	275.6
Trade accounts receivables	18	4,132.9	5,065.9
Other operating receivables	19	593.4	720.5
Other receivables	20	1,449.2	1,425.7
Other current financial assets	30	8.8	17.6
Cash and cash equivalents	21	4,273.9	4,201.1
TOTAL CURRENT ASSETS		13,511.5	14,630.6
Assets held for sale		0.0	N/A
TOTAL ASSETS		30,485.2	32,218.4

* See Note 1 C.

LIABILITIES

<i>(in € million)</i>	Notes	2023	2022 *
EQUITY			
Capital	22	1,379.6	1,379.6
Additional paid-in capital		1,408.7	1,408.7
Treasury stock		(0.2)	(4.5)
Retained earnings		1,759.1	2,162.5
Translation adjustments		(260.0)	(16.5)
Net income (loss)		222.2	(381.8)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS		4,509.4	4,548.0
Minority interests	23	1,662.0	1,691.1
TOTAL SHAREHOLDERS' EQUITY		6,171.4	6,239.1
Non-current provisions	25	630.0	575.2
Non-current financial liabilities	26	8,686.7	9,106.2
Non-current lease liabilities	26	836.5	1,049.2
Other non-current liabilities		72.0	48.2
Deferred tax liabilities	8	327.8	390.4
TOTAL NON-CURRENT LIABILITIES		10,553.0	11,169.2
Current provisions	24	602.9	795.5
Current financial liabilities	26	1,544.8	1,773.7
Current portion of lease liabilities	26	219.1	251.8
Prepayments on customers contracts		1,051.4	975.4
Trade payables	27	8,397.9	9,181.3
Accrued taxes and payroll costs	27	1,061.3	1,104.3
Sundry payables	28	883.4	728.1
TOTAL CURRENT LIABILITIES		13,760.8	14,810.1
Liabilities linked to assets held for sale		0.0	N/A
TOTAL EQUITY AND LIABILITIES		30,485.2	32,218.4

* See Note 1 C.

1.3.3. Consolidated cash flow statement

(in € million)	Notes	2023	2022 restated*
I- OPERATING ACTIVITIES			
Operating income (before amortization of acquired intangible assets)		1,439.1	1,060.5
Depreciations and amortizations of assets	5.5	1,888.9	1,846.8
o/w depreciations and amortizations of R&D assets	5.5	712.4	684.5
o/w other depreciations		1,176.5	1,162.3
EBITDA adjusted		3,328.0	2,907.3
Operating current and non-current provisions		(143.8)	(99.3)
Capital (gains) losses on disposals of operating assets		5.0	(2.4)
Paid restructuring		(170.2)	(181.9)
Paid finance costs net of income		(529.0)	(362.4)
Other non-recurring operating income and expenses paid		(1.1)	(79.4)
Paid taxes		(515.3)	(362.1)
Dividends from associates		19.7	24.4
Change in working capital requirement		769.9	588.3
Change in inventories		(135.1)	(154.1)
o/w R&D inventories increase	5.4	(223.8)	(216.7)
o/w R&D inventories decrease		237.4	194.9
Change in trade accounts receivables		207.6	(395.8)
Change in trade payables		444.2	1,144.0
Change in other operating receivables and payables		214.2	56.9
Change in other receivables and payables (excl. Tax)		39.0	(62.8)
Operating cash flows from discontinued activities		(148.9)	32.0
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		2,614.5	2,464.6
II- INVESTING ACTIVITIES			
Additional property, plant and equipment	12	(1,122.9)	(1,119.3)
Additional intangible assets	11	(14.4)	(17.7)
Capitalized development costs	5.4 & 11	(1,046.0)	(954.2)
Acquisitions/Sales of investments and business (net of cash and cash equivalents)		303.6	(4,885.5)
Proceeds from disposal of property, plant and equipment		46.6	21.0
Proceed from disposal of financial assets		0.0	0.0
Change in investment-related receivables and payables		22.3	120.9
Other changes		30.9	628.7
Investing cash flows from discontinued operations		255.7	(44.6)
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		(1,524.1)	(6,250.7)
CASH PROVIDED BY (USED IN) OPERATING AND INVESTING ACTIVITIES (I) + (II)		1,090.4	(3,786.1)
III- FINANCING ACTIVITIES			
Shares issued by Forvia and fully consolidated companies (net of costs)		1.5	1,216.8
Dividends paid to owners of the parent company		(0.0)	(0.0)
Dividends paid to minority interests in consolidated subsidiaries		(132.5)	(54.9)
Acquisitions/disposals of treasury stocks		1.3	(1.1)
Debt securities issued and increase in other financial liabilities		588.1	4,739.7
Repayment of debt and other financial liabilities		(1,162.0)	(2,539.8)
Repayments on lease debts		(246.0)	(239.9)
Financing cash flows from discontinued activities		60.6	(0.9)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		(889.0)	3,119.9
IV- OTHER CHANGES IN CASH AND CASH EQUIVALENTS			
Impact of exchange rate changes on cash and cash equivalents		(123.3)	(38.4)
Net cash flows from discontinued operations		24.5	(29.7)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		102.5	(734.3)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD		4,171.4	4,905.7
CASH AND CASH EQUIVALENTS AT END OF PERIOD		4,273.9	4,171.4**

* See Note 1C.

** Cash and cash equivalents at end of 2022 are only restated in consolidated cash flow statement (cf. note 1C).

The net cash flow amounts to €649.1 million as of December 31, 2023 and €483.4 million as of December 31, 2022 restated (see chapter 1, paragraph 1.1.6).

1.3.4 Consolidated statement of changes in equity

(in € million)	Number of shares ⁽¹⁾	Capital stock	Additional paid-in capital	Treasury Stock	Retained earnings and net income (loss) for the period	Valuation adjustments			Equity attributable to owners of the parent	Minority interests	Total
						Translation adjustments	Cash flow hedges	Actuarial gain/(loss) on post-employment benefit obligations			
Shareholders' equity as of January 1, 2022 before appropriation of net income (loss)	138,035,801	966.3	605.2	(4.0)	1,993.2	(34.3)	2.2	(103.0)	3,425.6	386.3	3,811.9
Net income (loss)					(381.8)				(381.8)	131.4	(250.4)
Other comprehensive income						17.3	63.5	150.2	231.0	8.2	239.2
Comprehensive income					(381.8)	17.3	63.5	150.2	(150.8)	139.6	(11.2)
Capital increase ⁽²⁾	59,053,539	413.3	803.5						1,216.9		1,216.9
2021 dividends									0.0	(55.2)	(55.2)
Allocation of free shares					9.2				9.2		9.2
Purchases and sales of treasury stock				(0.5)					(0.5)		(0.5)
Changes in scope of consolidation and other					184.1	0.5	(51.1)	(85.9)	47.7	1,220.4	1,268.1
Shareholders' equity as of December 31, 2022 before appropriation of net income (loss)	197,089,340	1,379.6	1,408.7	(4.5)	1,804.7	(16.5)	14.7	(38.7)	4,548.0	1,691.1	6,239.1
Net income (loss)					222.2				222.2	143.4	365.6
Other comprehensive income						(277.8)	(21.6)	(25.0)	(324.4)	(38.7)	(363.1)
Comprehensive income					222.2	(277.8)	(21.6)	(25.0)	(102.2)	104.7	2.5
Capital increase									0.0	6.8	6.8
2022 dividends									0.0	(142.6)	(142.6)
Allocation of free shares					8.4				8.4		8.4
Purchases and sales of treasury stock				4.3					4.3		4.3
Changes in scope of consolidation and other					16.9	34.3	0.0	(0.3)	50.9	2.0	52.9
Shareholders' equity as of December 31, 2023 before appropriation of net income (loss)	197,089,340	1,379.6	1,408.7	(0.2)	2,052.2	(260.0)	(6.9)	(64.0)	4,509.4	1,662.0	6,171.4

(1) Of which 5,091 treasury stock as of 12/31/2023 and 84,171 treasury stock as of 12/31/2022 – See Note 9.

(2) Of which €524.5 million on January 31, 2022 and €692.3 million on June 24, 2022.

1.3.5. Notes to the consolidated financial statements

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FORVIA comprises the complementary technology and industrial strengths of FORVIA and HELLA, and is the 7th largest global automotive supplier.

FORVIA S.E is a European company which registered office is located at 23-27, avenue des Champs-Pierreux, 92000 Nanterre (Hauts-de-Seine department) in France. The Company is listed on Euronext Paris.

The consolidated financial statements were approved by FORVIA's Board of Directors on February 16, 2024.

The accounts were prepared on a going concern basis.

Note 1 Summary of significant accounting policies

1.A Accounting principles

The consolidated financial statements of the FORVIA group have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the IASB, as adopted by the European Union and available on the European Commission website. These standards include International Financial Reporting Standards and International Accounting Standards (IAS), as well as the related International Financial Reporting Interpretations Committee (IFRIC) interpretations.

The standards used to prepare the 2023 consolidated financial statements and comparative data for 2022 are those published in the Official Journal of the European Union (OJEU) as of December 31, 2023, whose application was mandatory at that date. The new standards, amendments and revisions to the existing standards, whose publication is mandatory from January 1, 2023, have no significant impact on the Group consolidated financial statements.

Concerning the amendments to IAS 12 «International Tax Reform – Pillar 2 Model Rules» published in the OJEU on November 9, 2023, the Group has applied the temporary and mandatory exception related to accounting of deferred tax related to the Pillar 2 income taxes.

The Finance law published in the Official Journal on December 30, 2023 has transposed the European Directive 2022/2023, in order to implement the OECD tax reform ("Pillar 2"). This law is applicable for all accounting periods starting from December 31, 2023 and enforces for all big multinational companies a minimum taxation on income generated in each of the jurisdictions where they are active. The Group has performed the estimation of the potential impacts. In most of the cases, the application of the transitory measures should be possible, generating nil additional income tax. For the countries where these transitory measures can not be applied, no significant impact is expected for the Group.

Moreover, FORVIA has not undertaken any early application of new standards, amendments or interpretations whose application is mandatory after December 31, 2023, irrespective of whether or not they are adopted by the European Union.

The principal accounting policies considered have been applied consistently to all presented periods. Specifically, the operating margin (before amortization of intangible assets acquired) is the FORVIA group's principal performance indicator. It corresponds to net income of the fully consolidated companies before:

- the amortization of intangible assets acquired in business combinations (customer relationship...);
- other non-recurring operating income and expenses, corresponding to material, unusual and non-recurring items including reorganization costs and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure of an industrial site, disposals of non-operating buildings, impairment losses and reversals recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
- income on loans, cash investments and marketable securities;
- finance costs;
- other financial income and expenses, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in IFRS 9, and gains and losses on sales of shares in subsidiaries;
- taxes.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions when measuring certain assets, liabilities, income, expenses accounted for in the financial statements as well as for the evaluation of commitments given and contingent liabilities. These estimates and assumptions are primarily used when calculating the impairment of property, plant and equipment, right of use, intangible assets and goodwill, for measuring pension and other employee benefit obligations as well as for lease liabilities and depreciation of deferred tax assets. They are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. These estimations are revised on a regular basis, notably in the current evolutive macro economic context. Moreover, the Group must exercise judgment in determining whether the criteria for recognizing an asset or group of assets as held for sale are met, pursuant to the provisions of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations".

These estimates consider also the Group plans in terms of carbon neutrality as approved by the Science Based Target Initiative (SBTi) in July 2022 and more specifically, achieving by 2025 CO2 neutral scopes 1 & 2 and by 2030 reducing green house gas (GHG) emissions by 45% of scope 3, among others by solar energy production on its sites (on site PPA), purchases of renewable energy (off site PPA) and the development of its transversal division for cutting edge sustainable and smart materials launched in July 2021, as well as the review of the group industrial portfolio to climatic risks on the basis on the GIEC *scenarii*.

The results of the sensitivity tests carried out on the carrying amounts of goodwill and provisions for pensions and other employee benefits are provided in notes 10 and 25.2, respectively. In addition, Note 11 "Intangible Assets" describes the main assumptions used for measuring intangible assets and Note 8.2 the assumptions for recognition of deferred tax assets.

1.B Consolidation principles

Companies over which the Group exercises significant influence and which are at least 20%-owned are consolidated when one or more of the following criteria are met: annual sales of over €20 million, total assets of over €20 million, and debt of over €5 million.

Non-consolidated companies are not material, either individually or in the aggregate.

Subsidiaries controlled by the Group are fully consolidated. Control is presumed to exist when the Group holds more than 50% of a company's voting rights and may also arise as a result of shareholders' agreements.

Subsidiaries are fully consolidated as of the date on which control is transferred to the Group. They are no longer consolidated as of the date that control ceases.

Companies over which the Group exercises significant influence but not control, generally through a shareholding representing between 20% and 50% of the voting rights, are accounted for by the equity method. There is no joint operation in the sense of IFRS 11 within the companies consolidated by equity method.

The FORVIA group's financial statements are presented in euros. Except if specifically specified, amounts are in millions of euros; generally, amounts presented are rounded to the closest unit; consequently, the sum of rounded amounts can present non-significant differences to the reported total. Moreover, ratios and variances reported are computed with the detailed amounts and not with the rounded amounts.

The functional currency of foreign subsidiaries is generally their local currency. The assets and liabilities of these companies are translated into euros at the year-end exchange rate and income statement items are translated at the average exchange rate for the year. The resulting foreign exchange gains and losses are recorded in equity.

Balance sheets and net income of Group entities active in hyperinflation economies are restated to take into account the changes in purchasing power of the local currencies using the official indexes at closing date. They are then translated in euros using the exchange rate of the closing date; without restatement of comparative periods in accordance with IAS 21. This is applied in 2022 and 2023 to Group affiliates in Argentina and in Türkiye.

However certain companies located outside the euro or the US-dollar zone and which carry out the majority of their transactions in euros or US dollars may, however, use euros or US dollars as their functional currency.

All material inter-company transactions are eliminated in consolidation, including inter-company gains.

The accounting policies of subsidiaries and companies accounted for by the equity method are not significantly different from those applied by the Group.

1.C Modifications to the previously published consolidated financial statements

IFRS 5 – DISCONTINUED ACTIVITIES

FORVIA has announced mid February 2023 to have signed with the Motherson group an agreement by which Motherson commits to acquire FORVIA's SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors Segment. All the conditions were met from an IFRS point of view to qualify the activity as discontinued, mainly regarding the criteria of being a major line of business and the highly probable character of the sale.

Since January 1, 2023, applying IFRS 5, the corresponding assets and liabilities have been isolated in dedicated lines as the net result of the corresponding discontinued activities and so until July 31, 2023, effective date of the sale of these activities (see Note 2.1).

Due to the effective sale of these activities on July 31, 2023, there are no assets nor liabilities presented in separated lines in the consolidated balance sheet as of December 31, 2023.

The net income, other comprehensive income and cash flows items of discontinued operations are presented separately in the statement of financial position for the year 2023 and all prior periods presented in the financial statements. The comparative balance sheet for the previous year is not restated, as per IFRS5.

Inter-company transactions other than the ones linked to management fees remain eliminated. The classification of management fees for which the sale of the SAS will have no impact has been maintained in operating income. The net impact of this sale is also presented in the net income of discontinued activities.

The restatements of the previously published financial statements for the year 2022 are detailed in the tables below.

RESTATED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FULL-YEAR 2022

<i>(in € million)</i>	Full-Year 2022 published in February 2023	IFRS 5 impact	2022 restated
SALES	25,458.2	(884.5)	24,573.7
OPERATING INCOME (BEFORE AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	1,114.9	(54.4)	1,060.5
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES	(261.8)	17.7	(244.1)
NET INCOME FROM CONTINUED OPERATIONS	(250.4)	17.7	(232.7)
NET INCOME FROM DISCONTINUED OPERATIONS	0.0	(17.7)	(17.7)
CONSOLIDATED NET INCOME (LOSS)	(250.4)	0.0	(250.4)
Attributable to owners of the parent	(381.8)	0.0	(381.8)
Attributable to minority interests from continued operations	131.4	0.0	131.4
Attributable to minority interests from discontinued operations	0.0	0.0	0.0

RESTATED CONSOLIDATED CASH FLOW STATEMENT

FULL-YEAR 2022

<i>(in € million)</i>	Full-Year 2022 published in February 2023	Impact IFRS 5	2022 restated
I- OPERATING ACTIVITIES			
EBITDA adjusted	3,011.9	(104.6)	2,907.3
Change in working capital requirement	557.2	31.1	588.3
Operating cash flows from discontinued activities	0.0	32.0	32.0
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	2,464.6	0.0	2,464.6
II- INVESTING ACTIVITIES			
Investing cash flows from discontinued operations	0.0	(44.6)	(44.6)
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES	(6,250.7)	0.0	(6,250.7)
CASH PROVIDED BY (USED IN) OPERATING AND INVESTING ACTIVITIES (I) +(II)	(3,786.1)	0.0	(3,786.1)
III- FINANCING ACTIVITIES			
Financing cash flows from discontinued activities	0.0	(0.9)	(0.9)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	3,119.9	0.0	3,119.9
IV- OTHER CHANGES IN CASH AND CASH EQUIVALENTS			
Impact of exchange rate changes on cash and cash equivalents	(38.4)	0.1	(38.4)
Net cash flows from discontinued operations	0.0	(29.7)	(29.7)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(704.6)	(29.7)	(734.3)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	4,905.7	0.0	4,905.7
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,201.1	(29.7)	4,171.4

The net cash flow published in 2022 (€470.8 million) amounts to €483.4 million as of December 31, 2022 after IFRS5 restatement.

Note 2 Change in scope of consolidation and recent events

2.1 Disposal of SAS

On July 31, 2023, FORVIA has finalized the sale to the Motherson group of its SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors Segment, for an enterprise value of €540 million.

According to the sale contract, the process of determining potential price adjustments is ongoing; no significant impact is expected on group financial statements. On December 31, 2023, the loss on disposal after tax has been booked in "Net income of discontinued operations".

In accordance with IFRS 10, the gain or loss on disposal of SAS is calculated based on the difference between:

- the global sale price, after goodwill and any costs related to the transaction and the estimated liabilities;
- the net equity, as recognized in the consolidated financial statement on July 31, 2023.

In accordance with IFRS 5, "net income of discontinued operations" presented in the consolidated statement of comprehensive income amounted to €-5.4 million including the operations of the SAS business from January 1, 2023 to July 31, 2023 for total sales of €593.6 million as well as the net loss on disposal related to this activity of €-6.3 million and the directly incrementable expenses related to the sale.

The accounting principles and policies applied to discontinued operations are the same as those applied for annual accounts.

2.2 Other changes in scope in 2023

DISPOSAL OF CVI BUSINESS

FORVIA has finalized the sale of designated parts of FORVIA's commercial vehicle exhaust aftertreatment business in Europe and in the United States, on October 2, 2023, for a total transaction value of €199.2 million, to its longstanding partner Cummins. As part of this transaction, Cummins acquired two plants located in Roermond (Netherlands) and Columbus South (Indiana, USA) as well as their related programs. According to the sale contract, the calculation of prospective price adjustments based on CVI accounts on transaction date is ongoing.

DISENGAGEMENT FROM RUSSIA

Consistently with its early 2023 announcements, FORVIA has concluded its disengagement from Russia, with the sale of its three operating entities (Faurecia Environmental solutions-Russia, Faurecia Automotive Solutions, Faurecia Interior Togliatti) in December 2023, after having obtained the necessary regulatory authorizations from the Russian administration. FORVIA has no operational activities in Russia since end of December 2023.

OTHER CHANGES IN SCOPE

Within Seating perimeter, in China, the company Zhengzhou Faurecia Automotive Parts Co. Ltd has been created and is fully consolidated since April 2023, it is held at 70% by Group, and the company JinHua LEAP Faurecia Automotive Parts Co. Ltd, held at 51%, has been created and is fully consolidated since September 2023. In France, the company SIELEST has been absorbed into the company SIEDOUBS as of January 1, 2023. In Thailand, the company Rayong Faurecia Automotive Parts Co. Ltd held at 70%, has been created and is fully consolidated since November 2023.

For Interiors, in United States, the companies of Detroit Manufacturing Systems' Group held at 49% and consolidated by equity method have been sold in June 2023.

Within Clean Mobility perimeter, companies dedicated to the hydrogen activities have been created in France, in Germany, in China, in South Korea and in United states during the first half year 2023. Following the sale of a part of the group shares to Stellantis, the company Symbio, consolidated by equity method, is held at 33% since July 2023.

In China, for Lighting segment, the company HELLA Faway Automotive Lighting (Tianjin) Co., Ltd has been created in May 2023. It is held at 39.98% and consolidated by equity method.

For Electronics, in China, the company Parrot Automotive Shenzhen, held at 100% and fully consolidated, has been liquidated in June 2023.

In Germany, for the Lifecycle Solutions segment, the company HELLA Pagid GmbH, consolidated by equity method and held at 49%, has been fully acquired on December 31, 2023.

2.3 Reminder of change in scope of consolidation introduced in 2022

FORVIA has completed on January 31, 2022 the acquisition of 79.5% of HELLA, group listed on the Frankfurt Stock Exchange, comprising the 60% acquired from the family pool, of which 8.95% were paid through newly issued FORVIA shares and 19.5% as a result of the public tender offer mentioned above. FORVIA also acquired additional shares on the market, representing 2.09% of HELLA shares as of March 18, 2022. As of December 31, 2023, FORVIA holds 81.6% of HELLA shares. FORVIA has an exclusive control on HELLA, which is fully consolidated (including all its significant affiliates) since February 1, 2022.

Within the Seating perimeter, in China the companies Xian Faurecia Automotive Parts Co., Ltd and Changzhou Faurecia Automotive Parts Co., Ltd have been created and are fully consolidated since February 2022; they are held at 70% by the Group. The company Faurecia (Tianjin) Automotive Systems Co., Ltd has been created and is fully consolidated since February 2022; it is held at 100%. The company Faurecia (Changshu) Automotive System Co., Ltd in China, fully consolidated, is being held at 60% since October 2022 vs initially at 55%.

For the Electronics perimeter, in Mexico, the company Hitachi Automotive Systems San Juan Del Rio, S.A. de C.V held at 20% and consolidated in equity method had been sold in June 2022. In China, the company Changchun FAWSN Faurecia Cockpit of Future System Co., Ltd in China, has been acquired in July 2022 at 50% and is fully consolidated and the company Faurecia Clarion (Wuhan) has been created and is fully consolidated since September 2022, it is held at 100%.

Within the Lighting perimeter, the company HBPO Beteiligungsgesellschaft mbH in Germany, consolidated in equity method with a share of 27% since February 2022 following HELLA acquisition has been sold in December 2022.

2.4 Recent events

ECONOMICAL CONTEXT

The worldwide automotive production showed strong dynamics in 2023 with a global production of 90.3 million light vehicles, corresponding to a 9.7% growth year on year. The market was supported by a very robust global demand and the progressive normalization of semi-conductor's supply. The 2023 level exceeded the 89 million LV production reached in 2019 (pre-Covid level), but with a different regional mix ; In 2023, China represented 32% of worldwide LVP (vs. 27% in 2019) and Europe represented 20% (vs. 24% in 2019).

The impact of cost inflation has however persisted during the year 2023. Compared to 2022, which predominantly caused by increase in raw material prices, cost inflation in 2023 mainly related to energy, labor and, to a lesser extent, raw material prices (some of them starting to go down).

Note 3 Post-balance sheet events

No significant post-balance sheet events have occurred.

Note 4 Information by operating segment

The Group is structured into business units based on the nature of the products and services offered:

- Seating (design and manufacture of complete vehicle seats, seating frames and adjustment mechanisms);
- Interiors (design, manufacture and assembly of instrument panels, door panels and modules);
- Clean Mobility (design and manufacture of exhaust systems, solutions for fuel cell electric vehicles, and aftertreatment solutions for commercial vehicles);
- Electronics (design and manufacture of display technologies, driver assistance systems and cockpit electronics), which includes HELLA Electronics and Clarion Electronics;
- Lighting (design and manufacture of lighting technologies);
- Lifecycle solutions (solutions extending the vehicle lifecycle as well as workshop equipment and special original equipment).

These business units are managed by the Group on an independent basis in terms of reviewing their individual performance and allocating resources. The tables below show reconciliation between the indicators used to measure the performance of each segment – notably operating income (before amortization of acquired intangible assets) – and the consolidated financial statements. Borrowings, other operating income and expense, financial income and expenses, and taxes are monitored at the Group level and are not allocated to the various segments. A review of the useful life for the fixed assets has been performed in regard to the climate changes and its regulatory consequences as known at the closing date, more specifically for the Clean Mobility segment, and has not enabled to identify any significant impact for the Group.

4.1 Accounting principles

Revenue on parts is recognized when the control is transferred to the customer, incidental to ownership of the modules or parts produced. This generally corresponds to when the goods are shipped.

Revenue on tooling is generally recognized at the transfer of control of these tooling to the customer, usually shortly before serial production starts. Development costs are generally recognized as set up costs for the serial parts production and capitalized, they are then not considered as a revenue distinct from product sales, except specific cases depending on the contract with the customer.

FORVIA operates as an agent for monoliths sales, as well as for some cockpit components, these sales are then recorded at net value in the income statement. These agent flows represented €7,384.7 million in 2023 (€8,325.2 million in 2022 restated IFRS5) ; the counterparts in balance sheet are presented in the lines *Contract assets* (cf. note 17) and *Trade accounts receivables* in assets and *Trade payables* in liabilities.

Operating margin (before amortization of acquired intangible assets) is the FORVIA group's principal performance indicator.

It corresponds to net income of the fully consolidated companies before:

- the amortization of intangible assets acquired in business combinations (customer relationship...);
- other non-recurring operating income and expenses, corresponding to material, unusual and non-recurring items including reorganization costs and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure of an industrial site, disposals of non-operating buildings, impairment losses and reversals recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
- income on loans, cash investments and marketable securities;
- finance costs, including finance costs on lease liabilities;
- other financial income and expenses, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in IFRS 9, and gains and losses on sales of shares in subsidiaries;
- taxes.

4.2 Key figures by operating segment

FULL-YEAR 2023

<i>(in € million)</i>	Seating	Interiors	Clean Mobility	Electronics	Lighting	Lifecycle Solutions	Other	Total
TOTAL SALES	8,583.6	4,973.6	4,850.3	4,492.1	3,748.0	1,067.5	210.2	27,925.3
Inter-segment eliminations	(32.4)	(50.9)	(18.2)	(354.0)	(2.3)	(9.4)	(210.2)	(677.4)
Consolidated sales	8,551.1	4,922.7	4,832.2	4,138.0	3,745.8	1,058.1	0.0	27,247.9
Operating income (before amortization of acquired intangible assets)	314.7	200.9	383.7	219.4	192.7	127.6	0.0	1,439.1
Amortization of intangible assets acquired in business combinations								(193.2)
Operating income (after amortization of acquired intangible assets)								1,245.9
Other non recurring operating income								7.8
Other non recurring operating expenses								(189.2)
Finance costs, net								(495.5)
Other financial income and expenses								36.6
Corporate income tax								(232.4)
Share of net income of associates								(2.2)
Net income of continued operations								371.0
Net income of discontinued operations								(5.4)
NET INCOME (LOSS)								365.6
Segment assets	5,273.1	3,991.5	4,042.5	5,973.7	3,016.3	1,317.0	597.8	24,211.9
Net property, plant and equipment	907.8	800.4	751.3	1,172.8	1,011.1	134.5	156.9	4,934.9
Right-of-use assets	242.1	264.2	150.8	56.7	56.8	15.0	160.6	946.1
Other segment assets	4,123.2	2,926.9	3,140.3	4,744.2	1,948.4	1,167.5	280.3	18,330.9
Investments in associates								307.8
Other equity interests								116.4
Short and long-term financial assets								4,606.2
Tax assets (current and deferred)								1,242.8
TOTAL ASSETS								30,485.2
Segment liabilities	3,138.3	2,313.2	3,405.7	1,508.9	1,508.2	251.6	524.6	12,650.5
Borrowings								10,231.5
Lease liabilities								1,055.6
Tax liabilities (current and deferred)								376.2
Equity and minority interests								6,171.4
TOTAL LIABILITIES								30,485.2
Capital expenditure	221.2	209.9	126.9	246.0	254.3	21.7	42.7	1,122.9
Depreciation of property, plant and equipment	(162.7)	(152.3)	(160.5)	(196.4)	(181.7)	(18.9)	(16.6)	(889.1)
Depreciation of Right-of-use assets	(71.2)	(66.4)	(46.5)	(22.7)	(12.3)	(5.3)	(23.1)	(247.5)
Impairment of property, plant and equipment	(13.0)	(4.2)	(7.3)	(0.6)	(2.9)	0.0	9.4	(18.5)
Headcounts	47,079	33,045	19,430	20,355	22,435	5,064	6,054	153,462

FULL-YEAR 2022 RESTATED

<i>(in € million)</i>	Seating	Interiors restated	Clean Mobility	Electronics	Lighting	Lifecycle Solutions	Other	Total
TOTAL SALES	7,750.1	4,699.2	4,754.1	3,806.9	3,096.1	902.7	199.2	25,208.3
Inter-segment eliminations	(45.8)	(54.3)	(18.4)	(285.0)	(22.1)	(9.8)	(199.2)	(634.6)
Consolidated sales	7,704.3	4,645.0	4,735.7	3,521.7	3,074.0	893.0	0.0	24,573.7
Operating income (before amortization of acquired intangible assets)	197.0	191.3	336.3	140.8	106.5	88.5	0.0	1,060.5
Amortization of intangible assets acquired in business combinations								(189.9)
Operating income (after amortization of acquired intangible assets)								870.6
Other non recurring operating income								1.8
Other non recurring operating expenses								(444.3)
Finance costs, net								(326.8)
Other financial income and expenses								(168.4)
Corporate income tax								(177.0)
Share of net income of associates								11.4
Net income from continued activities								(232.7)
Net income from discontinued activities								(17.7)
NET INCOME (LOSS)								(250.4)
Segment assets	5,246.6	5,040.9	4,993.7	5,979.9	3,064.3	1,317.3	553.6	26,196.4
Net property, plant and equipment	898.5	860.7	890.9	1,179.2	975.2	134.3	117.0	5,055.8
Right-of-use assets	259.6	400.2	219.7	71.6	64.3	13.5	154.7	1,183.5
Other segment assets	4,088.5	3,780.0	3,883.1	4,729.2	2,024.8	1,169.6	282.0	19,957.1
Investments in associates								333.9
Other equity interests								128.5
Short and long-term financial assets								4,573.2
Tax assets (current and deferred)								986.3
Assets held for sale								0.0
TOTAL ASSETS								32,218.4
Segment liabilities	2,845.2	2,951.4	3,830.4	1,409.2	1,486.3	229.1	597.3	13,348.8
Borrowings								10,879.9
Lease liabilities								1,301.0
Tax liabilities (current and deferred)								449.5
Liabilities linked to assets held for sale								0.0
Equity and minority interests								6,239.1
TOTAL LIABILITIES								32,218.4
Capital expenditure	226.4	168.3	132.0	270.3	270.8	33.2	26.7	1,127.7
Depreciation of property, plant and equipment	(155.7)	(157.6)	(171.7)	(189.7)	(178.4)	(17.1)	(22.8)	(893.2)
Depreciation of Right-of-use assets	(71.4)	(64.0)	(50.9)	(22.0)	(11.3)	(4.5)	(22.4)	(246.4)
Impairment of property, plant and equipment	(10.1)	(13.7)	(17.9)	(2.8)	0.0	0.0	(11.7)	(56.1)
Headcounts	45,052	33,541	20,462	19,817	22,779	4,870	5,878	152,399

4.3 Sales by operating segment

Sales by operating segment break down as follows:

(in € million)	2023		2022 restated	
	Consolidated Sales	%	Consolidated Sales	%
Seating	8,551.1	31	7,704.3	31
Interiors	4,922.7	18	4,644.9	19
Clean Mobility	4,832.2	18	4,735.8	19
Electronics	4,138.0	15	3,521.7	14
Lighting	3,745.8	14	3,074.0	13
Lifecycle solutions	1,058.1	4	893.0	4
TOTAL	27,247.9	100	24,573.7	100

4.4 Sales by major customer

Sales* by major customer break down as follows:

(in € million)	2023		2022 restated	
	Consolidated Sales	%	Consolidated Sales	%
VW group	3,895.8	14	3,454.4	14
Stellantis	2,920.5	11	2,937.3	12
Ford group	1,994.4	7	1,973.1	8
Renault-Nissan	1,729.6	6	1,585.6	7
Daimler	1,695.6	6	1,505.5	6
Global vehicle company	1,434.1	5	1,113.3	5
BMW	1,427.0	5	1,071.5	4
Others	12,150.7	46	10,933.0	44
TOTAL	27,247.9	100	24,573.7	100

* The presentation of sales invoiced may differ from that of sales by end customer when products are transferred to intermediary assembly companies.

4.5 Key figures by geographic area

Sales are broken down by destination region. Other items are presented by the region where the companies involved operate:

2023

(in € million)	France	Germany	Other EMEA countries	Americas	Asia	Total
Consolidated Sales	1,685.1	2,976.2	7,989.2	7,207.2	7,390.1	27,247.9
Net property, plant and equipment	352.0	764.1	1,686.2	1,124.4	1,008.1	4,934.9
Right-of-use assets	187.0	103.2	226.4	287.8	141.7	946.1
Capital expenditure	93.9	127.5	414.6	285.2	201.6	1,122.9
Headcounts as of December 31	10,561	14,025	53,058	33,121	42,697	153,462

2022 RESTATED

(in € million)	France	Germany	Other EMEA countries	Americas	Asia	Total
Consolidated Sales	1,551.4	2,688.8	6,810.1	6,822.7	6,700.7	24,573.7
Net property, plant and equipment	343.5	806.0	1,662.1	1,160.5	1,083.8	5,055.8
Right-of-use assets	195.9	147.4	293.9	391.8	154.6	1,183.5
Capital expenditure	78.4	134.5	381.2	275.4	258.2	1,127.7
Headcounts as of December 31	11,034	14,221	53,303	33,297	40,544	152,399

Note 5 Analysis of operating expenses

5.1 Analysis of operating expenses by function

<i>(in € million)</i>	2023	2022 restated
Cost of sales	(23,585.5)	(21,442.1)
Research and development costs	(953.0)	(896.0)
Selling and administrative expenses	(1,270.3)	(1,175.1)
TOTAL	(25,808.8)	(23,513.2)

5.2 Analysis of operating expenses by nature

<i>(in € million)</i>	2023	2022 restated
Purchases consumed	(16,560.3)	(14,885.3)
External costs	(3,069.3)	(2,711.3)
Personnel costs	(5,785.8)	(5,293.3)
Taxes other than on income	(54.9)	(62.2)
Other income and expenses	1,428.6	1,212.4
Depreciation, amortization and provisions for impairment in value of non-current assets	(1,888.4)	(1,846.8)
Charges to and reversals of provisions	121.3	73.3
TOTAL	(25,808.8)	(23,513.2)

5.3 Personnel costs

<i>(in € million)</i>	2023	2022 restated
Wages and salaries*	(4,616.8)	(4,198.2)
Payroll taxes	(1,169.0)	(1,095.1)
TOTAL	(5,785.8)	(5,293.3)
* Of which temporary employee costs.	(418.3)	(358.7)

Details of expenses relating to the Group's free shares plans and pension costs are provided in Notes 22.2 and 25, respectively.

5.4 Research and development costs

<i>(in € million)</i>	2023	2022 restated
Research and development costs, gross	(2,197.5)	(2,067.5)
Allowance/reversal of depreciation of assets in development	(25.4)	0.6
Capitalized development costs	1,269.9	1,170.8
<i>of which in inventory</i>	223.8	216.7
<i>of which in intangible assets</i>	1,046.1	954.1
TOTAL	(953.0)	(896.0)

Development costs are usually capitalized in intangible assets as they are considered as set up costs for the serial parts production, and then amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances. For some specific contracts where the developments works are a separate performance obligation under IFRS 15 the corresponding costs comply with the definition of work in progress and are capitalized in inventory. These inventories are then expensed (cost of sales) when the corresponding revenue is recognized.

The development costs recognized in the cost of sales (stock decrease and R&D assets depreciation) amount to €924.4 million as of December 31, 2023, vs €877.8 million as of December 31, 2022 restated.

5.5 Depreciation, amortization and provisions for impairment in value of non-current assets

<i>(in € million)</i>	2023	2022 restated
Amortization of capitalized development costs	(691.8)	(674.5)
Provisions for impairment of capitalized development costs	(20.6)	(10.0)
Amortization of other intangible assets	(43.4)	(39.5)
Depreciation of specific tooling	(10.0)	(10.1)
Depreciation and impairment of other property, plant and equipment	(875.1)	(866.3)
Depreciation of Right-of-use assets	(247.5)	(246.4)
TOTAL	(1,888.4)	(1,846.8)

This table does not include allowances and reversals of provision for non-recurring items.

Note 6 Other non-recurring operating income and expenses

Other non-recurring operating income and expenses are analyzed as follows:

OTHER NON-RECURRING OPERATING INCOME

<i>(in € million)</i>	2023	2022 restated
Release of provision for impairment of assets	2.4	0.0
Gain on disposals of assets	2.4	1.5
Others	3.0	0.3
TOTAL	7.8	1.8

OTHER NON-RECURRING OPERATING EXPENSES

<i>(in € million)</i>	2023	2022 restated
Other provisions for impairment of assets	(0.6)	0.0
Reorganization expenses ^{(1) (3)}	(170.8)	(349.2)
Impairment of goodwill	0.0	0.0
Losses on disposal of assets	0.0	0.0
Others ^{(2) (3)}	(17.8)	(95.1)
TOTAL	(189.2)	(444.3)

(1) As of December 31, 2023, this item includes restructuring costs in the amount of €(171.5) million and reversal of provisions for impairment in value of assets in the amount of €0.7 million versus €(205.1) million and €(144.1) million as of December 31, 2022 restated.

(2) Of which €(43.0) million of costs linked to the acquisition and integration of HELLA as of December 31, 2022.

(3) Russia : €28.9 million of reversal of provision linked to the reduction of Russia activities of which €25.1 million of reversal of provision for reorganization and €3.8 million of income in others as of December 31, 2023 versus €(130.3) million as of December 31, 2022 of which €(103.9) million of reorganization expenses and €(26.4) million of others.

RESTRUCTURING

Reorganization costs (€170.8 million) include redundancy and site relocation payments for 2,796 people.

Note 7 Finance costs and Other financial income and expenses

7.1 Finance costs

(in € million)	2023	2022 restated
Finance costs	(527.4)	(325.1)
Finance costs on leases	(58.8)	(52.0)
TOTAL	(586.2)	(377.1)

7.2 Other financial income and expenses

(in € million)	2023	2022 restated
Impact of discounting pension benefit obligations	(22.4)	(11.2)
Changes in the ineffective portion of currency hedges	0.1	(0.3)
Changes in fair value of currency hedged relating to debt	0.2	(1.1)
Foreign exchange gains and losses on borrowings	(43.6)	(34.0)
Hyperinflation impact (Argentina-Türkiye)	(31.5)	(29.8)
Others ^{(1) (3)}	133.8	(92.0) ⁽²⁾
TOTAL	36.6	(168.4)

(1) This item includes amortization of costs related to long-term debts and commissions for non-use of the credit facility.

(2) Of which €(34.3) million in 2022 of financial costs linked to the acquisition of HELLA.

(3) Of which €158.0 million of gain on sale (mainly shares of Symbio and CVI activity - cf. note 2.2) and €(13.6) million for the variance of the fair value of the off-site VPPA contracts in 2023 - cf. Note 26.

Note 8 Income tax

Deferred taxes are recognized using the liability method for temporary differences arising between the tax bases for assets and liabilities and their carrying amounts on the consolidated financial statements. Temporary differences mainly arise from tax loss carryforwards and consolidation adjustments to subsidiaries' accounts.

Deferred taxes are measured using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available in the short or medium term against which the temporary differences or the loss carry forward can be utilized, based on the Group's strategic plan.

Deferred tax liabilities are accounted for every taxable temporary differences in relation with investment in subsidiaries, joint ventures and associates unless the Group has the capacity to control the timing of the reversal of temporary differences and if it is probable that they will not be reversed in a predictable future.

In compliance with IFRIC 23, accruals for risk on income tax are part of the income tax within the statement of comprehensive income and of income tax payables within the balance sheet (Note 28).

Corporate income tax can be analyzed as follows:

(in € million)	2023	2022 restated
Current taxes		
▪ Current corporate income tax	(414.0)	(354.5)
Deferred taxes		
▪ Deferred taxes for the period	181.6	177.5
TOTAL	(232.4)	(177.0)

8.1 Analysis of the tax charge

Corporate income tax can be analyzed as follows:

(in € million)	2023	2022 restated
Pre-tax income of consolidated companies	605.6	(67.1)
Theoretical Tax (25.83%)	(156.4)	17.3
Effect of rate changes on deferred taxes recognized on the balance sheet	0.9	(1.0)
Effect of local rate differences*	61.0	44.6
Tax credits	3.4	6.4
Change in unrecognized deferred tax	(169.9)	(173.5)
Permanent differences & others**	28.6	(70.8)
Corporate tax recognized	(232.4)	(177.0)

* The impact of local rate differences mainly relates to Chinese and German entities.

** Mainly due to withholding tax in 2022.

8.2 Analysis of tax assets and liabilities

(in € million)	2023	2022
Current taxes		
■ Assets	389.9	295.8
■ Liabilities	(168.8)	(167.2)
Total	221.1	128.6
Deferred taxes		
■ Assets*	852.9	690.5
■ Liabilities	(327.8)	(390.4)
Total	525.1	300.1
* Of which tax assets on tax losses.	174.5	221.9

The Group considers the recovery of the deferred tax net balance as at December 31, 2023, i.e. €525.1 million, as probable.

Changes in deferred taxes recorded on the balance sheet break down as follows:

(in € million)	2023	2022
Amount as at the beginning of the year	300.1	496.5
Deferred taxes carried to net income for the period	181.6	181.4
■ Deferred taxes recognized directly in equity*	14.3	(75.4)
■ Effect of currency fluctuations and other movements	(3.0)	(14.9)
■ Effect of scope variations	32.2	(287.5)
Amount at the end of the year	525.1	300.1

* Mainly related to actuarial gains and losses directly recognized in equity.

8.3 Deferred tax assets and liabilities by nature

<i>(in € million)</i>	2023	2022
Tax asset carryforwards	174.5	221.9
Intangible assets	(499.4)	(631.9)
Other tangible assets and long term assets	73.4	20.4
Pensions	120.6	103.0
Other reserves	48.2	38.1
Stocks	246.7	229.4
Other working capital	361.2	319.2
TOTAL	525.1	300.1
<i>of which deferred tax assets</i>	852.9	690.5
<i>of which deferred tax liabilities</i>	(327.8)	(390.4)

The variation of the net deferred tax on intangible assets includes the deferred tax effect of the amortization of intangible assets acquired in business combinations.

8.4 Impairment of tax asset carryforwards

The ageing of impaired tax asset carryforward is detailed as follows:

<i>(in € million)</i>	2023	2022
N+1	12.9	13.5
N+2	9.4	17.0
N+3	18.6	10.8
N+4	13.8	14.1
N+5 and above	177.7	157.3
Unlimited	600.1	523.5
TOTAL	832.4	736.2

These impaired deferred income tax assets on loss carry forwards are mainly located in France.

Note 9 Earnings per share

Basic earnings per share are calculated by dividing net income attributable to owners of the parent by the weighted average number of shares outstanding during the year, excluding treasury stock. For the purpose of calculating diluted earnings per share, the Group adjusts net income attributable to owners of the parent and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares (including stock options, free shares and convertible bonds).

	2023	2022
Number of shares outstanding at year-end ⁽¹⁾	197,089,340	197,089,340
Adjustments :		
▪ treasury stock	(5,091)	(84,171)
▪ weighted impact of share issue prorated	0	(23,332,976)
Weighted average number of shares before dilution	197,084,249	173,672,193
Weighted impact of dilutive instruments:		
▪ free shares attributed	521,273	81,117
▪ bonds with conversion option	0	0
Weighted average number of shares after dilution	197,605,522	173,753,310
<i>(1) Changes in the number of shares outstanding as of December 31, 2023, are analyzed as follows:</i>		
As of December 31, 2022: Number of FORVIA shares outstanding	197,089,340	
<i>Change of number of shares</i>	<i>0</i>	
As of December 31, 2023: Number of FORVIA shares outstanding	197,089,340	

The dilutive impact of the bonds was calculated using the treasury stock method.

In relation to stock options, this method consists of comparing the number of shares that would have been issued if all outstanding stock options had been exercised to the number of shares that could have been acquired at fair value.

The potentially dilutive impact of free shares is taken into account considering the number of shares to be distributed for the plans of which the realization of the performance conditions has already been stated by the Board.

Earnings per share

Earnings per share break down as follows:

	2023	2022 restated
Net Income (loss) (in € million)	222.2	(381.8)
Basic earnings (loss) per share	1.13	(2.20)
After dilution	1.12	(2.20)
Net Income (loss) from continued operations (in € million)	227.6	(364.1)
Basic earnings (loss) per share	1.15	(2.10)
After dilution	1.15	(2.10)
Net Income (loss) from discontinued operations (in € million)	(5.4)	(17.7)
Basic earnings (loss) per share	(0.03)	(0.10)
After dilution	(0.03)	(0.10)

Note 10 Goodwill

In case of a business combination, the aggregate value of the acquisition is allocated to the identifiable assets acquired and liabilities assumed based on their fair value determined at their acquisition date.

A goodwill is recognized when the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree exceed the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired. For the purpose of impairment testing, goodwill is allocated to cash-generating units (CGUs). A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The CGU to which goodwill is allocated represents the level within the operating segment at which goodwill is monitored for internal management purposes. The Group has identified the following CGUs:

- Seating;
- Interiors;
- Clean Mobility;
- Electronics;
- Lighting;
- Lifecycle Solutions.

The carrying amount of assets and liabilities thus grouped is compared to the higher of its market value and value in use, which is equal to the present value of the net future cash flows expected, and their net market value including costs of disposal.

<i>(in € million)</i>	Gross	Impairment	Net
Amount as of January 1, 2022	2,896.7	(660.5)	2,236.2
Acquisitions	3,014.0	0.0	3,014.0
Provision for impairment	0.0	0.0	0.0
Scope variations	0.0	0.0	0.0
Translation adjustments and other	10.2	(0.1)	10.1
Amount as of December 31, 2022	5,920.9	(660.6)	5,260.3
Acquisitions	0.0	0.0	0.0
Provision for impairment	0.0	0.0	0.0
Scope variations	(123.2)	0.0	(123.2)
Translation adjustments and other	(7.7)	0.2	(7.5)
Amount as of December 31, 2023	5,790.1	(660.4)	5,129.6

Breakdown of the net amount of goodwill by operating segment:

<i>(in € million)</i>	2023	2022
Seating	1,141.8	1,141.8
Interiors	761.7	889.0
Clean Mobility	691.6	694.9
Electronics	1,661.5	1,661.5
Lighting	291.1	291.1
Lifecycle solutions	581.9	581.9
TOTAL	5,129.6	5,260.3

Cash-generating units and impairment tests

Impairment tests are carried out whenever there is an indication that an asset may be impaired. Impairment testing consists of comparing the carrying amount of an asset, or group of assets, with the higher of its market value and value in use. Value in use is defined as the present value of the net future cash flows expected to be derived from an asset or group of assets.

The assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, or CGUs).

Impairment tests are performed on each group of intangible assets (development costs) and property, plant and equipment attributable to a customer contract. This is done by comparing the aggregate carrying amount of the Group of assets concerned with the present value of the expected net future cash flows to be derived from the contract.

An impairment loss is recorded when the assets' carrying amount is higher than the present value of the expected net future cash flows. A provision is then recorded for losses to completion on loss-making contracts in compliance with IAS 37.

In case of a triggering event, impairment testing is also carried out on general and corporate assets grouped primarily by type of product and geographic area.

The cash inflows generated by the assets allocated to these CGUs are largely interdependent due to the high overlap among various manufacturing flows, optimization of capacity utilization, and centralization of research and development activities.

Manufacturing assets whose closure is planned are tested independently for impairment.

Within the frame of the impairment tests of goodwill and group of CGUs, the cash flow forecasts used to calculate value in use were based on the Group's 2024-2028 forecasts which were drafted in the second semester of 2023. The volume assumptions used in the strategic plan are based on worldwide automotive market assumptions of 88 million of cars in 2024, 88 million in 2025 and 93 million in 2028, based themselves on external information sources. The impacts of group commitment on carbon neutrality as well as the consequences of governmental policies linked to the global warming are as well part of the assumptions used for these forecasts.

The main assumption affecting value in use is the level of operating income used to calculate future cash flows and particularly the terminal value. The operating margin assumption for 2028 remains above 8% of sales for the Group as a whole.

Projected cash flows for the last year (2028) have been projected to infinity by applying a growth rate determined based on analysts' trend forecasts for the automotive market. The growth rate applied for the 2023 test was 1.4% (1.4% applied at the end of 2022), except for Electronics for which 2% has been considered given the specific development of this segment (2% applied at the end of 2022).

FORVIA called on an independent expert to update the weighted average cost of capital used to discount future cash flows. The market parameters used in the expert's calculation are based on a sample of companies operating in the automotive supplier sector. Taking into account these parameters and a market risk premium of 6.5% on average, the weighted cost of capital used to discount future cash flows was set at 10.6% (on the basis of a range of values provided by the independent expert) in 2023 (10.5% in 2022). This rate was applied for the impairment tests carried out on all of the groups of CGUs, as they all bear the same specific risks relating to the automotive supplier sector and the CGUs multinational operation does not justify using geographically different discount rates.

The tests performed as of December 31, 2023 did not show any indication of impairment in goodwill.

The table below shows the sensitivity of the impairment test results to changes in the assumptions used as of December 31, 2023 to determine the value in use of the CGUs groups to which the Group's goodwill is allocated:

Sensitivity (in € million)	Test income (value in use – net carrying value)	Cash flow discount rate + 0.5 pt	Growth rate to infinity - 0.5 pt	Operating margin rate for terminal value - 0.5 pt	Combination of the 3 factors
Seating	2 151	1 887	1 953	1 896	1 488
Interiors	1 176	971	1 018	1 013	687
Clean Mobility	1 675	1 533	1 571	1 557	1 336
Electronics	48	(258)	(194)	(186)	(671)
Lighting	122	2	32	(2)	(188)
Lifecycle solutions	216	143	161	179	63

Note 11 Intangible assets

A. Research and development expenditure

The FORVIA group incurs certain development costs in connection with producing and delivering modules for specific customer orders which are considered as set up costs for the serial parts production and capitalized. In accordance with IAS 38, these development costs are recorded as an intangible asset where the Company concerned can demonstrate:

- its intention to complete the project as well as the availability of adequate technical and financial resources to do so;
- how the customer contract will generate probable future economic benefits and the Company's ability to measure these reliably;
- its ability to reliably measure the expenditure attributable to the contracts concerned (costs to completion).

These capitalized costs are amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances.

Research costs, and development costs that do not meet the above criteria, are expensed as incurred.

B. Other intangible assets

Other intangible assets include development and purchase costs relating to software used within the Group – which are amortized on a straight-line basis over a period of between one and three years – as well as patents and licenses,

It also includes the intangible assets acquired in business combinations (customer relationship, trademarks, technologies...); these assets are amortized on the corresponding contracts duration, i.e. between 5 and 20 years for trademarks, between 6 and 16 years for customer relationship and between 6 and 12 years for technologies.

Intangible assets break down as follows:

<i>(in € million)</i>	Development costs	Software and other	Intangible assets acquired	Total
AMOUNT AS OF JANUARY 1, 2022	2,268.4	66.2	465.8	2,800.4
Additions	969.1	18.7	0.0	987.8
Depreciation and amortization	(680.0)	(40.7)	(218.6)	(939.3)
Funding of provisions	(45.4)	(0.5)	0.0	(45.9)
Scope variations	483.9	25.9	1,270.0	1,779.7
Translation adjustments and other	2.6	19.7	(15.0)	7.3
AMOUNT AS OF DECEMBER 31, 2022	2,998.6	89.3	1,502.1	4,590.1
Additions	1,060.8	14.4	0.0	1,075.2
Depreciation and amortization	(691.8)	(38.1)	(193.2)	(923.1)
Funding of provisions	(52.3)	(4.0)	0.0	(56.4)
Scope variations	(21.6)	(2.5)	(146.1)	(170.2)
Translation adjustments and other	(139.7)	15.4	(16.5)	(140.8)
AMOUNT AS OF DECEMBER 31, 2023	3,154.0	74.5	1,146.4	4,374.8

The book value of development costs allocated to a customer contract as well as the associated specific tooling is compared to the present value of the expected net future cash flows to be derived from the contract based on the best possible estimate of future sales. The volumes taken into account in FORVIA's Business Plans are the best estimates by the Group's Marketing department based on automakers' forecasts when available.

Note 12A Property, plant and equipment

Property, plant and equipment are stated at acquisition cost, or production cost in the case of assets produced by the Group for its own use, less accumulated depreciation.

Maintenance and repair costs are expensed as incurred, except when they increase productivity or prolong the useful life of an asset, in which case they are capitalized.

In accordance with the amended version of IAS 23, borrowing costs on qualifying assets arising subsequent to January 1, 2009 are included in the cost of the assets concerned. The amount is not significant for the period.

Property, plant and equipment are depreciated by the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	20 to 30 years
Leasehold improvements, fixtures and fittings*	10 to 20 years
Machinery, tooling and furniture	3 to 10 years

* For leased buildings, leasehold improvements are depreciated over the same duration than the corresponding Right-of-Use asset.

Investment grants are recorded as a deduction from the assets that they were used to finance.

(in € million)	Land	Buildings	Plant, tooling and equipment	Specific tooling	Other property, plant and equipment and property, plant and equipment in progress	Total
AMOUNT AS OF JANUARY 1, 2022	97.5	372.5	1,731.5	24.5	576.4	2,802.4
Additions (including own work capital)	0.0	14.1	193.2	6.4	952.9	1,166.7
Disposals	(3.4)	(55.0)	(260.6)	(36.5)	(34.3)	(389.7)
Depreciation	(0.2)	(77.4)	(718.5)	(10.1)	(112.5)	(918.8)
Non-recurring impairment losses	(0.0)	(17.7)	(27.8)	(0.0)	(10.6)	(56.1)
Depreciation written off on disposals	1.2	55.2	240.9	36.5	34.7	368.6
Scope variations	0.2	562.2	999.2	(0.0)	504.3	2,065.8
Translation adjustments and other	2.2	69.5	626.2	0.0	(681.0)	16.9
AMOUNT AS OF DECEMBER 31, 2022	97.4	923.4	2,784.3	20.9	1,229.8	5,055.8
Additions (including own work capital)	0.6	18.1	177.5	6.3	920.8	1,123.2
Disposals	(1.7)	(40.5)	(274.3)	(2.8)	(35.9)	(355.3)
Funding of depreciation, amortization and impairment provisions	(1.5)	(78.4)	(708.9)	(10.0)	(90.3)	(889.1)
Non-recurring impairment losses	0.5	3.5	(22.4)	0.0	(0.2)	(18.5)
Depreciation written off on disposals	0.6	39.1	220.1	2.8	33.3	295.9
Scope variations	(3.1)	(10.3)	(86.3)	(0.0)	(50.3)	(150.0)
Translation adjustments and other	120.1	(78.9)	662.8	0.0	(831.1)	(127.0)
AMOUNT AS OF DECEMBER 31, 2023	213.0	776.1	2,752.7	17.2	1,176.0	4,934.9

(in € million)	2023			2022	
	Gross	Depreciation	Net	Gross	Net
Land	255.0	(42.0)	213.0	105.3	97.4
Buildings	1,988.7	(1,212.6)	776.1	2,163.9	923.4
Plant, tooling and technical equipment	9,866.6	(7,114.0)	2,752.7	9,773.5	2,784.3
Specific tooling	95.7	(78.5)	17.2	93.3	20.9
Other property, plant and equipment & property, plant and equipment in progress	2,070.4	(894.4)	1,176.0	2,132.2	1,229.8
TOTAL	14,276.3	(9,341.4)	4,934.9	14,268.2	5,055.8

Property, plant and equipment are often dedicated to client programs.

Note 12B Right-of-use assets

Lease contracts are accounted for in the balance sheet, through an asset (representing the right to use the leased asset along the contract duration) and a liability (representing the lease future payments obligation), considering the main following principles:

- exemption of contracts with a duration less than 12 months or which value is below €5,000 (corresponding lease payments are still expensed along the contract lifetime);
- the duration of a contract is equal to its non cancellable duration, except if the Group is reasonably certain to exercise the renewal or cancellation options contractually agreed;
- as long as the contract implicit rate can't be easily determined, the discount rate used is the marginal borrowing rate corresponding to the duration of the lease contract, determined based on the lessee and duration concerned;
- as of the effective date (date at which the leased asset is made available by the lessor), lease contracts as defined per IFRS 16 "Leases" are accounted for:
 - as fixed assets (right of use) for the amount of the lease liability, increased by advanced payments made to lessor, initial costs incurred, as well as estimated dismantling or refurbishment costs that would be paid by FORVIA based on contractual terms if needed, and
 - as lease liability for the amount of discounted lease payment over the contract duration as defined above, using the discount rate defined above,
 - these right of use are depreciated on a linear basis, on the contract duration or by exception on the utility duration, if this one is shorter or if the contract transfers to the lessee the asset property or if a purchase option exists which is reasonably certain to be exercised by FORVIA,
 - cash flows related to the sale and lease back operations are included in the cash flows provided by investing activities.

<i>(in € million)</i>	Land	Buildings	Plant and equipment	Others	Total
AMOUNT AS OF JANUARY 1, 2022	0.3	799.0	78.2	73.5	950.9
New contracts	0.0	256.0	20.4	55.6	332.0
Depreciation	0.0	(191.3)	(26.2)	(46.7)	(264.2)
Funding of impairment provisions	0.0	(5.5)	0.0	(0.4)	(5.9)
Scope variations	0.0	117.6	2.2	8.5	128.3
Translation adjustments and other	0.0	45.0	(2.2)	(0.4)	42.3
AMOUNT AS OF DECEMBER 31, 2022	0.3	1,020.7	72.4	90.2	1,183.5
New contracts	0.0	88.2	13.8	58.0	160.0
Depreciation	0.0	(175.4)	(25.1)	(47.0)	(247.5)
Funding of impairment provisions	0.0	(1.6)	(0.2)	(0.6)	(2.4)
Scope variations	0.0	(91.1)	(2.0)	(8.6)	(101.7)
Translation adjustments and other	0.0	(39.1)	0.1	(6.8)	(45.8)
AMOUNT AS OF DECEMBER 31, 2023	0.3	801.7	59.0	85.1	946.1

Variable lease contracts : contracts corresponding to the qualification of lease contracts, for which all payments are variable payments, leading to no recognition of right-of-use assets and financial debt, have been signed for the lease of solar panel producing electricity (on site PPA) in plants of the Group. As at December 31, 2023, 43 contracts were effectively signed, mainly for a duration of 20 years, out of which 5 were already in operation.

Note 13 Investments in associates

Investment in associates for continued operations:

AS OF DECEMBER 31, 2023

<i>(in € million)</i>	% interest	Group share of equity*	Dividends received by the Group	Group share of sales	Group share of total assets
Changchun HELLA Faway Automotive Lighting Co.	40%	46.0	0.0	71.6	86.9
HELLA MINTH Jiaxing Automotive Parts Co.	41%	29.4	0.0	11.2	34.7
Behr-HELLA Thermocontrol GmbH	41%	57.5	0.0	256.1	202.5
Faurecia-NHK Co., Ltd	50%	0.0	0.0	227.9	57.0
TEKNIK MALZEME Ticaret Ve Sanayi A.S	50%	0.0	0.0	19.2	18.1
SYMBIO	33%	0.0	0.0	6.8	200.3
Total Network Manufacturing LLC	49%	0.9	0.0	149.1	46.5
Others		174.1	(19.7)	920.3	489.9
TOTAL		307.8	(19.7)	1,662.2	1,135.9

* As the Group share of some company's net equity is negative, it is recorded under liabilities as a provision for contingencies and charges.

There is no joint operation in the sense of IFRS 11 within the companies consolidated by equity method.

Change in investments in associates

<i>(in € million)</i>	2023	2022
Group share of equity at beginning of period	333.9	150.8
Dividends	(19.7)	(22.1)
Share of net income of associates	(2.2)	11.4
Change in scope of consolidation	5.5	197.8
Capital increase	(0.4)	2.8
Currency translation adjustments	(9.3)	(6.8)
Group share of equity at end of period	307.8	333.9

Note 14 Other equity interests

Equity interests correspond to the Group's interests in the capital of non-consolidated companies. They are subject to impairment testing based on the most appropriate financial analysis criteria. An impairment loss is recognized when appropriate. The criteria generally applied are the Group's equity in the underlying net assets and the earnings outlook of the company concerned.

(in € million)	% of share capital	2023		2022
		Gross	Net	Net
Changchun Xuyang Industrial Group	18.8	12.3	12.3	13.2
TactoTek Oy	9.0	6.6	4.6	6.6
Guardknox Cyber Technologies Ltd	7.0	5.4	5.4	5.4
Canatu Oy	8.0	7.0	7.0	7.0
SL Corporation	1.6	0.0	0.0	13.4
HELLA Fast Forward Shanghai Co. Ltd	100.0	9.8	9.8	9.0
Light Field Lab	4.3	9.0	9.0	9.3
Other		90.9	68.4	64.7
TOTAL		141.0	116.4	128.5

Note 15 Other non-current financial assets

Loans and other financial assets are initially stated at fair value and then at amortized cost, calculated using the effective interest method.

Provisions are booked on a case-by-case basis where there is a risk of non-recovery.

(in € million)	2023			2022
	Gross	Provisions	Net	Net
Loans to companies consolidated by equity method and non-consolidated companies	110.1	(7.1)	102.9	88.7
Other loans	18.7	(5.5)	13.2	11.9
Derivatives	17.1	0.0	17.1	23.1
Others	27.0	(3.7)	23.3	34.4
TOTAL	172.9	(16.3)	156.5	158.1

Note 16 Other non-current assets

This item includes:

<i>(in € million)</i>	2023	2022
Pension plan surpluses	31.0	21.5
Guarantee deposits and other	123.7	165.6
TOTAL	154.7	187.1

Note 17 Inventories and work-in-progress

Inventories of raw materials and supplies are stated at cost, determined by the FIFO method (First-In, First-Out).

Finished and semi-finished products, as well as work-in-progress, are stated at production cost, determined by the FIFO method. Production cost includes the cost of materials and supplies as well as direct and indirect production costs, excluding overhead not linked to production and borrowing costs.

Work-in-progress includes the costs of specific tooling produced or purchased specifically for the purpose of manufacturing parts or modules for customer orders and which are sold to the customer, i.e. for which the control is transferred to the customer, usually shortly before serial production starts, and specific development work which is sold to customers and corresponding to the definition of work in progress when the contract enables to consider that these developments are a specific performance obligation under IFRS 15. These costs are expensed (cost of sales) over the period in which the corresponding revenue is recognized, i.e. at transfer of control of these development works to the customer.

Inventories of products for which the Group is considered as agent are presented as contract assets and not in inventories.

Provisions are booked for inventories for which the probable realizable value is lower than cost and for slow moving items.

<i>(in € million)</i>	2023			2022
	Gross	Depreciations	Net	Net
Raw materials and supplies	1,407.0	(184.2)	1,222.8	1,284.5
Engineering, tooling and prototypes	926.9	(21.1)	905.8	825.5
Work in progress for production	110.1	(4.2)	105.9	106.4
Semi-finished and finished products	807.3	(138.1)	669.2	707.8
TOTAL	3,251.3	(347.6)	2,903.7	2,924.2

Note 18 Trade accounts receivables

Under trade receivables sale programs, the Group can sell a portion of the receivables of a number of its French, German, North America and other subsidiaries to a group of financial institutions, transferring substantially all of the risks and rewards relating to the receivables sold to the financial institutions concerned.

The following table shows the amount of receivables sold with maturities beyond December 31, 2023, for which substantially all the risks and rewards have been transferred, and which have therefore been derecognized, as well as the financing under these programs:

<i>(in € million)</i>	2023	2022
Financing	1,321.2	1,304.2
Guarantee reserve deducted from borrowings	(29.7)	(29.3)
Cash received as consideration for receivables sold	1,291.6	1,274.9
Receivables sold and derecognized	(1,291.6)	(1,274.9)

Individually impaired trade receivables are as follows:

<i>(in € million)</i>	2023	2022
Gross total trade receivables	4 164.0	5,115.8
Provision for impairment of receivables	(31.1)	(49.9)
TOTAL	4 132.9	5,065.9

Given the high quality of Group counterparties, late payments do not represent a material risk. They generally arise from administrative issues.

Late payments as of December 31, 2023 were €213.4 million, breaking down as follows:

- €84.3 million less than one month past due;
- €36.2 million between one and two months past due;
- €17.9 million between two and three months past due;
- €27.1 million between three and six months past due;
- €47.9 million more than six months past due.

Note 19 Other operating receivables

<i>(in € million)</i>	2023	2022
Down payments	122.8	248.3
Currency derivatives for operations	52.1	48.5
Other receivables ⁽¹⁾	418.5	423.7
TOTAL	593.4	720.5
<i>(1) Including the following amounts for VAT and other tax receivables.</i>	410.5	419.6

Note 20 Other receivables

<i>(in € million)</i>	2023	2022
Short-term portion of loans	64.9	25.2
Prepaid expenses	785.1	884.9
Current taxes	389.9	295.8
Other sundry receivables	209.3	219.8
TOTAL	1,449.2	1,425.7

In 2023, the receivables on France *Crédit d'Impôt Recherche* (CIR) have been sold for an amount of €43.7 million vs €41.9 million in 2022.

Note 21 Cash and cash equivalents

Cash and cash equivalents include current account balances in the amount of €3,130.6 million (compared to €3,747.5 million in 2022) and short-term investments in the amount of €1,143.3 million (compared to €453.6 million in 2022), for a total of €4,273.9 million as of December 31, 2023 (€4,201.1 million as of December 31, 2022).

These components include cash at bank, current account balances, marketable securities such as money market and short-term money market funds, deposit and very short-term risk-free securities that are readily sold or converted into cash. Cash equivalents are investments held for the purpose of meeting short term cash commitments and are subject to an insignificant risk of change in value.

They are measured at fair value and variances are booked through P&L.

Note 22 Shareholders' equity

22.1 Capital

As of December 31, 2023, FORVIA capital stock totaled €1,379,625,380 divided into 197,089,340 fully paid-up shares with a par value of €7 each.

The Group's capital is not subject to any external restrictions. Double voting rights are granted to all shares for which a nominative registration can be confirmed, for at least two years in the name of the same shareholder.

22.2 Share-based payment

FREE SHARE GRANT

In 2010, FORVIA implemented a share grant plan for executives of Group companies. These shares are subject to service and performance conditions.

In 2021, FORVIA has implemented a unique long term share grant plan (Executive Super Performance Initiative-ESPI) for the members of the Group Executive Committee, executives of Group companies. The acquisition period is five years without conservation condition, and the maximum amount is limited to 300% of the yearly fixed wages. These shares are subject to a service and a performance condition, the Total Shareholder Return – TSR, compared to a peer group.

Free shares are measured at fair value by reference to the market price of FORVIA's shares at the grant date, less an amount corresponding to the expected dividends due on the shares but not paid during the vesting period and an amount reflecting the cost of the shares being subject to a lock-up period. For the ESPI plan, the fair value of the shares includes also an assumption for the achievement of the external performance condition which is frozen at grant date. The fair value is recognized in payroll costs on a straight-line basis over the vesting period, with a corresponding adjustment to equity.

Details of the share grant plans as of December 31, 2023 are set out in the table below:

Date of Annual Shareholders' Meeting	Date of Board meeting	Maximum number of free shares that can be granted* for:		Performance condition	Share market value at grant date (in €)	Adjustments			Acquisition date	Sales date (from)
		reaching the objective	exceeding the objective			dividend rate	Non-transferability discount			
05/31/2021	10/25/2021	862,293	1,121,703	2023 after tax income target as stated in strategic plan when granted adjusted following the board decision of July 26th, 2023, FORVIA earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population	42.33	3.60%	NA	10/25/2025	10/25/2025	
06/01/2022	07/28/2022	1,492,710	1,939,880	For the CEO: 2024 after tax income target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population For the other beneficiaries: 2024 operating income and net cash flow target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO ₂ emissions reduction target	16.68	6.00%	NA	07/28/2026	07/28/2026	
05/30/2023	07/26/2023	1,531,480	1,991,900	2025 operating income and net cash flow target as stated in strategic plan when granted, FORVIA earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO ₂ emissions reduction target	24.57	4.00%	NA	07/26/2027	07/26/2027	
05/31/2021	07/23/2021	324,883	324,883	ESPI plan : FORVIA share relative performance (TSR) compared to a reference group of companies on a yearly basis; for the CEO, FORVIA share relative performance (TSR) compared to a reference group of companies on average over five years (2021-2026)	39.57	3.60%	NA	07/23/2026	07/23/2026	

* Net of free shares granted cancelled.

The shares corresponding to the plan attributed by the Board of October 9, 2019 (72,002), has been distributed in October 2023. The performance conditions for the plan attributed by the Board of October 22, 2020 have been partially met, the corresponding shares (521,273) will be distributed in October 2024.

OTHER PLANS

Furthermore, a long-term variable remuneration (long-term incentive, LTI) has been implemented for HELLA Management Board before HELLA acquisition by FORVIA. This long term incentive is paid in cash. The performance criteria are based on the return on invested capital (RoIC), the income before tax as well as the performance of the HELLA share (total shareholder return). The LTI base amount is determined for the first fiscal year in the calculation period, as a fixed percentage of the annual fixed salary depending on the RoIC; the long term variable remuneration is based on a calculation period of five fiscal years and payment is made once the calculation period comprising a total of five fiscal years has come to an end. For example, the LTI allocated for the fiscal year 2020/2021 will be paid out at the end of the fiscal year 2024. As these LTI are share-based, their value is recognized according to IFRS 2. However, the LTI allocated for fiscal year 2023 do not include the performance of the HELLA share as a performance criteria and their calculation period comprises only a total of four fiscal years.

There are currently five plans on going with the following valuation:

Plan		Grant date	Vesting date	Debt as at 12/31/23 <i>(in € million)</i>
LTI 19/20	(share-based)	April 1, 2020	December 31, 2023	0.1
LTI 20/21	(share-based)	June 1, 2020	December 31, 2024	4.3
LTI 21/22	(share-based)	June 1, 2021	December 31, 2025	2.4
LTI 22	(share-based)	June 1, 2022	December 31, 2026	2.5
LTI 23	(non share-based)	January 1, 2023	December 31, 2026	1.0

The amount recognized for the period for all these plans is an expense of €16.4 million, compared to €16.4 million in the year 2022.

22.3 Treasury stock

As of December 31, 2023, FORVIA held 5,091 treasury stock shares.

The cost of the shares held in treasury stock as of December 31, 2023 totaled €0.2 million, representing an average cost of €35.13 per share.

Note 23 Minority interests

This item corresponds to minority shareholders' interests in the equity of consolidated subsidiaries.

Changes in minority interests were as follows:

<i>(in € million)</i>	2023	2022
Amount as at beginning of the period	1,691.1	386.3
Increase in minority shareholder interests	6.8	0.0
Other changes in scope of consolidation	2.0	1,220.4
Minority interests in net income for the year	143.4	131.4
Other comprehensive income	(7.2)	22.5
Dividends allocated to minority interests	(142.6)	(55.2)
Currency translation adjustments	(31.5)	(14.3)
Amount as the end of the year	1,662.0	1,691.1

The minority interests, taken individually, are not considered as significant in comparison to the total net equity.

Note 24 Current provisions and contingent liabilities

24.1 Current provisions

A provision is recorded when Group Executive Management has decided to streamline the organization structure and announced the program to the employees affected by it or their representatives, when relevant.

<i>(in € million)</i>	2023	2022
Restructuring	180.7	200.0
Risks on contracts and customer warranties	301.7	478.1
Litigation	57.2	65.4
Other provisions	63.3	52.0
TOTAL	602.9	795.5

Changes in these provisions during 2023 were as follows:

<i>(in € million)</i>	Amount as of January 1, 2023	Additions	Expenses charged	Reversals*	Sub total changes	Change in scope of consolidation and other changes	Amount as of December 31, 2023
Restructuring	200.0	151.5	(156.3)	0.0	(4.8)	(14.4)	180.8
Risks on contracts and customer warranties	478.1	117.4	(223.4)	(20.0)	(126.0)	(50.4)	301.7
Litigation	65.4	5.3	(11.8)	(0.1)	(6.6)	(1.5)	57.2
Other provisions	52.0	5.1	(3.4)	0.0	1.7	9.7	63.3
TOTAL	795.5	279.3	(394.9)	(20.1)	(135.8)	(56.6)	602.9

* Surplus provisions.

24.2 Contingent liabilities

LITIGATION

There are no other claims or litigation in progress or pending that are likely to have a material impact on the Group's consolidated financial position.

Note 25 Non-current provisions and provisions for pensions and other post-employment benefits

25.1 Non-current provisions

<i>(in € million)</i>	2023	2022
Provisions for pensions and other employee obligations	630.0	575.2
■ Pension plan benefit obligations	411.2	370.7
■ Post-retirement benefit obligations	173.5	155.3
■ Long-service awards	37.6	41.0
■ Healthcare costs	7.7	8.2
TOTAL	630.0	575.2

CHANGES IN NON-CURRENT PROVISIONS

<i>(in € million)</i>	2023	2022
Amount as at the beginning of the period	575.2	447.3
Scope variation	(2.1)	399.0
Other movement	12.9	(16.4)
Allowance (or reversal) of provision	63.6	48.8
Expenses charged to the period	(54.0)	(54.4)
Payment to external funds	(7.7)	(5.8)
Restatement differences	42.1	(243.3)
Amount as at the end of the period	630.0	575.2

25.2 Provisions for pensions and other post-employment benefits

Group employees may receive, in addition to their pensions in conformity with the applicable regulations in the countries where the Group companies employing them are located, additional benefits or post-retirement benefit obligations. The Group offers these benefits through either defined benefits or defined contribution plans. The valuation and accounting methodologies followed by the Group are the following:

- for defined contribution plans, costs are recognized as expenses based on contributions;
- the liability for defined benefit plans is determined on an actuarial basis using the projected unit credit method, according to the agreements effective in each concerned Group company.

The valuation takes into account the probability of employees staying with the Group up to retirement age and expected future salary levels as well as other economic assumptions (such as the inflation rate, the discount rate) for each concerned zone or country. It takes now also into account the 2021 IFRS IC decision on attributing benefit to periods of services. These assumptions are described in Note 25.2.

Benefit obligations are partially funded by contributions to external funds. In cases where the funds are permanently allocated to the benefit plan concerned, their value is deducted from the related liability. An excess of plan assets is only recognized in the balance sheet when it represents future benefits effectively available for the Group.

Periodic pension and other employee benefit costs are recognized as operating expenses over the benefit vesting period.

Actuarial gains and losses on defined benefits plan are recognized in other comprehensive income.

In case of a change in regime, past service costs are fully recognized as operating expenses, the benefits being fully acquired or not.

The expected rate of return of defined benefits plan assets is equal to the discount rate used to value the obligation at the opening of the period. This return is recorded in "Other financial income and expense".

The other long-term benefits (during employment period) mainly cover seniority bonuses as well as long-service awards. The obligation is valued using similar methodology, assumptions and frequency as the ones used for post-employment benefits.

BENEFIT OBLIGATIONS

<i>(in € million)</i>	2023	2022
Present value of projected obligations		
Pension plan benefit obligations	676.7	633.7
■ Post-retirement indemnities obligations	175.8	167.2
■ Long-service awards	37.6	41.0
■ Healthcare costs	7.7	8.2
TOTAL	897.8	850.1
Value of plan assets :		
■ Provisions booked in the accounts	630.0	575.2
■ External funds (market value) ⁽¹⁾	298.8	296.4
■ Plan surplus ⁽²⁾	(31.0)	(21.5)
TOTAL	897.8	850.1

(1) External funds mainly cover pension plan benefit obligations for €296.5 million in 2023.

(2) Pension plan surpluses are included in "Other non-current assets".

PENSION BENEFIT OBLIGATIONS

A – Description of the plans

In France, all managerial employees with a salary in tranche C are granted a defined benefit pension scheme, for which the rights acquired as of December 31, 2019 have been frozen, in order to comply with the PACTE law from May 22, 2019. Executive Committee members who have an employment contract with FORVIA S.E. or any of its subsidiaries also benefit from a defined benefit pension scheme for French members and defined contribution pension scheme for foreign members, the rights acquired as of December 31, 2019 in the defined benefit pension scheme for French members have also been frozen, in order to comply with the PACTE law from May 22, 2019. The rights are reestimated based on the evolution of the salary and respective expenses of the employees part of the pension scheme.

Moreover, in France, following the pension reform published on April 14, 2023, the retirement age has been postponed by two years. The impact of this reform is not material.

In the United States, the two remaining plans, already closed to new participants, were combined as of January 1, 2020. The combined pension plan covers 784 participants.

In Germany, the main defined benefit pension plan still open covers 5,192 participants. The benefit granted is based on the number of years of service, starting after 14 years. The main defined benefit pension plan closed to new participants covers 7,949 participants.

In Japan, the main defined benefit plan covers 699 participants. Benefits are based on years of service and paid at the end of the contract or upon reaching the age of 60.

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B – Assumptions used

The Group's obligations under these plans are determined on an actuarial basis, using the following assumptions:

- retirement age between 64 and 65 for employees in France;
- staff turnover assumptions based on the economic conditions specific to each country and/or Group company;
- mortality assumptions specific to each country;
- estimated future salary levels until retirement age, based on inflation assumptions and forecasts of individual salary increases for each country;
- the expected long-term return on external funds;
- discount and inflation rates (or differential) based on local conditions;

The main actuarial assumptions used in the past two years to measure the pension liability are as follows:

(in %)	Euro zone	United Kingdom	USA	Japan
DISCOUNT RATE				
12/31/2023	3.40%	4.55%	4.59%	1.39%
12/31/2022	3.90%	4.85%	4.66%	1.20%
INFLATION RATE				
12/31/2023	2.00%	3.10%	N/A	N/A
12/31/2022	2.00%	3.15%	N/A	N/A

Nota: The discount rate for the euro zone was determined on the basis of yields on prime corporate bonds for a maturity corresponding to the duration of the obligations. Prime corporate bonds are defined as bonds awarded one of the top two ratings by a recognized rating agency (for example, bonds rated AA or AAA by Moody's or Standard & Poor's).

In the United States, the pension benefit obligations are not sensitive to the inflation rate.

The average duration of the various plans is as follows:

(in number of years)	Euro zone	United Kingdom	USA	Japan
Average duration	13.6	15.5	6.2	8.4

C – Information on external funds

External funds are invested as follows:

(in %)	2023			2022		
	Equities	Bonds	Others	Equities	Bonds	Others
France	23%	70%	7%	23%	69%	8%
United Kingdom	28%	70%	3%	29%	69%	2%
United States	19%	79%	2%	52%	43%	5%
Japan	60%	19%	21%	50%	29%	21%

The fair value of shares and bonds falls in the level 1 category (price quoted in active markets) in 2023.

D – Provisions for pension liabilities recognized on the balance sheet

(in € million)	2023			2022		
	France	Abroad*	Total	France	Abroad	Total
Amount as at the beginning of the period	127.9	376.7	504.5	167.1	205.1	372.1
Effect of changes in scope of consolidation (provision net of plan surpluses)	(0.5)	(1.0)	(1.5)	0.5	378.5	379.0
Additions	12.4	40.0	52.4	11.3	32.0	43.3
Expenses charged to the provision	(3.6)	(34.9)	(38.5)	(2.8)	(41.6)	(44.4)
Payments to external funds	(1.0)	(6.7)	(7.7)	0.0	(5.8)	(5.8)
Actuarial gains/(losses)	1.4	41.0	42.4	(48.2)	(192.7)	(240.9)
Other movements	0.0	2.1	2.1	0.0	1.2	1.2
Amount as at the end of the period	136.6	417.1	553.7	127.9	376.7	504.5

* The provision for €417.1 million as of December 31, 2023 relates mainly to Germany (€345.6 million).

E – Changes in pension liabilities

In France, retirement commitments increased by €7.8 million at the closing compared to that of the previous year as detailed below:

(in € million)	2023			2022		
	France	Abroad	Total	France	Abroad	Total
PROJECTED BENEFIT OBLIGATION						
Amount as at the beginning of the period	144.2	656.8	801.0	183.6	479.3	662.9
Service costs	7.3	23.0	30.3	10.8	25.3	36.1
Annual restatement	5.7	27.5	33.2	2.2	14.0	16.2
Benefits paid	(5.3)	(53.6)	(58.9)	(3.9)	(65.4)	(69.3)
Actuarial gains/(losses)	0.4	45.9	46.3	(47.4)	(285.8)	(333.2)
Other movements (including translation adjustment)	(0.3)	0.5	0.2	0.5	491.7	492.2
Curtailments and settlements	0.0	0.5	0.5	(1.6)	(2.3)	(3.9)
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
Amount as at the end of the period	152.0	700.5	852.5	144.2	656.8	801.0
VALUE OF PLAN ASSETS						
Amount as at the beginning of the period	16.3	280.1	296.4	16.5	274.2	290.7
Projected return on plan assets	0.6	11.0	11.6	0.1	5.0	5.1
Actuarial gains/(losses)	(1.0)	4.9	3.9	0.8	(93.1)	(92.3)
Other movements (including translation adjustment)	0.2	(0.6)	(0.4)	0.0	112.0	112.0
Employer contributions	1.0	6.7	7.7	0.0	5.8	5.8
Benefits paid	(1.7)	(18.7)	(20.4)	(1.1)	(23.8)	(24.9)
Curtailments and settlements	0.0	0.0	0.0	0.0	0.0	0.0
Effect of closures and plan amendments	0.0	0.0	0.0	0.0	0.0	0.0
Amount as at the end of the period	15.4	283.4	298.8	16.3	280.1	296.4
BALANCE OF PROVISIONS AS AT THE END OF THE PERIOD	136.6	417.1	553.7	127.9	376.7	504.5
TOTAL CHANGE EXPENSED AT THE END OF THE YEAR	12.4	40.0	52.4	11.3	32.0	43.3

These costs are recognized:

- in operating income for the portion relating to service cost;
- in “Other financial income and expenses” for restatement of vested rights and the projected return on external funds.

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The actuarial gains and losses generated have been recorded in "Other comprehensive income" according to IAS 19R. It can be analyzed as follows:

(in € million)	2023		
	France	Abroad	Total
Detail of actuarial gains and losses of the period:			
■ differences linked to financial assumptions	(1.5)	(43.5)	(45.0)
■ differences linked to demographic assumptions	(0.1)	(2.4)	(2.5)
■ other differences	0.2	4.9	5.1
TOTAL	(1.4)	(41.0)	(42.4)

F – Retirement pension liabilities: sensitivity to changes in the discount rate and in the inflation rate in the main scope

The impact of a 25 basis point increase in the discount rate and in the inflation rate for the projected benefit obligation is as follows:

(in %)	Discount rate +0.25 pts	Inflation rate +0.25 pts
France	(2.0)%	+2.1%
Germany	(3.3)%	+2.0%

25.3 Long-service awards

The Group evaluates its liability for the payment of long-service awards, given to employees based on certain seniority requirements. The Group calculates its liability for the payment of long-service awards using the same method and assumptions as for its pension liability. Provisions for long-service awards have been set aside as follows:

(in € million)	2023	2022
French companies	4.0	3.9
Foreign companies	33.6	37.1
TOTAL	37.6	41.0

25.4 Healthcare costs

In addition to pension plans, some Group companies, mainly in the United States, cover the healthcare costs of their employees.

The related liability can be analyzed as follows:

(in € million)	2023	2022
Foreign companies	7.7	8.2
TOTAL	7.7	8.2

The increase of 25 basis points in the discount rate and 1 percentage point in the healthcare cost trend rates would lead to the following variations on the Group's projected benefits obligations:

(in %)	Discount rate +0.25 pt	Healthcare cost trend rate +1 pt
Projected benefit obligation	(1.7)%	+7.0%

Expenses recognized in connection with this liability break down as follows:

(in € million)	2023	2022
Service cost	0.0	0.0
Interest cost*	(0.4)	(0.3)
TOTAL	(0.4)	(0.3)

* Interest cost is recorded under "Other financial income and expenses".

Financial liabilities

The Group's financial liabilities fall within the IFRS 9 categories of (i) financial liabilities at fair value through profit or loss, and (ii) other financial liabilities measured at amortized cost.

They are recorded on the following balance sheet items: "Current financial liabilities" and "Non-current financial liabilities" (Note 26), "Accrued taxes and payroll costs" (Note 27) and "Sundry payables" (Note 28).

Financial assets and liabilities are broken down into current and non-current components for maturities at the balance sheet date: under or over a year.

Note 26 Net debt

The Group's financial liabilities are generally measured at amortized cost using the effective interest method.

26.1 Analysis of net debt

<i>(in € million)</i>	2023	2022
Bonds	6,424.9	6,499.5
Bank borrowings	2,189.1	2,461.7
Other borrowings	2.0	84.8
Non-current lease liabilities	836.5	1,049.2
Non-current derivatives	70.7	60.2
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	9,523.2	10,155.4
Current portion of long-term debt	950.3	849.5
Current portion of lease liabilities	219.1	251.8
Short-term borrowings ⁽¹⁾	590.0	922.1
Current derivatives	4.6	2.0
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	1,763.9	2,025.5
TOTAL FINANCIAL LIABILITIES	11,287.1	12,180.9
Derivatives classified under non-current and current assets	(25.9)	(40.7)
Cash and cash equivalents	(4,273.9)	(4,201.1)
NET DEBT	6,987.3	7,939.1
Net cash and cash equivalent	4,273.9	4,201.1
<i>(1) Including bank overdrafts</i>	35.1	38.8

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The change in net financial debt during the year is as follows:

<i>(in € million)</i>	Balance as of December 31, 2022	Impact on cash	Translation adjustments	Impact of fair value changes	Change in consolidation scope and other changes	Balance as of December 31, 2023
Bonds	6,499.5	376.1	0.0	(0.6)	(450.1)	6,424.9
Bank borrowings	2,461.7	153.8	(10.1)	(2.6)	(413.7)	2,189.1
Other borrowings	84.8	0.0	(1.5)	(29.1)	(52.2)	2.0
Non-current lease liabilities	1,049.2	0.0	(18.9)	0.0	(193.8)	836.5
Non-current derivatives	60.2	0.0	0.0	10.9	(0.4)	70.7
SUB-TOTAL NON-CURRENT FINANCIAL LIABILITIES	10,155.4	529.9	(30.6)	(21.4)	(1,110.2)	9,523.2
Current portion of long-term debt	849.5	(788.9)	(5.5)	(6.4)	901.5	950.3
Current portion of lease liabilities	251.8	(246.0)	(6.3)	0.0	219.6	219.1
Short-term borrowings	922.1	(276.9)	(35.2)	(3.6)	(16.5)	590.0
Current derivatives	2.0	0.0	0.0	2.1	0.4	4.6
SUB-TOTAL CURRENT FINANCIAL LIABILITIES	2,025.5	(1,311.8)	(47.0)	(7.8)	1,105.0	1,763.9
TOTAL FINANCIAL LIABILITIES	12,180.9	(781.8)	(77.6)	(29.2)	(5.3)	11,287.1
Derivatives classified under non-current and current assets	(40.7)	0.0	0.4	14.5	0.0	(25.9)
Cash and cash equivalents	(4,201.1)	(246.5)	124.1	(0.8)	50.3	(4,273.9)
TOTAL	7,939.1	(1,028.3)	46.9	(15.5)	45.0	6,987.3

26.2 Maturities of long-term debt

<i>(in € million)</i>	2025	2026	2027	2028	2029 and beyond	Total
Bonds	992.5	1,624.2	2,618.3	698.6	491.2	6,424.9
Bank borrowings	436.9	1,038.1	30.3	323.0	360.8	2,189.1
Other borrowings	1.8	0.1	0.0	0.0	0.0	2.0
Non-current lease liabilities	188.1	155.1	126.3	100.2	266.9	836.5
Non-current derivatives	0.0	0.0	1.7	0.0	69.0	70.7
TOTAL AS OF DECEMBER 31, 2023	1,619.2	2,817.6	2,776.6	1,121.8	1,188.0	9,523.2

26.3 Financing

The main components of FORVIA financing are described below:

SYNDICATED CREDIT FACILITY

On December 15, 2014, FORVIA signed a syndicated credit facility, with a five-year maturity, for an amount of €1,200 million. This credit facility was renegotiated on June 24, 2016, then on June 15, 2018 in order to extend the maturity to five years from that date. In May 2021, FORVIA has signed with its banks an Amend & Extend agreement of this syndicated credit line enabling the Group to increase the amount up to €1,500 million, as well as indexing its costs on FORVIA's environmental performance, the interest rate varying depending upon the achievement of the Group's target of CO₂ neutrality for its scopes 1 & 2, and to extend its maturity to five years, i.e. May 2026, with two one-year extension options submitted to the banks' agreement.

On April 26, 2022, FORVIA has renegotiated its covenant related to its leverage ratio (ratio Net debt ⁽¹⁾/adjusted EBITDA ⁽²⁾) and which compliance is a condition affecting the availability of this credit facility. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2023, this condition was met.

On June 27, 2023 FORVIA has extended the maturity of the syndicated credit facility to May 28, 2027 for an amount of €1,450 million. The available amount is of €1,500 million up to May 28, 2026. FORVIA also negotiated the possibility to extend the credit facility until June 2, 2028, submitted to the banks' agreement. This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

As of December 31, 2023, this facility was not drawn.

SYNDICATED CREDIT FACILITY HELLA

On September 30, 2022, HELLA signed a new syndicated credit facility, replacing the previous one, for an amount of €450 million, with maturity on September 30, 2025, with two one year extension options and an option to increase the amount up to €150 million. In September 2023, HELLA has exercised one of the extension options to extend the maturity of this credit line to December 29, 2026.

As of December 31, 2023, this facility was not drawn.

TERM LOAN 2023

FORVIA has signed on June 9, 2023 a new €500 million syndicated loan (Term Loan 2023) with a maturity to June 2, 2026 and including two one year extension options until June 2, 2028, submitted to the banks' agreement, the interest rate varying depending upon the achievement of the Group's target of CO₂ neutrality for its scopes 1, 2 & 3 (controlled emissions).

This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the Term Loan) and on the debt level of some subsidiaries.

SCHULDSCHEINDARLEHEN

FORVIA has signed on December 17, 2018 a private placement under German Law (*Schuldscheindarlehen*) for a total amount of €700 million. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of 4, 5 and 6 years, i.e. December 2022, 2023 and 2024. €378 million have been received on December 20, 2018 and the remaining amount has been received in early January 2019. The USD tranches have been partially converted in EUR resources through long term cross-currency swaps. This private placement has been used to finance the acquisition of Clarion Co., Ltd.

On June 21, 2021 FORVIA has reimbursed by anticipation €226.5 million of the variable rate tranche of the *Schuldscheindarlehen* with 2022 maturity. On December 20, 2022, FORVIA has reimbursed €58.5 million of the fixed rate tranche of the *Schuldscheindarlehen* with 2022 maturity.

(1) Consolidated net debt.

(2) Operating income before depreciation of intangible assets acquired plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

On June 30, 2023, FORVIA has reimbursed by anticipation US\$165 million of the variable rate tranche of the *Schuldscheindarlehen* with December 2023 maturity. The US\$55 million long term cross currency swap linked to the repaid tranche has also been closed by anticipation.

FORVIA has signed on December 17, 2021 a private placement under German Law (*Schuldscheindarlehen*) including ESR performance criteria for a total amount of €700 million and on June 15, 2022 an additional placement of €50 million. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of 2.5, 4, 5 and 6 years, i.e. July 2024 and January 2026, 2027 and 2028. €435 million have been received on December 22, 2021 and the remaining amount has been received in early January 2022. The USD tranches have been partially converted in EUR resources through long term cross-currency swaps. This private placement is part of the prefinancing of the acquisition of HELLA.

¥30 BILLION CREDIT FACILITY

On February 7, 2020, FORVIA has signed a credit facility in yen for an amount of ¥30 billion, with a five-year maturity, aiming at refinancing on a long term basis the debt of Clarion Co., Ltd. The credit facility comprises two tranches of ¥15 billion each, one being a loan and the other one a renewable credit line.

The proceeds of this credit line have enabled Clarion Co., Ltd to reimburse most of its bank debts.

The maturity of the credit line has been extended from February 2025 to February 2026 by exercising the first extension option.

On April 26, 2022, FORVIA has renegotiated its covenant related to its leverage ratio (ratio Net debt⁽¹⁾/adjusted EBITDA⁽²⁾) and which compliance is a condition affecting the availability of this credit facility. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2023, this condition was met.

As of December 31, 2023, the drawn amount was at ¥20 billion, representing €127.7 million.

SYNDICATED LOAN LATIN AMERICA

On September 22, 2022, Faurecia Sistemas Automotrices de Mexico Srl signed a syndicated credit facility for an amount of US\$210 million, with various investors from Latin America. On this basis, FORVIA Sistemas Automotrices de Mexico Srl has borrowed US\$100 million and 2 billion mexican pesos at a variable rate with a maturity on March 22, 2028, the amount in pesos being converted in USD resources through long term cross-currency swaps.

On February 10, 2023, Faurecia Sistemas Automotrices de Mexico Srl has subscribed an additional loan for US\$90 million with the same conditions and a maturity to March 22, 2028.

This credit facility includes some restrictive clauses on the debt level of some subsidiaries.

EUROPEAN INVESTMENT BANK (EIB) CREDIT FACILITY

On July 1, 2022, FORVIA signed a credit facility for an amount of €315 million, with a seven year maturity with the European Investment Bank (EIB). This credit facility aims at financing investments in research and development, in production and deployment of the hydrogen technology for mobility applications, advanced systems for driving assistance and driver control systems. It is composed of two tranches: (i) one for an amount of €289 million (ii) one for an amount of €26 million.

This credit facility includes a covenant on the ratio Net debt⁽¹⁾/adjusted EBITDA⁽²⁾ which compliance is a condition affecting the availability of this credit facility, identical to the syndicated credit facility and which cannot exceed 3.75x for December 31, 2022 and 3.0x from December 31, 2023 onwards. As of December 31, 2023, this condition was met. It includes as well some restrictive clauses on asset disposals and on the debt level of some subsidiaries.

In compliance with IAS 20, the difference between the market rate for a comparable loan at initial date and the interest rate for this loan has been recognized as a grant; it is recognized in P&L against the costs that the grant aims to compensate over the loan duration.

As of December 31, 2023, the drawn amount was at €289 million.

(1) Consolidated net debt.

(2) Operating income before depreciation of intangible assets acquired plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

2024 BONDS HELLA (1.00%)

On May 17, 2017, HELLA issued bonds for an amount of €300 million due May 17, 2024, carrying annual interest of 1.00%, payable on May 17 each year, as from May 17, 2018.

The proceeds of these bonds have been used to redeem the €300 million bonds due September 07, 2017, carrying annual interest of 1.25%, issued in March 2014.

The bonds are listed on the Luxembourg Stock Exchange.

As of December 31, 2023, the outstanding amount of these 2024 bonds amounted to €300 million.

2025 BONDS (2.625%)

On March 8, 2018, FORVIA issued bonds for an amount of €700 million due June 15, 2025, carrying annual interest of 2.625%, payable on June 15 and December 15 each year, as from June 15, 2018.

These bonds include a covenant restricting the additional indebtedness if the EBITDA after certain adjustments is lower than twice the gross interest costs, and restrictions on the debt similar to those of the syndicated credit loan.

The proceeds of these bonds have been used to redeem the €700 million bonds due June 15, 2022, carrying annual interest of 3.125%, issued in March and April 2015.

The bonds are listed on the Global Exchange Market of Euronext Dublin (previously Irish Stock Exchange).

An additional issue for €300 million of these 2025 bonds has been done on July 31, 2020. These additional bonds have been issued at 97.50% of the par, which corresponds to a yield to maturity of 3.18%.

As of December 31, 2023, the outstanding amount of these 2025 bonds amounted to €1,000 million.

2026 SLB BONDS (7.25%)

On November 15, 2022, FORVIA issued bonds for an amount of €700 million due June 15, 2026, carrying annual interest of 7.25%, payable on June 15 and December 15 each year, as from June 15, 2023.

These bonds are subject to the same restrictions than the 2029 bonds and base the 2025 objectives of CO₂ emission reduction on scope 1 & 2 on the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026.

The proceeds of these bonds have been used to redeem partially the syndicated bridge loan.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

An additional issue for €250 million has been done on February 1, 2023. These additional bonds have been issued at 101.75% of the par, which corresponds to a yield to maturity of 6.65%. On December 14, 2023 FORVIA has launched a tender offer to purchase back a part of these bonds at 105.5%, for a total amount of €150.1 million.

As of December 31, 2023, the outstanding amount of these bonds amounted to €799.9 million.

2026 BONDS (3.125%)

On March 27, 2019, FORVIA issued bonds for an amount of €500 million due June 15, 2026, carrying annual interest of 3.125%, payable on June 15 and December 15 each year, as from June 15, 2019.

These bonds are subject to the same restrictions than the 2025 bonds.

The proceeds of these bonds have been used to finance the acquisition of Clarion Co., Ltd.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

In order to prefinance the acquisition of 50% of SAS shares, an additional issue for €250 million of these 2026 bonds has been performed on October 31, 2019. These additional bonds have been issued at 104.50% of the par, which corresponds to a return at issuance of 2.40%.

As of December 31, 2023, the outstanding amount of these 2026 bonds amounted to €750 million.

2027 BONDS (2.375%)

On November 27, 2019, FORVIA issued bonds for an amount of €700 million due June 15, 2027, carrying annual interest of 2.375%, payable on June 15 and December 15 each year, as from June 15, 2020.

These bonds are subject to the same restrictions than the 2026 bonds.

The proceeds of these bonds have been used to refinance the €700 million bonds due June 15, 2023 carrying annual interest of 3.625%, issued on April 1, 2016.

This refinancing has been done through a tender offer through which 2023 bond holders could exchange their bonds against new 2027 bonds. The rate of exchange has reached 76%. The bonds that were not tendered in this offer have been redeemed in accordance with the offering memorandum. The settlement of these two operations has taken place respectively on November 25 and November 28, 2019.

The bond premium for bonds tendered in the offer is amortized over the duration of the new 2027 bonds; the bond premium for bonds redeemed by anticipation has been expensed in the year 2019.

On February 3, 2021, an additional issue for €190 million of these 2027 bonds has been performed via a private placement. These bonds have been issued at 100.75% of the par, which corresponds to a return at issuance of 2.26%.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €890 million.

2027 SLB BONDS (2.75%)

On November 10, 2021, FORVIA issued bonds for an amount of €1,200 million due February 15, 2027, carrying annual interest of 2.75%, payable on June 15 and December 15 each year, as from June 15, 2022.

These bonds are subject to the same restrictions than the 2029 green bonds and base the 2025 objectives of CO₂ emission reduction on scope 1 & 2, on the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026. The proceeds of these bonds have been used to pre finance the acquisition of HELLA.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €1,200 million.

2027 BONDS HELLA (0.50%)

On September 3, 2019, HELLA issued bonds for an amount of €500 million due January 26, 2027, carrying annual interest of 0.50%, payable on January 26 each year, as from January 26, 2020.

The proceeds of these bonds have been used to redeem the €500 million bonds due January 24, 2020, carrying annual interest of 2.375%, issued in January 2013.

The bonds are listed on the Luxembourg Stock Exchange.

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €500 million.

2028 BONDS (3.75%)

On July 31, 2020, FORVIA issued bonds for an amount of €700 million due June 15, 2028, carrying annual interest of 3.75%, payable on June 15 and December 15 each year, as from December 15, 2020.

These bonds are subject to the same restrictions than the 2027 bonds. The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2028 bonds amounted to €700 million.

2029 GREEN BONDS (2.375%)

FORVIA issued on March 22, 2021 green bonds for an amount of €400 million due June 15, 2029, carrying annual interest of 2.375%. The proceeds will be used to finance or refinance the Group's investments in the hydrogen mobility, for both hydrogen storage and distribution systems and in fuel cell stacks and systems through Symbio, its joint venture with Michelin and Stellantis. The Green Bond Framework has been reviewed by ISS ESG, environmental rating agency.

These bonds are subject to the same restrictions than the 2028 bonds. The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2029 bonds amounted to €400 million.

2026 YEN BONDS (2.48%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥11,700 million due March 13, 2026, carrying annual interest of 2.48%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥11,700 million (€73.2 million).

2027 YEN BONDS (2.81%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥6,800 million due March 15, 2027, carrying annual interest of 2.81%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥6,800 million (€43.4 million).

2028 YEN BONDS (3.19%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥700 million due December 15, 2028, carrying annual interest of 3.19%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥700 million (€5.0 million).

2032 & 2033 LOAN FACILITIES HELLA IN YEN

On September 17, 2002, HELLA issued a notes certificate for an amount of ¥12 billion due September 17, 2032, carrying annual interest of 3.50%, payable on March 17 and September 17 each year, as from March 17, 2003.

On June 16, 2003, HELLA signed a loan for an amount of ¥10 billion due June 20, 2033, carrying annual interest of 4.02%, payable in USD on June 20 and December 20 each year, as from December 20, 2003.

As of December 31, 2023, the outstanding amount of these loans amounted to ¥22 billion (€140.7 million).

Finally, during the year 2023, FORVIA regularly issued commercial papers with a maturity up to one year. As of December 31, 2023, the outstanding amount was €482.8 million.

CREDIT RATINGS

The Group is rated :

- BB+ stable outlook by Fitch since November 3, 2023;
- BB stable outlook by S&P since August 7, 2023;
- Ba2 stable outlook by Moody's since August 10, 2023; and
- A- stable outlook by JCR since August 18, 2023.

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Moreover, HELLA held at 81.59% by FORVIA is rated Baa3 stable outlook by Moody's since August 11, 2023.

The Group's global contractual maturity schedule as of December 31, 2023 breaks down as follows:

(in € million)	Carrying Amount		Remaining contractual maturities					
	Assets	Liabilities	Total	0-3 months	3-6 months	6-12 months	1-5 years	>5 years
Other non-current financial assets	156.5		156.5				156.5	
Other current financial assets	154.7		154.7				154.7	
Trade accounts receivables	4,132.9		4,132.9	4,042.0	18.0	72.9		
Cash and cash equivalents	4,273.9		4,273.9	4,273.9				
Accrued interests		(51.2)	(1,151.1)	(45.0)	(143.1)	(172.7)	(751.1)	(39.2)
Current portion of lease liabilities		(219.1)	(219.1)	(54.9)	(54.8)	(109.4)		
Bonds current portion (excluding interest)								
2024 HELLA Bond		(299.9)	(299.9)		(299.9)			
Bank borrowings and other financial debts - current								
Schuldschein		(350.5)	(350.5)			(350.5)		
Other current debts		(320.8)	(320.8)	(158.4)	(13.6)	(148.8)		
Trade accounts payables		(8,397.9)	(8,397.9)	(8,092.3)	(288.6)	(17.0)		
Bonds non current portion (excluding interest)								
2025 Bonds		(992.5)	(992.5)				(992.5)	
2026 Bonds		(750.8)	(750.8)				(750.8)	
2026 JPY Bonds		(73.2)	(73.2)				(73.2)	
2026 SLB Bonds		(797.8)	(797.8)				(797.8)	
2027 SLB Bonds		(1,194.2)	(1,194.2)				(1,194.2)	
2027 Bonds		(881.5)	(881.5)				(881.5)	
2027 HELLA Bond		(499.3)	(499.3)				(499.3)	
2027 JPY Bonds		(43.4)	(43.4)				(43.4)	
2028 Bonds		(696.2)	(696.2)				(696.2)	
2028 JPY Bonds		(5.0)	(5.0)				(5.0)	
2029 Green Bonds		(397.4)	(397.4)					(397.4)
2032 HELLA JPY Bond		(93.8)	(93.8)					(93.8)
Bank borrowings and other financial debts - non current								
Term Loan		(497.5)	(497.5)				(497.5)	
Schuldschein		(609.9)	(609.9)				(609.9)	
Other non current debts		(1,083.7)	(1,083.7)				(722.9)	(360.8)
Non-current lease liabilities		(836.5)	(836.5)				(569.6)	(266.9)
Interest rate derivatives	4.3	(0.5)	3.8	0.0	0.0	3.8	0.0	0.0
■ o/w cash flow hedges	4.3	(0.5)	3.8	0.0	0.0	3.8	0.0	0.0
■ o/w derivatives not qualifying for hedge accounting under IFRS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Currency hedges	75.5	(85.7)	(10.3)	18.5	10.1	12.8	16.8	(68.5)
■ o/w fair value hedges	21.6	(5.9)	15.7	1.0	(1.8)	1.1	15.4	0.0
■ o/w cash flow hedges	53.9	(79.3)	(25.4)	17.4	12.0	12.2	1.5	(68.5)
■ o/w derivatives not qualifying for hedge accounting under IFRS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
■ o/w derivatives of net investment hedge	0.0	(0.5)	(0.5)	0.0	0.0	(0.5)	0.0	0.0
TOTAL	8,797.7	(19,178.1)	(11,480.1)	(16.3)	(771.8)	(708.8)	(8,756.6)	(1,226.6)

26.4 Analysis of borrowings

As of December 31, 2023, the variable rate borrowings were 25.7% of borrowings before taking into account the impact of hedging.

(in € million)	12/31/2023	
Variable rate borrowings	2,896.6	25.7%
Fixed rate borrowings	8,390.4	74.3%
TOTAL	11,287.1	100.0%

Borrowings, taking into account foreign exchange swaps, break down by repayment currency as follows:

(in € million)	12/31/2023		12/31/2022	
Euros	9,710.7	86.0%	10,242.3	84.1%
US Dollars	931.4	8.3%	1,149.3	9.4%
Japanese Yen	379.7	3.4%	404.3	3.3%
Other currencies	265.2	2.3%	385.0	3.2%
TOTAL	11,287.1	100.0%	12,180.9	100.0%

As of December 31, 2023, the weighted average interest rate on gross outstanding borrowings was 4.46%.

Note 27 Trade payables, accrued taxes and payroll costs

27.1 Trade payables

FORVIA has implemented a reverse factoring program since 2017. This program enables suppliers participating to sell their receivables towards FORVIA to a financial institution (factor) before their contractual payment term. Relations between the parties are structured through two contracts:

- FORVIA suppliers are entering a factoring contract with the factor, for the receivables they have towards FORVIA;
- FORVIA signs a contract with the factor in which FORVIA commits to pay these invoices at the contractual payment term to the factor (once the invoices have been validated).

This program enables the participating suppliers to have their receivables paid on a short term by the factor. FORVIA pays these invoices at their contractual due date to the factor.

The scheme's analysis has led FORVIA to consider that the nature of these invoices was not changed by the implementation of this program. They are therefore still classified as trade payables.

(in € million)	2023	2022
Trade payables	8,397.9	9,181.3
TOTAL	8,397.9	9,181.3

27.2 Accrued taxes and payroll costs

(in € million)	2023	2022
Accrued payroll costs	699.4	666.3
Payroll taxes	152.7	160.2
Employee profit-sharing	40.4	32.9
Other accrued taxes and payroll costs	168.8	244.9
TOTAL	1,061.3	1,104.3

Note 28 Sundry payables

(in € million)	2023	2022
Due to suppliers of non-current assets	313.2	176.9
Prepaid income	77.2	65.6
Current taxes	168.8	167.2
Other	313.6	301.9
Currency derivatives for operations	10.6	16.5
TOTAL	883.4	728.1

Note 29 Financial instruments

29.1 Financial instruments recorded in the balance sheet

(in € million)	12/31/2023		Breakdown by category of instrument ⁽¹⁾			
	Balance Sheet Carrying amount	Carrying amount not defined as financial instruments	Financial assets/liabilities at fair value through profit or loss ⁽²⁾	Financial assets/liabilities at fair value through equity ⁽²⁾	Assets and liabilities at amortized cost	Financial assets/liabilities measured at fair value
Other equity interests	116.4		116.4			116.4
Other non-current financial assets	156.5		16.6	0.5	139.4	156.5
Trade accounts receivables	4,132.9	4,132.9				0.0
Other operating receivables	593.4	541.3	2.5	49.6		52.1
Other non-current assets	154.7	152.8		1.9		1.9
Other receivables and prepaid expenses	1,449.2	1,414.6		34.6		34.6
Currency derivatives	4.5		4.5			4.5
Interest rate derivatives	4.2		0.1	4.1		4.2
Cash and cash equivalents	4,273.9		4,273.9			4,273.9
FINANCIAL ASSETS	10,885.7	6,241.7	4,414.1	90.6	139.4	4,644.1
Long-term debt*	8,686.7	2.0	29.6	41.1	8,614.0	8,744.1
Non-current lease liabilities	836.5				836.5	836.5
Short-term debt	1,544.8		3.9	0.7	1,540.3	1,544.8
Current portion of lease liabilities	219.1				219.1	219.1
Prepayments on customers contracts	1,051.4	1,051.4				0.0
Trade payables	8,397.9	8,397.9				0.0
Accrued taxes and payroll costs	1,061.3	1,061.3				0.0
Other non-current liabilities	72.0	42.2	29.4	0.4		29.8
Sundry payables	883.4	872.9	0.3	10.2		10.5
FINANCIAL LIABILITIES	22,753.1	11,427.6	63.2	52.4	11,209.8	11,384.9

(1) No financial instruments were transferred between categories in 12/31/2023.

(2) All of the instruments in this category are financial assets or liabilities designated as measured on initial recognition.

* The fair value of the bonds, excluding accrued interest, was established on the basis of the year-end market value (December 31, 2023) : for the 2024 HELLA bonds quoted 98.60% of par, at €295.8 million; for the 2025 bonds quoted 98.17% of par, at €981.7 million; for the 2026 bonds quoted 98.06% of par, at €735.5 million ; for the SLB 7.25% 2026 bonds quoted 106.06% of par, at €848.4 million ; for the 2026 bonds in Yen quoted 100.10% of par, at €74.9 million ; for the 2027 bonds quoted 94.59% of par, at €841.9 million; for the 2027 bonds SL quoted 95.70% of par, at €1,148.4 million; for the 2027 HELLA bonds quoted 91.56% of par, at €457.8 million; for the 2027 bonds in Yen quoted 100.36% of par, at €43.7 million ; for the 2028 bonds quoted 98.07% of par, at €686.5 million; for the 2028 bonds in Yen quoted 100.61% of par, at €4.5 million and for the 2029 green bonds quoted 91.33% of par, at €365.3 million.

	12/31/2022		Breakdown by category of instrument ⁽¹⁾			
	Balance Sheet Carrying amount	Carrying amount not defined as financial instruments	Financial assets/liabilities at fair value through profit or loss ⁽²⁾	Financial assets/liabilities at fair value through equity ⁽²⁾	Assets and liabilities at amortized cost	Financial assets/liabilities measured at fair value
<i>(in € million)</i>						
Other equity interests	128.5		128.5			128.5
Other non-current financial assets	158.1		2.5	20.6	135.0	158.1
Trade accounts receivables	5,065.9	5,065.9				0.0
Other operating receivables	720.5	672.1	8.4	40.0		48.4
Other non-current assets	187.1	178.6		8.5		8.5
Other receivables and prepaid expenses	1,425.7	1,327.1		98.6		98.6
Currency derivatives	13.1		11.4	1.7		13.1
Interest rate derivatives	4.6		0.0	4.6		4.6
Cash and cash equivalents	4,201.1		4,201.1			4,201.1
FINANCIAL ASSETS	11,904.6	7,243.7	4,351.9	174.0	135.0	4,660.9
Long-term debt*	9,106.2	2.3	14.3	46.0	9,043.6	8,239.3
Non-current lease liabilities	1,049.2				1,049.2	1,049.2
Short-term debt	1,773.7		2.0		1,771.7	1,773.7
Current portion of lease liabilities	251.8				251.8	251.8
Prepayments on customers contracts	975.4	975.4				0.0
Trade payables	9,181.3	9,181.3				0.0
Accrued taxes and payroll costs	1,104.3	1,104.3				0.0
Other non current liabilities	48.1	47.0		1.1		1.1
Sundry payables	728.1	711.6	3.9	12.6		16.5
FINANCIAL LIABILITIES	24,218.1	12,021.9	20.2	59.7	12,116.3	11,331.6

(1) No financial instruments were transferred between categories in 12/31/2022.

(2) All of the instruments in this category are financial assets or liabilities designated as measured on initial recognition.

* The fair value of the bonds, excluding accrued interest, was established on the basis of the year-end market value (December 31, 2022) : for the 2024 HELLA bonds quoted 96.45% of par, at €289.3 million; for the 2025 bonds quoted 90.86% of par, at €908.6 million; for the 2026 bonds quoted 88.31% of par, at €662.3 million ; for the SLB 7.25% 2026 bonds quoted 100.89% of par, at €706.2 million; for the 2027 bonds quoted 83.54% of par, at €743.5 million; for the 2027 bonds SL quoted 84.21% of par, at €1,010.5 million; for the 2027 HELLA bonds quoted 83.60% of par, at €418.0 million; for the 2028 bonds quoted 85.09% of par, at €595.7 million and for the 2029 green bonds quoted 75.18% of par, at €300.7 million.

Moreover, FORVIA has signed in 2022 two power purchase contracts (VPPA) in wind farms in Sweden for a total production of 638 GWh per year (ten years contracts). These contracts, except the component of guarantees of origin acquisition, are considered as financial instruments according to IFRS 9. As of December 31, 2023, the variance of the fair value of the contracts represented a loss of €13.6 million accounted for in other financial income and expense (fair value at level 3). The guarantees of origin are for Forvia own-use.

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The main measurement methods applied are as follows:

- items accounted for at fair value through profit or loss, as well as hedging instruments, are measured using a valuation technique based on rates quoted on the interbank market, such as Euribor and exchange rates set daily by the European Central Bank;
- financial liabilities are primarily recognized at amortized cost calculated using the effective interest rate method;
- the fair value of trade receivables and payables related to manufacturing and sales operations corresponds to their carrying value given of their very short maturities.

The impact of financial instruments on income:

	2023			
	Impact Income	Breakdown by category of instrument		
		Financial assets/liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Instruments derivatives
<i>(in € million)</i>				
Translation differences on commercial transactions	63.8	61.4		2.4
Income on loans, cash investments and marketable securities	90.7	90.7		
Finance costs	(586.2)		(586.2)	
Other financial income and expenses	(52.3)	(14.5)	(22.7)	(15.1)
Net income (expenses)	(484.0)	137.6	(608.9)	(12.7)

	2022 restated			
	Impact Income	Breakdown by category of instrument		
		Financial assets/liabilities at fair value through profit or loss	Financial liabilities at amortized cost	Instruments derivatives
<i>(in € million)</i>				
Translation differences on commercial transactions	(10.2)	(14.8)		4.6
Income on loans, cash investments and marketable securities	50.3	50.3		
Finance costs	(377.1)		(377.1)	
Other financial income and expenses	(168.4)		(165.1)	(3.3)
Net income (expenses)	(505.4)	35.5	(542.2)	1.3

As of December 31, 2023, movements in provisions for impairment break down as follows by category of financial asset:

	Balance as of January 1, 2023			Reversals (surplus provisions)	Change in scope of consolidation and other changes	Balance as of December 31 2023
	Balance as of January 1, 2023	Additions	Utilizations			
<i>(in € million)</i>						
Doubtful accounts	(49.9)	(12.7)	29.4	0.0	2.1	(31.1)
Shares in non-consolidated companies	(22.3)	(3.4)	1.2	0.0	(0.1)	(24.6)
Non-current financial assets	(27.7)	(0.4)	0.0	0.0	11.7	(16.3)
Other receivables	(21.6)	(0.3)	3.2	0.0	1.3	(17.4)
TOTAL	(121.4)	(16.8)	33.8	0.0	14.9	(89.4)

29.2 Financial instruments – fair value hierarchy

The Group's financial instruments that are measured at fair value break down as follows by level of fair value measurement: Level 1 (prices quoted in active markets) for short-term cash investments and Level 2 (measured using a valuation technique based on rates quoted on the interbank market, such as Euribor and exchange rates set daily by the European Central Bank) for currency and interest rate instruments.

Note 30 Hedging of currency and interest rate risks

30.1 Transactions in foreign currencies and derivatives

Transactions in foreign currencies are converted at the exchange rate prevailing on the transaction date. Receivables and payables are converted at the year-end exchange rate. Resulting gains or losses are recorded in the income statement as operating income or expenses for operating receivables and payables, and under "Other financial income and expenses" for other receivables and payables.

FORVIA uses derivative instruments traded on organized markets or purchased over the counter from first-rate counterparties to hedge currency and interest rate risks. They are recorded at fair value in the balance sheet.

30.2 Hedging of currency risks

Currency risks relating to the commercial transactions of the Group's subsidiaries are managed centrally by FORVIA, except HELLA and its subsidiaries, using forward purchase and sale contracts and options as well as foreign currency financing. FORVIA manages the hedging of currency risks on a central basis, through the Group Finance and Treasury department, which reports to the Executive Management. Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

Currency risks relating to the commercial transactions of the HELLA's subsidiaries, are managed centrally by HELLA, using forward purchase and sale contracts and options as well as foreign currency financing. HELLA manages the hedging of currency risks on a central basis, through the Treasury department, which reports to the Executive Management.

Currency risks on forecasted transactions are hedged on the basis of estimated cash flows determined when budgets are prepared, validated by Executive Management; these forecasts are updated on a regular basis. The related derivatives are classified as cash flow hedges when there is a hedging relationship that satisfies the IFRS 9 criteria.

Subsidiaries with a functional currency different from the euro are granted inter-company loans in their operating currencies. Although these loans are refinanced in euros and eliminated in consolidation, they contribute to the Group's currency risk exposure and are therefore hedged through foreign exchange swaps or financing in the concerned currency.

The effective portion of changes in the fair value of instruments used to hedge future revenues is recorded in equity and taken to operating income when the hedged revenues are received.

Changes in the fair value of instruments used to hedge trade receivables and payables are recorded as operating income or expense.

The portion of the change in fair value of these hedges that is ineffective (time value of the hedges) is recorded under "Other financial income and expenses" together with changes in the fair value of instruments used to hedge other receivables and payables except for the changes in the fair value of cash flow hedges which are recorded in amounts to be potentially reclassified to profit or loss.

The foreign exchange exposure of investments in equity (in different currency than euro) is generally not hedged using financial instruments. However, the Group has decided to partially hedge its net investment in China. Foreign exchange gains or losses related to these hedges directly impact equity for the variance of the intrinsic value ; variances of the time value are recorded under "Other financial income and expenses"

2023

Currency exposure (in € million)	USD	CZK	CNY	RUB	GBP	PLN	MXN	JPY
Trade receivables (net of payables)	94.6	(111.3)	159.2	2.5	2.1	(21.4)	(95.6)	52.9
Financial assets (net of liabilities)*	226.7	(1.8)	(349.0)	(27.6)	(97.2)	0.0	15.2	34.8
Forecast transactions**	147.4	(139.4)	41.5	0.5	(33.4)	(92.0)	(158.3)	31.4
Net position before hedging	468.7	(252.4)	(148.3)	(24.6)	(128.4)	(113.4)	(238.7)	119.1
Currency hedges	(354.0)	196.3	178.0	0.0	118.8	79.0	212.3	(211.2)
Net position after hedging	114.7	(56.1)	29.7	(24.6)	(9.6)	(34.4)	(26.4)	(92.0)

* Including inter-company financing.

** Commercial exposure anticipated over the next six months.

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Currency exposure (in € million)	USD	CZK	CNY	RUB	GBP	PLN	MXN	JPY
Trade receivables (net of payables)	(11.1)	(17.1)	(32.5)	6.7	(17.3)	(21.0)	0.0	44.2
Financial assets (net of liabilities)*	211.7	(0.4)	(93.5)	(33.5)	(65.9)	0.0	(0.9)	137.9
Forecast transactions**	244.9	(207.0)	147.7	5.6	(11.3)	(68.6)	(215.0)	69.5
Net position before hedging	445.6	(224.5)	21.8	(21.2)	(94.6)	(89.6)	(215.8)	251.6
Currency hedges	(325.3)	159.5	4.0	0.0	72.4	76.5	72.3	(225.9)
Net position after hedging	120.3	(65.0)	25.8	(21.2)	(22.1)	(13.1)	(143.5)	25.7

* Including inter-company financing.

** Commercial exposure anticipated over the next six months.

Hedging instruments are recognized in the balance sheet at fair value. Fair value is determined based on measurements confirmed by banking counterparties.

Information on hedged notional amounts

(in € million) 12/31/2023	Carrying amount			Maturities		
	Assets	Liabilities	Notional amount*	< 1 year	1 to 5 years	> 5 years
Fair value hedges						
▪ Forward currency contracts	0.0	(0.1)	23.6	23.6	0.0	0.0
▪ Foreign currencies swaps	4.6	(4.2)	1,141.3	1,141.3	0.0	0.0
▪ Cross-currency swaps	17.0	(1.5)	137.1	0.0	137.1	0.0
Cash flow hedges						
▪ Forward currency contracts	48.2	(10.0)	1,871.9	1,730.8	141.1	0.0
▪ Currency option	5.7	(0.9)	372.8	372.8	0.0	0.0
▪ Cross-currency swaps	0.0	(68.4)	140.7	0.0	0.0	140.7
Net Investment Hedge						
▪ Forward currency contracts	0.0	(0.5)	195.8	195.8	0.0	0.0
Not eligible for hedge accounting	0.0	0.0	8.8	8.8	0.0	0.0
	75.5	(85.6)				

* Notional amounts based on absolute values.

(in € million) 12/31/ 2022	Carrying amount			Maturities		
	Assets	Liabilities	Notional amount*	< 1 year	1 to 5 years	> 5 years
Fair value hedges						
▪ Forward currency contracts	0.0	(0.1)	4.0	4.0	0.0	0.0
▪ Inter-company loans in foreign currencies swapped for euros	4.2	(2.1)	965.4	965.4	0.0	0.0
▪ Cross-currency swaps	24.0	(63.0)	396.2	112.5	31.4	252.3
Cash flow hedges						
▪ Forward currency contracts	48.1	(16.3)	1,693.6	1,554.5	139.1	0.0
▪ Currency option	8.8	(0.9)	376.2	201.9	174.3	0.0
Not eligible for hedge accounting	0.0	(0.1)	4.8	4.8	0.0	0.0
	85.1	(82.5)				

* Notional amounts based on absolute values.

The sensitivity of Group income and equity as of December 31, 2023 to a fluctuation in exchange rates against the euro is as follows for the main currencies to which the Group is exposed:

Currency exposure	USD	CZK	CNY	RUB	GBP	PLN	MXN	JPY
2023	1.11	24.72	7.85	99.19	0.87	4.34	18.72	156.33
Currency fluctuation scenario (depreciation of currency/EUR)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Exchange rate after currency depreciation	1.16	25.96	8.24	104.15	0.91	4.56	19.66	164.15
Impact on pre-tax income (in € million)	(7.5)	5.7	(3.4)	1.3	0.1	0.4	4.0	1.2
Impact on other comprehensive income (in € million)	12.9	(15.8)	18.2	0.0	(1.3)	(3.4)	(9.6)	(4.1)

These impacts reflect (i) the effect on the income statement of currency fluctuations on the year-end valuation of assets and liabilities recognized on the balance sheet, net of the impact of the change in the intrinsic value of hedging instruments (both those qualifying and not qualifying as fair value hedges) and (ii) the effect on equity of the change in the intrinsic value of hedging instruments for derivatives qualifying as cash flow hedges.

30.3 Interest-rate hedges

FORVIA manages the hedging of interest rate risks on a central basis. Such management is implemented through the Group Finance and Treasury department, which reports to the Executive Management. Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

HELLA manages the hedging of interest rate risks on a central basis. Such management is implemented through the Group Finance and Treasury department, which reports to the Executive Management.

Changes in the fair value of interest rate hedges are recorded directly in "Other financial income and expenses" when the hedging relationship cannot be demonstrated under IFRS 9, or where the Group has elected not to apply hedge accounting principles.

The table below shows the Group's interest rate position, with assets, liabilities and derivatives broken down into fixed or variable rates. Financial assets include cash and cash equivalents and interest rate hedges include interest rate swaps as well as in-the-money options.

(in € million)	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
	Fixed rate	Variable	Fixed rate	Variable	Fixed rate	Variable	Fixed rate	Variable	Fixed rate	Variable
		Rate		Rate		Rate		Rate		Rate
2023										
Financial assets		4,282.7					17.0		0.1	4,299.8
Financial liabilities	(613.2)	(1,236.9)	(1,200.6)	(190.0)	(5,471.2)	(1,469.7)	(1,105.5)		0.0	(8,390.4)
Net position before hedging	(613.2)	3,045.8	(1,200.6)	(190.0)	(5,471.2)	(1,452.7)	(1,105.5)		0.1	(8,390.4)
Interest rate hedges	(137.0)	137.0	0.0	0.0	30.3	(30.3)	(225.0)	225.0	(331.7)	331.7
Net position after hedging	(750.2)	3,182.8	(1,200.6)	(190.0)	(5,440.9)	(1,483.0)	(1,330.5)		225.1	(8,722.1)

(in € million)	Under 1 year		1 to 2 years		2 to 5 years		More than 5 years		Total	
	Fixed rate	Variable	Fixed rate	Variable	Fixed rate	Variable	Fixed rate	Variable	Fixed rate	Variable
		Rate		Rate		Rate		Rate		Rate
2022										
Financial assets		4,218.7		7.9				15.2		4,241.8
Financial liabilities	(436.7)	(1,706.2)	(607.9)	(855.0)	(5,608.4)	(494.7)	(1,950.6)	(521.4)	(8,603.6)	(3,577.4)
Net position before hedging	(436.7)	2,512.5	(607.9)	(847.1)	(5,608.4)	(494.7)	(1,950.6)	(506.2)	(8,603.6)	664.5
Interest rate hedges	(401.6)	401.6	(137.0)	137.0	31.4	(31.4)	0.0	0.0	(507.2)	507.2
Net position after hedging	(838.3)	2,914.0	(744.9)	(710.1)	(5,577.0)	(526.1)	(1,950.6)	(506.2)	(9,110.7)	1,171.6

Cross-currency swaps variable/fixed rate are included in the above detailed position, but their value in the balance sheet as well as the notional amounts are included in the corresponding table for currency hedging instruments in Note 30.2 and not in the interest rate hedging instruments hereafter.

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The main components of the fixed rate debt are the bonds issued by Forvia SE and HELLA; EIB credit facility maturing in 2029; a part of the Schuldscheindarlehen (see Note 26.3) issued in December 2018 and in December 2021 ; HELLA Bilaterals maturing in 2032 and 2033 (see note 26.3).

The majority of interest rate derivatives as of December 31, 2023 aim at hedging the variable part of the Schuldscheindarlehen against an interest rate increase.

In December 2023, Forvia has implemented a pre hedging with rate swaps with delayed start, in order to hedge a portion of the future issuance of debt. As of December 31st, 2023, the nominal value of this pre hedge was €225 million, with a value booked in liabilities for €0.5 million.

The notional amounts of the Group's interest rate hedges break down as follows:

(in € million) 12/31/2023	Carrying amount		Notional amounts by maturity		
	Assets	Liabilities	< 1 year	1 to 5 years	> 5 years
Interest rate options	0.0	0.0	0.0	0.0	0.0
Variable rate/fixed rate swaps	4.3	(0.6)	137.0	225.0	0.0
Accrued premiums payable	0.0	0.0	0.0	0.0	0.0
Swaption	0.0	0.0	0.0	0.0	0.0
	4.3	(0.6)	137.0	225.0	0.0

(in € million) 12/31/2022	Carrying amount		Notional amounts by maturity		
	Assets	Liabilities	< 1 year	1 to 5 years	> 5 years
Interest rate options	0.0	0.0	0.0	0.0	0.0
Variable rate/fixed rate swaps	12.5	0.0	350.0	137.0	0.0
Accrued premiums payable	0.0	0.0	0.0	0.0	0.0
Swaption	0.0	0.0	0.0	0.0	0.0
	12.5	0.0	350.0	137.0	0.0

A part of the Group borrowings being at variable rates as stated in Note 26.4, a rise in short-term rates would therefore have an impact on financial expense.

The sensitivity tests performed, assuming a 100 bp increase in average interest rates compared to the rate curve as of December 31, 2023 show that the effect on net financial expense (before taxes) would not be significant, taking into account the profile of the Group's borrowings and derivatives in place as of December 31, 2023.

30.4 Counterparty risk on derivatives

FORVIA's counterparty risk connection with its derivatives is not significant as the majority of its derivatives are arranged with banks with strong ratings that form part of its banking pool. The consideration of derivatives compensation agreements existing with counterparts, is summarized as follows:

Financial assets as of December 31, 2023 <i>(in € million)</i>	(a)	(b)	(c) = (a) - (b)	(d) Related amounts not set off in the balance sheet (not fulfilling IAS 32 compensation criteria)		(e) = (c) - (d)
	Gross amount value (before compensation)	Gross Amounts compensated (according to IAS 32)	Net amounts presented in the balance sheet	Financial instruments	Collaterals received	Net amount
Derivatives	88.1	0.0	88.1	6.5	0.0	81.6
Other financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	88.1	0.0	88.1	6.5	0.0	81.6

Financial liabilities as of December 31, 2023 <i>(in € million)</i>	(a)	(b)	(c) = (a) - (b)	(d) Related amounts not set off in the balance sheet (not fulfilling IAS 32 compensation criteria)		(e) = (c) - (d)
	Gross amount value (before compensation)	Gross Amounts compensated (according to IAS 32)	Net amounts presented in the balance sheet	Financial instruments	Collaterals received	Net amount
Derivatives	96.4	0.0	96.4	6.5	0.0	89.9
Other financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	96.4	0.0	96.4	6.5	0.0	89.9

Note 31 Commitments given and contingent liabilities

COMMITMENTS GIVEN

<i>(in € million)</i>	12/31/2023	12/31/2022
Future minimum lease payments ⁽¹⁾	70.5	16.3
Debt collateral :		
▪ mortgages	2.2	2.1
Other debt guarantees	106.6	118.1
Firm orders for property, plant and equipment and intangible assets	353.1	422.9
Other	4.0	1.0
TOTAL ⁽²⁾	536.4	560.4

(1) Commitments on future lease payments are considering for 2023 only obligations not reflected in the lease liability, such as payments on contracts corresponding to exemption criteria allowed by IFRS 16 and considered by the Group as well as future payments on signed contracts which execution has not yet started.

(2) Of which respectively €12.2 million of commitments as at December 2022 for discontinued activities (mainly firm orders for assets).

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Future minimum lease payments break down as follows:

<i>(in € million)</i>	2023	2022
N+1	22.4	9.2
N+2	11.3	2.8
N+3	10.7	1.3
N+4	6.9	1.3
N+5 and above	19.1	1.7
TOTAL	70.5	16.3

Expiry dates of mortgages and guarantees:

<i>(in € million)</i>	2023
■ less than a year	80.7
■ 1 to 5 years	5.6
■ more than 5 years	22.5
TOTAL	108.8

Note 32 Related party transactions

Transactions with consolidated entities are eliminated by the consolidation process. FORVIA's business relations with non-consolidated or Equity consolidated entities are considered as non-significant.

Note 33 Management compensation

Total compensation for 2023 awarded to the members of the Board of Directors and the Group Executive Committee serving in this capacity as at December 31, 2023 amounted to €17,382,859 including directors' fees of €703,571 compared with the 2022 figures of €13,837,012 and €885,045 respectively.

Note 34 Fees paid to the Statutory Auditors

(in € million)	EY				Mazars			
	Amount (excl. VAT)		%		Amount (excl. VAT)		%	
	2023	2022	2023	2022	2023	2022	2023	2022
AUDIT								
Statutory and contractual audits								
Issuer	1.3	2.8	22.8%	35.9%	1.2	1.7	14.6%	26.1%
Fully consolidated companies	3.8	4.2	66.7%	53.8%	6.7	4.5	82.9%	68.0%
SUB TOTAL	5.1	7.0	89.5%	89.8%	7.9	6.2	97.5%	94.1%
Other services								
Issuer	0.4	0.5	7.0%	6.4%	0.2	0.3	2.5%	4.6%
Fully consolidated companies	0.2	0.3	3.5%	3.8%	0.0	0.1	0.0%	1.4%
SUB TOTAL	0.6	0.8	10.5%	10.2%	0.2	0.4	2.5%	5.9%
TOTAL	5.7	7.8	100.0%	100.0%	8.1	6.6	100.0%	100.0%

Other services provided by EY to the Company and its subsidiaries mainly relate to issuance of statements as independent auditors, contractual audit reports, procedures in connection with divestment projects, consultations and comfort letters in connection with a financing operation.

Other services provided by Mazars to the Company and its subsidiaries mainly relate to issuance of statements as independent auditors, verification of the non-financial statement included in management report, contractual audit reports, procedures in connection with divestment projects, consultations and comfort letters in connection with a financing operation.

Note 35 Dividends

The Board of Directors has decided to propose to the next Annual Shareholders' Meeting a dividend of €0.50 per share.

1.3.6. List of consolidated companies as of December 31, 2023

	Country	Interest of (%)	Stake (%) ⁽¹⁾
I - FULLY CONSOLIDATED COMPANIES			
FORVIA S.E.	France	Holding	Holding
South Africa			
Faurecia Interior Systems South Africa (Pty), Ltd	South Africa	100	100
Faurecia Interior Systems Pretoria (Pty), Ltd	South Africa	100	100
Faurecia Emission Control Technologies South Africa (CapeTown) (Pty), Ltd	South Africa	100	100
HELLA Automotive South Africa (Pty) Ltd	South Africa	81.59	100
Germany			
Faurecia Autositze GmbH ^(a)	Germany	100	100
Faurecia Automobiltechnik GmbH ^{(a) (b)}	Germany	100	100
Faurecia Automotive GmbH ^{(a) (b)}	Germany	100	100
Faurecia Innenraum Systeme GmbH ^(a)	Germany	100	100
Faurecia Emissions Control Technologies, Germany GmbH ^(a)	Germany	100	100
Hug Engineering GmbH ^(a)	Germany	100	100
Clarion Europa GmbH	Germany	100	100
FORVIA Germany GmbH ^{(a) (b)}	Germany	100	100
HELLA GmbH & Co. KGaA	Germany	81.59	100
HELLA Innenleuchten-Systeme GmbH	Germany	81.59	100
HELLA Fahrzeugkomponenten GmbH	Germany	81.59	100
HFK Liegenschaftsgesellschaft mbH	Germany	81.59	100
HELLA Aglaia Mobile Vision GmbH	Germany	81.59	100
HELLA Distribution GmbH	Germany	81.59	100
RP Finanz GmbH	Germany	81.59	100
Docter Optics S.E.	Germany	81.59	100
Docter Optics Components GmbH	Germany	81.59	100
HELLA Werkzeug Technologiezentrum GmbH	Germany	81.59	100
HELLA Corporate Center GmbH	Germany	81.59	100
HELLA Gutmann Holding GmbH	Germany	81.59	100
HELLA Gutmann Solutions GmbH	Germany	81.59	100
HELLA Gutmann Anlagenvermietung GmbH	Germany	81.59	100
TecMotive GmbH	Germany	81.59	100
HELLA Geschäftsführungsgesellschaft GmbH	Germany	81.59	100
HELLA Holding International GmbH	Germany	81.59	100
Faurecia Hydrogen Solutions Germany	Germany	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

	Country	Interest of (%)	Stake (%) ⁽¹⁾
Argentina			
Faurecia Sistemas De Escape Argentina S.A.	Argentina	100	100
Faurecia Argentina S.A.	Argentina	100	100
Australia			
HELLA Asia Pacific Pty Ltd	Australia	81.59	100
HELLA Australia Pty Ltd	Australia	81.59	100
HELLA Asia Pacific Holdings Pty Ltd	Australia	81.59	100
Austria			
HELLA Handel Austria GmbH	Austria	81.59	100
HELLA Fahrzeugteile Austria GmbH	Austria	81.59	100
Belgium			
Faurecia Automotive Belgium	Belgium	100	100
Brazil			
Faurecia Automotive do Brasil, Ltda	Brazil	100	100
FMM Pernambuco Componentes Automotivos, Ltda	Brazil	51	100
HELLA do Brazil Automotive Ltda.	Brazil	81.59	100
Canada			
Faurecia Emissions Control Technologies Canada, Ltd	Canada	100	100
lrystec Software Inc.	Canada	100	100
China			
Faurecia Exhaust Systems Changchun Co., Ltd	China	51	100
Changchun Faurecia Xuyang Automotive Seat Co., Ltd	China	60	100
Faurecia - GSK (Wuhan) Automotive Seating Co., Ltd	China	51	100
Faurecia (Wuxi) Seating Components Co., Ltd	China	100	100
Faurecia Tongda Exhaust Systems Wuhan Co., Ltd	China	50	100
Faurecia Honghu Exhaust Systems Shanghai, Co., Ltd	China	66	100
Faurecia (Changchun) Automotive Systems Co., Ltd	China	100	100
Faurecia Emissions Control Technologies Development (Shanghai) Co., Ltd	China	100	100
Faurecia (Shanghai) Automotive Systems Co., Ltd	China	100	100
Faurecia (Qingdao) Exhaust Systems Co., Ltd	China	100	100
Faurecia (China) Holding Co., Ltd	China	100	100
Faurecia (Guangzhou) Automotive Systems Co., Ltd	China	100	100
Faurecia Emissions Control Technologies (Chongqing) Co., Ltd	China	72.5	100
Faurecia Emissions Control Technologies (Yantai) Co., Ltd	China	100	100
Faurecia (Chengdu) Emissions Control Technologies Co., Ltd	China	51	100
Faurecia (Nanjing) Automotive Systems Co., Ltd	China	100	100
Faurecia (Shenyang) Automotive Systems Co., Ltd	China	100	100
Faurecia (Wuhan) Automotive Components Systems Co., Ltd	China	100	100
Changchun Faurecia Xuyang Interior Systems Co., Ltd	China	60	100
Chengdu Faurecia Limin Automotive Systems Co., Ltd	China	100	100
Faurecia (Yancheng) Automotive Systems Co., Ltd	China	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

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	Country	Interest of (%)	Stake (%) ⁽¹⁾
CSM Faurecia Automotive Parts Co., Ltd	China	50	100
Faurecia NHK (Xiangyang) Automotive Seating Co., Ltd	China	51	100
Faurecia Emissions Control Technologies (Beijing) Co., Ltd	China	100	100
Faurecia Emissions Control Technologies (Nanchang) Co., Ltd	China	51	100
Faurecia Emissions Control Technologies (Ningbo) Co., Ltd	China	100	100
Faurecia Emissions Control Technologies (Foshan) Co., Ltd	China	51	100
Foshan Faurecia Xuyang Interior Systems Co., Ltd	China	60	100
Faurecia PowerGreen Emissions Control Technologies (Shanghai) Co., Ltd	China	100	100
Shanghai Faurecia Automotive Seating Co., Ltd	China	55	100
Changsha Faurecia Emissions Control Technologies Co., Ltd	China	100	100
Dongfeng Faurecia Automotive Interior Co., Ltd	China	50	100
Borgward Faurecia (Tianjin) Auto Systems Co., Ltd	China	51	100
Faurecia Exhaust Systems (Shanghai) Co., Ltd	China	100	100
Faurecia (Jimo) Emissions Control Technologies Co., Ltd	China	100	100
Faurecia (Tianjin) Emission Control Technologies Co., Ltd	China	51	100
Faurecia Yinlun (Weifang) Emission Control Technologies Co., Ltd	China	52	100
Tianjin Faurecia Xuyang Automotive System Co., Ltd	China	60	100
Dongfeng Faurecia Emissions Control Technologies Co., Ltd	China	50	100
Faurecia (Changshu) Automotive System Co., Ltd	China	60	100
Faurecia (Liuzhou) Automotive Seating Co., Ltd	China	50	100
Faurecia Clarion Electronic Fengcheng Co., Ltd	China	100	100
Shenzhen Faurecia Automotive Parts Co., Ltd	China	70	100
Faurecia (Hangzhou) Automotive Systems Co., Ltd	China	100	100
Faurecia (Liuzhou) Automotive Interior Systems Co., Ltd	China	50	100
Faurecia Clarion Electronic Foshan Co., Ltd	China	100	100
Faurecia Chongqing Zhuotong Automotive Interior Systems Co., Ltd	China	50	100
Shanghai Faurecia Automotive Seating component Co., Ltd	China	55	100
HUG Engineering Shanghai Co., Ltd	China	100	100
Faurecia Clarion Electronics (Dongguan) Co. Ltd	China	100	100
Faurecia Clarion Electronics (Xiamen) Co. Ltd	China	100	100
Chengdu Faurecia Xuyang Automotive Seat Co., Ltd	China	60	100
Zhejiang Faurecia Interior & Exterior Systems Co., Ltd	China	100	100
Faurecia Clarion Electronic Chongqing Ltd	China	100	100
Changchun Faurecia Xuyang Display Technology Co., Ltd	China	100	100
Nanjing Faurecia Emission Control Technology Co., Ltd	China	66	100
Faurecia (Shanghai) Automotive Component Co.Ltd	China	100	100
Faurecia (Jiaxing) Automotive Systems Co., Ltd	China	100	100
Faurecia CLD Safety Technology (Shenyang) Co., Ltd	China	100	100
Faurecia Clarion (Wuhan)	China	100	100
Faurecia (Tianjin) Automotive Systems Co., Ltd	China	100	100
HELLA Shanghai Electronics Co., Ltd	China	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

	Country	Interest of (%)	Stake (%) ⁽¹⁾
HELLA Changchun Tooling Co., Ltd	China	81.59	100
HELLA Corporate Center (China) Co., Ltd	China	81.59	100
Changchun HELLA Automotive Lighting Ltd	China	81.59	100
Beifang HELLA Automotive Lighting Ltd	China	81.59	100
HELLA Trading (Shanghai) Co., Ltd	China	81.59	100
HELLA China Holding Co., Ltd.	China	81.59	100
HELLA (Xiamen) Electronic Device Co., Ltd	China	81.59	100
Jiaxing HELLA Lighting Co., Ltd	China	81.59	100
Xian Faurecia Automotive Parts Co., Ltd	China	70	100
Changzhou Faurecia Automotive Parts Co., Ltd	China	70	100
Changchun FAWSN Faurecia Cockpit of Future System Co., Ltd	China	50	100
Faurecia (Jiaxing) Automotive Seating Co., Ltd	China	100	100
Faurecia Hydrogen Solutions China	China	100	100
Zhengzhou Faurecia Automotive Parts Co., Ltd	China	70	100
JinHua LEAP Faurecia Automotive Parts Co., Ltd	China	51	100
Faurecia (Shanghai) Automotive Interior Systems Co. Ltd	China	100	100
Faurecia Clarion Electronics Asia Pacific Limited	China	100	100
Chang Ming Co., Ltd	China	100	100
Clarion (H.K.) Industries Co., Ltd	China	100	100
China Taiwan			
Covatech Inc.	China Taiwan	100	100
Clarion (Taiwan) Manufacturing Co., Ltd	China Taiwan	100	100
South Korea			
Faurecia Korea, Ltd	South Korea	100	100
FCM Yeongcheon	South Korea	100	100
FAS Yeongcheon	South Korea	100	100
Docter Optics Asia Ltd	South Korea	81.59	100
HELLA Korea Inc.	South Korea	81.59	100
Faurecia Hydrogen Solutions Korea	South Korea	100	100
Denmark			
AMMINEX Emissions Technology AS	Denmark	100	100
HELLA Gutmann Solutions A/S	Denmark	81.59	100
HELLA A/S	Denmark	81.59	100
United Arab Emirates			
HELLA Middle East FZE	United Arab Emirates	81.59	100
HELLA Middle East LLC	United Arab Emirates	39.98	100
Spain			
Asientos de Castilla Leon, S.A.	Spain	100	100
Asientos del Norte, S.A.	Spain	100	100
Faurecia Asientos Para Automovil España, S.A.	Spain	100	100
Faurecia Sistemas De Escape España, S.A.	Spain	100	100
Tecnoconfort	Spain	50	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

1 Financial and accounting information

Consolidated financial statements

	Country	Interest of (%)	Stake (%) ⁽¹⁾
Asientos de Galicia, S.L.	Spain	100	100
Faurecia Automotive España, S.L.	Spain	100	100
Faurecia Interior System España, S.A.	Spain	100	100
Faurecia Interior System SALC España, S.L.	Spain	100	100
Valencia Modulos de Puertas, S.L.	Spain	100	100
Faurecia Emissions Control Technologies, Pamplona, S.L.	Spain	100	100
Incalplas, S.L.	Spain	100	100
Faurecia Holding España S.L.	Spain	100	100
HELLA España Holdings S. L.	Spain	81.59	100
Manufacturas y Accesorios Electricos S.A.	Spain	81.59	100
HELLA S.A.	Spain	81.59	100
United States			
Faurecia Emissions Control Systems NA, LLC	United States	100	100
Faurecia Automotive Seating, LLC	United States	100	100
Faurecia USA Holdings, Inc.	United States	100	100
Faurecia Emissions Control Technologies, USA, LLC	United States	100	100
Faurecia Interior Systems, Inc.	United States	100	100
Faurecia Madison Automotive Seating, Inc.	United States	100	100
Faurecia Interiors Louisville, LLC	United States	100	100
Faurecia Interior Systems Saline, LLC	United States	100	100
Faurecia Mexico Holdings, LLC	United States	100	100
FNK North America, Inc.	United States	100	100
Faurecia North America, Inc.	United States	100	100
Hug Engineering Inc.	United States	100	100
Clarion Corporation of America	United States	100	100
Docter Optics Inc.	United States	81.59	100
HELLA Corporate Center USA, Inc.	United States	81.59	100
HELLA Electronics Corporation	United States	81.59	100
HELLA Automotive Sales, Inc.	United States	81.59	100
HELLA Ventures, LLC	United States	81.59	100
Faurecia Hydrogen Solutions North America	United States	100	100
France			
Faurecia Sièges d'automobile	France	100	100
Faurecia Industries	France	100	100
ECSA - Études Et Construction de Sièges pour l'Automobile	France	100	100
Siedoubs	France	100	100
Siemar	France	100	100
Faurecia Seating Flers	France	100	100
Faurecia Investments	France	100	100
Trecia	France	100	100
Faurecia Automotive Holdings	France	100	100
Faurecia Intérieur Industrie	France	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

	Country	Interest of (%)	Stake (%) ⁽¹⁾
Faurecia Systèmes d'Echappement	France	100	100
Faurecia Services Groupe	France	100	100
Faurecia Exhaust International	France	100	100
Faurecia Exhaust Russia Holding	France	100	100
MATERI'ACT	France	100	100
Faurecia Hydrogen Solutions	France	100	100
Faurecia Ventures	France	100	100
Faurecia Automotive Composites	France	100	100
Hambach Automotive Exteriors	France	100	100
Hennape Six	France	100	100
Faurecia Clarion Electronics Europe S.A.S.	France	100	100
Clarion Europe S.A.S	France	100	100
Faurecia Hydrogen Solutions France	France	100	100
HELLA S.A.S.	France	81.59	100
HELLA Engineering France S.A.S.	France	81.59	100
FH Services S.A.S.	France	95.4	100
Great Britain			
Faurecia Automotive Seating UK, Ltd	Great Britain	100	100
Faurecia Midlands, Ltd	Great Britain	100	100
SAI Automotive Fradley, Ltd	Great Britain	100	100
SAI Automotive Washington, Ltd	Great Britain	100	100
Faurecia Emissions Control Technologies UK, Ltd	Great Britain	100	100
Design LED Products, Ltd	Great Britain	100	100
HELLA UK Holdings Limited	Great Britain	81.59	100
HELLA Limited	Great Britain	81.59	100
Hungary			
Faurecia Emissions Control Technologies, Hungary Kft	Hungary	100	100
Clarion Hungary Electronics Kft.	Hungary	100	100
HELLA Hungaria Kft.	Hungary	81.59	100
India			
Faurecia Automotive Seating India Private, Ltd	India	100	100
Faurecia Emissions Control Technologies India Private, Ltd	India	74	100
Faurecia Interior Systems India Private, Ltd	India	100	100
Clarion India Pvt, Ltd	India	100	100
HELLA India Automotive Private Limited	India	81.59	100
HELLA Emobionics Pvt Ltd	India	81.59	100
HELLA India Lighting Ltd	India	69.5	100
Indonesia			
PT Faurecia Clean Mobility Indonesia	Indonesia	100	100
Israel			
Faurecia Security Technologies	Israel	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

1 Financial and accounting information

Consolidated financial statements

	Country	Interest of (%)	Stake (%) ⁽¹⁾
Italy			
Faurecia Emissions Control Technologies, Italy SRL	Italy	100	100
Hug Engineering Italia S.r.l.	Italy	100	100
HELLA S.p.A.	Italy	81.59	100
Japan			
Faurecia Japan K.K.	Japan	100	100
Faurecia Howa Interiors Co., Ltd	Japan	50	100
Faurecia Clarion Electronics Co., Ltd	Japan	100	100
Clarion Lifecycle Solutions Co., Ltd	Japan	100	100
Lithuania			
UAB HELLA Lithuania	Lithuania	81.59	100
Luxembourg			
FORVIA Ré	Luxembourg	100	100
Morocco			
Faurecia Équipements Automobiles Maroc	Morocco	100	100
Faurecia Automotive Systems Technologies	Morocco	100	100
Faurecia Automotive Industries Morocco SARL	Morocco	100	100
Mexico			
Faurecia Sistemas Automotrices de Mexico, SRL de C.V.	Mexico	100	100
Servicios Corporativos de Personal Especializado, S.A. de C.V.	Mexico	100	100
Faurecia Howa Interior Mexico, S.A. de C.V.	Mexico	51	100
Electronica Clarion, S.A. de C.V.	Mexico	100	100
HELLA Centro Corporativo Mexico S.A. de C.V.	Mexico	81.59	100
HELLA Automotive Mexico S.A. de C.V.	Mexico	81.59	100
HELLAmex S.A. de C.V.	Mexico	81.59	100
Norway			
HELLA Gutmann Solutions AS	Norway	81.59	100
New Zealand			
HELLA-New Zealand Limited	New Zealand	81.59	100
Netherlands			
ET Dutch Holdings B.V.	Netherlands	100	100
Hug Engineering B.V.	Netherlands	100	100
HELLA Benelux B.V.	Netherlands	81.59	100
Poland			
Faurecia Automotive Polska S.A.	Poland	100	100
Faurecia Walbrzych S.A.	Poland	100	100
Faurecia Grojec R&D Center S.A.	Poland	100	100
Faurecia Gorzow S.A.	Poland	100	100
Faurecia Legnica Decoration S.A	Poland	100	100
HELLA Polska Sp. z o.o.	Poland	81.59	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

	Country	Interest of (%)	Stake (%) ⁽¹⁾
Portugal			
Faurecia – Assentos de Automovel, Lda	Portugal	100	100
SASAL	Portugal	100	100
Faurecia – Sistemas De Escape Portugal, Lda	Portugal	100	100
EDA – Estofagem de Assentos, Lda	Portugal	100	100
Faurecia Sistemas de Interior de Portugal, Componentes Para Automoveis S.A.	Portugal	100	100
Czech Republic			
Faurecia Exhaust Systems, S.R.O.	Czech Republic	100	100
Faurecia Automotive Czech Republic, S.R.O.	Czech Republic	100	100
Faurecia Interior Systems Bohemia, S.R.O.	Czech Republic	100	100
Faurecia Components Pisek, S.R.O.	Czech Republic	100	100
Faurecia Interiors Pardubice, S.R.O.	Czech Republic	100	100
Faurecia Emissions Control Technologies Mlada Boleslav, S.R.O.	Czech Republic	100	100
Faurecia Plzen	Czech Republic	100	100
Docter Optics s.r.o.	Czech Republic	81.59	100
HELLA Autotechnik Nova s.r.o.	Czech Republic	81.59	100
Romania			
Faurecia Romania S.R.L.	Romania	100	100
Euro Auto Plastic Systems S.R.L.	Romania	50	100
HELLA Romania s.r.l.	Romania	81.59	100
Russia			
OOO Faurecia Interior Luga	Russia	100	100
OOO Faurecia Automotive Development	Russia	100	100
HELLA OOO	Russia	81.59	100
Singapore			
HELLA Asia Singapore Pte. Ltd	Singapore	81.59	100
Slovakia			
Faurecia Automotive Slovakia SRO	Slovakia	100	100
HELLA Innenleuchten-Systeme Bratislava, s.r.o.	Slovakia	81.59	100
HELLA Slovakia Holding s.r.o.	Slovakia	81.59	100
HELLA Slovakia Signal-Lighting s.r.o.	Slovakia	81.59	100
Slovenia			
HELLA Saturnus Slovenija d.o.o.	Slovenia	81.59	100
Sweden			
Faurecia Interior Systems Sweden AB	Sweden	100	100
Faurecia CREO	Sweden	100	100
Switzerland			
Hug Engineering AG	Switzerland	100	100
Faurecia Switzerland Sàrl	Switzerland	100	100
Faurecia Switzerland Group AG	Switzerland	100	100

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

1 Financial and accounting information

Consolidated financial statements

	Country	Interest of (%)	Stake (%) ⁽¹⁾
Thailand			
Faurecia Interior Systems (Thailand) Co., Ltd	Thailand	100	100
Faurecia Emissions Control Technologies, Thailand Co., Ltd	Thailand	100	100
Faurecia & Summit Interior Systems (Thailand) Co., Ltd	Thailand	50	100
Clarion Asia (Thailand) Co., Ltd	Thailand	100	100
Rayong Faurecia Automotive Parts Co. Ltd	Thailand	70	100
Tunisia			
Société Tunisienne D'Équipements d'Automobile	Tunisia	100	100
Faurecia Informatique Tunisie	Tunisia	100	100
Türkiye			
Faurecia Polifleks Otomotiv Sanayi Ve Ticaret Anonim Sirketi	Türkiye	100	100
Intermobil Otomotiv Mumessillik Ve Ticaret A.S.	Türkiye	45.69	100
Uruguay			
Faurecia Automotive Del Uruguay, S.A.	Uruguay	100	100
Vietnam			
Faurecia Vietnam Haiphong	Vietnam	100	100
HELLA Vietnam Company Limited	Vietnam	81.59	100
II - COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD			
Germany			
Behr-HELLA Thermocontrol GmbH	Germany	40.8	40.8
InnoSenT GmbH	Germany	40.8	40.8
China			
Changchun Xuyang Faurecia Acoustics & Soft Trim Co., Ltd	China	40	40
Jinan Jidao Auto Parts Co., Ltd	China	50	50
Changchun Faurecia Xuyang Automotive Components Technologies R&D Co., Ltd	China	45	45
Dongfeng Faurecia (Wuhan) Automotive Parts Sales Co., Ltd	China	50	50
Qinhuangdao WKW-FAD Automotive Interior Parts Co., Ltd	China	50	50
Dongfeng Faurecia (Xiangyang) Emissions Systems Co., Ltd	China	50	50
Faurecia Liuzhou Automotive Seating Sales Co., Ltd	China	50	50
Chongqing Guangneng Faurecia Interior Systems Co., Ltd	China	50	50
Faurecia (Liuzhou) Emissions Control Technologies Co., Ltd	China	50	50
Wuhan Clarion Kotei Software Technology Co., Ltd	China	25	25
Beijing BAIC Faurecia Automotive Systems Co., Ltd	China	50	50
Kaishi Faurecia Aftertreatment Control Technologies Co., Ltd	China	35	35
Changchun HELLA Faway Automotive Lighting Co., Ltd	China	39.98	39.98
Beijing HELLA BHAP Automotive Lighting Co., Ltd	China	40.8	40.8
HELLA BHAP (Sanhe) Automotive Lighting Co., Ltd	China	40.8	40.8
HELLA BHAP (Tianjin) Automotive Lighting Co., Ltd	China	40.8	40.8
HELLA BHAP Electronics (Jiangsu) Co., Ltd	China	40.8	40.8
HELLA Evergrande Electronics (Shenzhen) Co., Ltd	China	39.98	39.98
HELLA MINTH Jiaxing Automotive Parts Co., Ltd	China	40.8	40.8

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

	Country	Interest of (%)	Stake (%) ⁽¹⁾
HELLA Evergrande Electronics (Yangzhou) Co., Ltd	China	39.98	39.98
Faway Hainuo Automotive Technology (Changzhou) Co., Ltd	China	24.39	24.39
Beijing SamLip Automotive Lighting Ltd	China	19.99	19.99
HELLA Faway Automotive Lighting (Tianjin) Co., Ltd	China	39.98	39.98
Spain			
Componentes de Vehiculos de Galicia, S.A.	Spain	50	50
Copo Iberica, S.A.	Spain	50	50
United States			
Total Network Manufacturing LLC	United States	49	49
France			
Automotive Performance Materials (APM)	France	50	50
Symbio	France	33.33	33.33
India			
NHK F. Krishna India Automotive Seating Private, Ltd	India	19	19
Basis Mold India Private Limited	India	38	38
Italy			
Ligneos Srl	Italy	50	50
Japan			
Faurecia – NHK Co., Ltd	Japan	50	50
Malaysia			
Clarion (Malaysia) Sdn. Bhd.	Malaysia	45	45
Mexico			
GMD Stamping Mexico S.A. de C.V.	Mexico	49	49
Portugal			
Vanpro Assentos, Lda	Portugal	50	50
Faurecia Aptoide Automotive, Lda	Portugal	50	50
Türkiye			
Teknik Malzeme Ticaret Ve Sanayi AS	Türkiye	50	50

(1) Cumulated percentages of interest for fully consolidated companies.

(a) Application of Section 264 (3) HGB (German Commercial Code).

(b) Application of Section 291 (1) HGB (German Commercial Code).

1.4. Statutory auditors' report on the consolidated financial statements for the year ended December 31, 2023

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Forvia for the year ended December 31st, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31st, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1st, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Impairment testing of goodwill

(Note 10 "Goodwill" to the consolidated financial statements)

Risk identified

The carrying amount of goodwill amounts to €5,129.6 million at December 31, 2023. Goodwill is allocated to the six groups of cash generating units (CGUs) corresponding to the Group's operating segments at which goodwill is monitored for internal management purposes: Seating, Clean Mobility, Interiors, Electronics, Lighting and Lifecycle solutions.

In accordance with IAS 36, goodwill is not amortized but is tested for impairment at least once a year and more often if there is an indication that it may be impaired.

For the purpose of impairment testing, goodwill is allocated between groups of CGUs. A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, as described in Note 10 to the consolidated financial statements.

Impairment tests are performed to compare the carrying amount of assets and liabilities by group of CGUs with the higher of their value in use (equal to the present value of the net future cash flows expected) and their fair value including costs of disposal. For a given group of CGUs, an impairment loss is recognized whenever its value then determined falls below its carrying amount.

The cash flow forecasts used to calculate value in use were based on the Group's 2024-2028 forecasts for all six CGU's. Those forecasts were established during 2023 last semester. The volume assumptions used in the forecasts are based on external information sources.

As mentioned in Note 10 to the consolidated financial statements, impairment test performed as of December 31, 2023 confirmed goodwill value accounted for in the balance sheet.

We considered the measurement of the recoverable amount of goodwill to be a key audit matter for the following reasons:

- the amount of goodwill recorded in the consolidated financial statements is material;
- defining the inputs to be used to perform impairment tests requires a high degree of judgment and estimation from management, in particular as regards future cash flows, discount rates (WACC) and long-term growth rates, which are inherently impacted by the economic environment and in particular by the crisis evolutive context related to inflation and to the military conflict in Ukraine.

Our response

We assessed the method used by management to determine the Goodwill recoverable amount of each group of CGUs in order to assess its compliance with IAS 36.

With asset valuation experts part of the audit team, we assessed the key assumptions used by management to determine projected future cash flows and, in particular:

- reconciled the components taken in the impairment tests of each group of CGU with the consolidated financial statements;
- compared to external market data the key assumptions used to determine the utility value of the UGT Group, in particular the discount rate, growth rate and volumes assumptions of the global automotive market considered by your Group in the context of the inflation crisis and the military conflict in Ukraine;
- analyzed the consistency of projected future cash flows with historical data;
- reperformed the calculations and reconciled the main forecasts data including 2024-2028 forecasts data for all six CGU's with the data used in impairment testing;
- performed sensitivity analyses on the recoverable amounts calculated by management, in particular with regard to discount rates and operating income to estimate their effects and assumptions related to the volume for the global automotive market considered by the group.

We also assessed the appropriateness of the disclosures on goodwill provided in the notes to the consolidated financial statements.

Accounting and recoverability of development costs

(Notes 10 and 11 to the consolidated financial statements)

Risk identified

Net capitalized development costs amount to €3,154.0 million at December 31, 2023.

In accordance with IAS 38, development costs incurred in connection with producing and delivering modules for specific customer orders are recorded as an intangible asset pursuant to the conditions set out in Note 11 to the consolidated financial statements.

These capitalized costs are amortized to match the quantities of parts delivered to the customer, over a period not exceeding five years except under exceptional circumstances.

Research costs, and development costs that do not meet the above criteria, are expensed as incurred pursuant to the conditions set out in Note 11 to the consolidated financial statements.

As mentioned in Note 10 to the consolidated financial statements, the capitalized development costs are tested for impairment whenever there is an indication that they may be impaired. Impairment tests involve comparing the carrying amount of the tangible and intangible assets allocated to a customer contract with the present value of the net future cash flows expected to be derived from the contract, considering the best estimates of the future sales.

We considered the accounting and recoverability of development costs to be a key audit matter for the following reasons:

- the amount of capitalized development costs in the consolidated financial statements is material;
- defining the inputs to be used to perform impairment tests requires a high degree of judgment and estimation from management, in particular as regards future cash flows, discount rates and the expected gross margin per customer contracts, which are inherently impacted by the crisis evolutive context related to inflation and to the military conflict in Ukraine.

Our response

With regard to the capitalization of development costs:

- we obtained an understanding of the procedures implemented by management to determine the eligibility of development costs for capitalization and analyzed their compliance with IAS 38;
- we performed certain specific testing on a sample of customer contracts to evaluate whether the related development costs were eligible for capitalization in compliance with IAS 38.

With regard to the measurement of the recoverable amount of capitalized development costs:

- we made inquiries of management about any indications of impairment;
- we obtained an understanding of the method used by management to determine the recoverable amount of these assets and assessed the consistency of performed calculations;
- we assess the consistency of the key assumptions used by management to determine projected future cash flows including assumptions considered by management in the inflation and the military conflict in Ukraine, for a sample of customer contracts subject to an impairment test and, in particular:
 - reconciled the components of the carrying amount of these assets allocated to a customer contract with the consolidated financial statements,
 - compared, with asset valuation experts, the key assumptions used, such as discount rates, with independent market data,
 - reconciled, on a sample basis, the data specific to each customer contracts, such as projected delivery quantities and negotiated selling unit price per product, with the customer contract or observable external data, where applicable taking into account ongoing negotiations.

We also assessed the appropriateness of the disclosures provided on development costs in the notes to the consolidated financial statements.

Accounting and recoverability of deferred tax assets

(Note 8 "Corporate Income Tax" to the consolidated financial statements)

Risk identified	Our response
<p>Deferred tax assets amount to €852.9 million in the balance sheet at December 31, 2023, while deferred tax liabilities amount to €327.8 million.</p> <p>Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available in the short or medium term against which the temporary differences or the loss carryforward can be utilized, based on the Group's forecasts.</p> <p>The Group's ability to recover deferred tax assets is assessed by management at the end of the year.</p> <p>The assessment of the ability to recover net deferred tax assets as of December 31, 2023 (€525.1 million) is based on the Group's forecasts for the long-term recovery of tax losses.</p> <p>We considered the accounting and the recoverability of deferred tax assets to be a key audit matter due to the importance of the assumptions and judgments used by management to recognize these assets, especially in the crisis evolutive context related to inflation and to the military conflict in Ukraine and considering the materiality of their amounts in the consolidated financial statements.</p>	<p>We assessed the consistency of the assumptions used by management to recognize and measure deferred tax assets and their compliance with IAS 12.</p> <p>With the support of our tax experts, we assessed the probability that the Group will be able to utilize the tax loss carryforwards currently recognized in its balance sheet, in particular with regard to:</p> <ul style="list-style-type: none"> ■ deferred tax liabilities existing in the same tax jurisdiction that may be used to offset existing tax loss carryforwards, prior to their expiry date if applicable; ■ the ability of the Group companies concerned to generate future taxable profit against which the existing tax loss carryforwards can be utilized, reconciling the future flows used in tax planning with the projections validated by the board. <p>We also assessed the consistency of the key data and assumptions underlying the taxable income projections, underlying the recognition and recoverability of deferred tax assets relating to the Tax Loss Carryforward, with the supporting items we otherwise obtained, such as, in particular, the Group's guidance for the period 2024-2028 presented to the Board of Directors, established in the context of the inflation and the military conflict in Ukraine.</p> <p>Lastly, we also assessed the appropriateness of the disclosures on deferred tax assets provided in the notes to the consolidated financial statements.</p>

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report it being specified that, in accordance with Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

Report on Other Legal and Regulatory Requirements

Format of preparation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, 1 of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the chief executive officer's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Faurecia by the Annual General Meetings held on May 28, 2019 for MAZARS and on June 17, 1983 for ERNST & YOUNG Audit.

At December 31, 2023, MAZARS were respectively in their fifth year of their engagement and ERNST & YOUNG were in the forty one year of total uninterrupted engagement (which is the twenty-five year since securities of the Company were admitted to trading on a regulated market).

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, February 19, 2024

The Statutory Auditors

French original signed by

MAZARS

Anne-Laure Rousselou

Grégory Derouet

ERNST & YOUNG Audit

Guillaume Brunet-Moret

1.5 Review of Company's business and financial results

Forvia SE company is a holding company which directly and indirectly provides financial, accounting, IT, executive management and administrative services to companies in the Group.

The sales 2023 are going down to €85.3 million, compared to €96.6 million in 2022.

Forvia invoices trademark royalties, calculated as a proportion of the subsidiaries' sales. These royalties, extended since 2015 to all companies wholly owned by the Group, totaled €59.3 million in 2023, versus €64.2 million in 2022.

Results of operations

The operating result for the year 2023 is a loss of €1.0 million to be compared to a profit of €18.5 million in 2022.

The net financial income totaled €83.6 million, compared to a net financial income of €314.0 million in 2022.

The variance is mainly due to the decrease in dividends received from €277.3 million in 2022 to €87.2 million in 2023. Interest income, net of interest expense, represents €1.4 million, compared to €44.1 million in 2022.

In 2023, the net non-recurring loss is at €3.1 million versus a loss of €2.4 million in 2022.

Tax income amounted to €7.9 million, compared with €14.3 million for fiscal year 2022. This corresponds to the tax income recognized from the positive earnings of French subsidiaries that are part of the consolidated tax group.

Net income for the fiscal year showed a profit of €87.1 million ⁽¹⁾. This compares with a profit €344.3 million in 2022.

Financial structure and net debt

The main elements of the Group's financing are detailed in Note 17 to the financial statements. Of particular note is the signature of a new €500 million syndicated loan (Term Loan 2023) with a maturity date of June 2, 2026, including the possibility of extending it by two consecutive years to June 2, 2028 subject to the banks' agreement. On December 15, 2023, Forvia issued ¥11,700 million worth of 2.48% bonds maturing on March 15, 2026, followed by a second tranche of ¥6,800 million worth of 2.81% bonds maturing on March 15, 2027 and a third tranche of ¥700 million worth of 3.19% bonds maturing on December 15, 2028.

As of December 31, 2023, the Company's shareholders' equity, before allocation of profit for the financial year, amounted to 5,168.4 million euros, compared to 5,081.4 million euros at the end of 2022. This represents an increase of €87.1 million.

As of December 31, 2023, Forvia's net debt was €3,663 million taking into account its gross debt, net of cash, marketable securities and net cash advances and intra-group loans, compared to €3,812 million as of December 31, 2022.

(1) For information, it is specified that the amount for expenses and costs listed in 4 of Article 39 of the French General Tax Code amount to €210,651 and the corresponding tax amounts to €52,662.

1 Financial and accounting information

Review of Company's business and financial results

Payables representing €3.6 million included 261 invoices already due which were paid after December 31, 2023; receivables represented €9.7 million as of December 31, 2023, including €7.7 million past due and not settled, mainly with subsidiaries. The late payment analysis table is as follows:

	Article D. 441 I. 1°: Invoices received, unpaid and in arrears as the closing date					Total	Article D. 441 I. 2°: Invoices issued, unpaid and in arrears as the closing date					Total	
	0 jour	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more		0 jour	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more		
(A) LATE PAYMENT CATEGORIES													
Number of invoices concerned	121					261	50					131	
Total of invoices concerned including VAT	(3,147,330)	(82,173)	43,237	35,204	(531,430)	(535,162)	1,843,037	8,343,600	(191,415)	0	(232,575)	7,919,609	
% of total purchase amount for the fiscal year	-2.92%	-0.08%	0.04%	0.03%	-0.49%	-0.50%							
% of sales for the fiscal year (including VAT)							1.33%	6.03%	-0.14%	0.00%	-0.17%	5.72%	
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED PAYABLES AND RECEIVABLES													
Number of excluded invoices	0	0	0	0	0	0	0	0	0	0	0	0	
Total of amount excluded invoices	0	0	0	0	0	0	0	0	0	0	0	0	
(C) REFERENCE TERMS OF PAYMENT USED (CONTRACTUAL OR STATUTORY DEADLINE - ART. L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH CODE OF COMMERCE)													
Terms of payment used to calculate late payments		x Legal deadlines						x Legal deadlines					
		x Contractual deadlines						x Contractual deadlines					

The carrying amount of investments in subsidiaries and affiliates recognized in the balance sheet at December 31, 2023 came to €8,779.2 million (€8,773.0 million at December 31, 2022).

Business review relating to the Company's subsidiaries

January 2023

On January 1, 2023, the company SIELEST has been dissolved and merged into the company SIEDOUBS.

On January 10, 2023, has been registered a new subsidiary named FAURECIA (JIAXING) AUTOMOTIVE SEATING CO., LTD., held at 100% by FAURECIA AUTOMOTIVE HOLDINGS CO., LTD. (Business Group Seating).

On January 26, 2023, has been registered a new subsidiary named FAURECIA HYDROGEN SOLUTIONS GERMANY GmbH, held at 100% by FAURECIA HYDROGEN SOLUTIONS.

February 2023

On February 7, 2023, the company HELLA FINANCE INTERNATIONAL B.V has been dissolved and closed.

On February 9, 2023, has been registered a new subsidiary named FAURECIA (SHANGHAI) AUTOMOTIVE INTERIOR SYSTEMS CO. LTD., held at 100% by FAURECIA AUTOMOTIVE HOLDINGS CO., LTD. (Business Group Interiors).

On February 21, 2023, has been registered a new subsidiary named ZHENGZHOU FAURECIA AUTOMOTIVE PARTS CO., LTD., held at 100% by the joint-venture company SHENZHEN FAURECIA AUTOMOTIVE PARTS CO., LTD.

On February 21, 2023, the company name of SUSTAINABLE MATERIALS has been changed to MATERI'ACT.

March 2023

On March 3, 2023, the 9.56% of the equity held by FAURECIA SWITZERLAND GROUP AG in the Chinese legal entity HUIZHOU TANG TRING SEATING TECHNOLOGY CO. LTD, have been sold to the partner.

April 2023

On April 1, 2023, has been registered a new subsidiary named HELLA FAWAY AUTOMOTIVES LIGHTING (TIANJIN) Co., LTD.

On April 1, 2023, has been registered a new subsidiary named THE DRIVERY SHANGHAI.

May 2023

On May 6, 2023, has been registered a new subsidiary named FAURECIA (SHANGHAI) HYDROGEN SOLUTIONS HOLDING CO., LTD., held at 100% by FAURECIA HYDROGEN SOLUTIONS (Business Group Clean Mobility).

On May 8, 2023, has been registered a new subsidiary named AHEAD AUTOMOTIVE GmbH.

On May 11, 2023, the company name of TEC-TOOL S.A. de C.V. has been changed into HELLA MEXICO TOOLING S.A. de C.V.

On May 30, 2023, the company name of FAURECIA has been changed to FORVIA.

June 2023

On June 1, 2023, the company name of Clarion Sales and Marketing Co., Ltd has been changed to CLARION LIFECYCLE SOLUTIONS CO., LTD.

On June 20, 2023, has been registered a new company named JINHUA LEAP FAURECIA AUTOMOTIVE PARTS CO., LTD (Business Group Seating) held at:

- 51%: by FAURECIA (CHINA) HOLDING CO., LTD;
- 49%: by JINHUA LEAP NEW ENERGY AUTO PARTS TECHNOLOGY CO., LTD.

On June 23, 2023, the participating interests held in the companies FAURECIA DMS, LLC; DETROIT MANUFACTURING SYSTEMS, LLC; DETROIT MANUFACTURING SYSTEMS TOLEDO AND NON-AUTOMOTIVE LLC and DMS LEVERAGE LENDER, LLC have been sold.

Since June 28, 2023, CHANGCHUN FAURECIA XUYANG DISPLAY TECHNOLOGY CO., LTD., is a subsidiary held at 100% by FAURECIA (CHINA) HOLDING CO., LTD following to the acquisition of the 45% equity shares held by the partner CHANGCHUN XUYANG INDUSTRIAL (GROUP) CO., LTD.

Since June 28, 2023, the company FAURECIA HYDROGEN SOLUTIONS FRANCE (formerly named Faurecia ULLIT) is held at 100% by the company FAURECIA HYDROGEN SOLUTIONS. This company has acquired the whole Hydrogen branch activity of FAURECIA SYSTEMES D'ECHAPPEMENT, by means of partial contribution of assets achieved on June 1, 2023.

Since June 30, 2023, the company FH SERVICES S.A.S is held at 75% by FAURECIA SERVICES GROUPE and at 25% by HELLA GmbH & Co. KGaA.

July 2023

On July 1, 2023, has been incorporated a new legal entity named HELLA COLOMBIA AUTOPARTES S.A.S.

On July 7, 2023, the company SAS Logistics France was dissolved, and all its assets and liabilities have been transferred to its sole shareholder SAS AUTOSYSTEMTECHNIK VERWALTUNGS GmbH.

On July 11, 2023, has been registered a new Chinese subsidiary named FAURECIA (TIANJIN) AUTOMOTIVE SYSTEMS CO., LTD., held at 100% by FAURECIA (CHINA) HOLDING CO., LTD. (Business Group Seating).

Since July 27, 2023, the company SYMBIO is equally held by FAURECIA EXHAUST INTERNATIONAL, SPIKA SAS (a Michelin group company) and Stellantis N. V, at 33.33% each.

On July 31, 2023, the subsidiaries of the SAS group have been sold to the Motherson Group; the following SAS legal entities are no longer affiliated to the Forvia Group.

- SAS Automotriz Argentina S.A. (Argentina)
- SAS Autosystemtechnik s.r.o. (Czech Republic)
- SAS Automotive do Brazil LTDA. (Brasil)
- SAS Automotive System (Shanghai) Co., Ltd. (China)
- SAS Automotive France (France)
- Cockpit Automotive Systems Rennes (France)
- SAS Autosystemtechnik GmbH (Germany)
- SAS Autosystemtechnik Verwaltungs GmbH (Germany)
- SAS Automotive Systems, S.A. de C.V. (Mexico)
- SAS Autosystemtechnik de Portugal Unipessoal LDA (Portugal)
- SAS Automotive s.r.o. (Slovakia)
- SAS Autosystemtechnik, S.A. (Spain)
- SAS Otosistem Teknik Sanayi ve Ticaret Limited Şirketi (Turkey)
- SAS Automotive USA, Inc. (USA)

August 2023

On August 1, 2023, the shares equity held in the India company HELLA INDIA LIGHTING has been increase from 82.72% to 85.17%.

September 2023

On September 7, 2023, has been registered a new subsidiary named MATERI'ACT DALLAS, LCC., held at 100% by MATERI'ACT (Business Group Interiors).

On September 12, 2023, the company name of CHAMPS PIERREUX UN has been changed into FAURECIA SEATING VILLERS.

On September 25, 2023, the companies Faurecia USA Holdings, Inc. and Faurecia Interior Systems, Inc. have contributed their shares ownership in the capital of the subsidiary FAURECIA SISTEMAS AUTOMOTRICES DE MEXICO, S. DE R.L. DE C.V.V to FAURECIA MEXICO HOLDINGS, LLC.

On September 29, 2023, Faurecia USA Holdings, Inc. has contributed its shares ownership in the company FAURECIA MEXICO HOLDINGS, LLC. to the company Faurecia Emissions Control Technologies, USA LLC.

October 2023

On October 2, 2023, Faurecia Emissions Control Technologies, NETHERLANDS B.V. was sold to the company CUMMINS.

On October 27, 2023, has been registered a new subsidiary named CHAMPS PIERREUX QUATRE held at 100% by FORVIA.

On October 30, 2023, has been registered a new subsidiary named CHAMPS PIERREUX CINQ held at 100% by FORVIA.

November 2023

Since November 2, 2023, the company FAURECIA CLD SAFETY TECHNOLOGY (SHENYANG) Co., LTD is 100% owned by FAURECIA HYDROGEN SOLUTIONS HOLDING CO., LTD.

On November 13, 2023, the company name CHAMPS PIERREUX TROIS has been changed into FSVAP EUROPE.

December 2023

On December 11, 2023, has been registered a new subsidiary named SHENZHEN FAURECIA AUTOMOTIVE PARTS SYSTEM Co., LTD., held at 100% by SHENZHEN FAURECIA AUTOMOTIVE PARTS Co., LTD. (Business Group Seating).

On December 14, 2023, all the shares of the company CHAMPS PIERREUX QUATRE, held at 100% by FORVIA, have been transferred to FAURECIA INVESTMENTS.

On December 20, 2023, has been registered a new subsidiary named FSVAP JAPAN CO., Ltd., held at 100% by FAURECIA Clarion Electronics Co., LTD. (Business Group Faurecia Clarion Electronics).

On December 21, 2023, the company FAURECIA ANGELL-DEMMELE GmbH i.L. has been officially deregistered following its liquidation closure.

On December 26, 2023, the following Russian companies have been sold as part of the disengagement of the group from Russia:

- LLC FAURECIA ENVIRONMENTAL SOLUTIONS;
- LLC FAURECIA AUTOMOTIVE SOLUTIONS;
- JSC FAURECIA INTERIOR TOGLIATTI.

These companies do not belong anymore to the Forvia Group.

On December 31, 2023, the shares equity held in the company HELLA PAGID GmbH has been increased from 50% to 100%.

1.6 Parent company's financial statements for the year ended December 31, 2023

1.6.1 Income statement

<i>(in € thousands)</i>	<i>Notes</i>	2023	2022
Services sold		85,382	96,589
Sales		85,382	96,589
Outside services		(108,403)	(111,441)
Taxes other than on income		(3,854)	(2,685)
Salaries and wages		(24,778)	(15,524)
Payroll taxes		(6,290)	(7,937)
Amortization, depreciation and provisions (net of reversals) and expense transfers	3	(1,675)	(3,591)
Other income/(expenses)	4	58,571	63,061
Total operating income and expenses		(86,429)	(78,117)
NET OPERATING INCOME		(1,047)	18,472
Financial income	5	790,245	790,244
Financing costs	5	(706,623)	(476,261)
NET FINANCIAL INCOME (EXPENSE)	5	83,622	313,983
OPERATING INCOME AFTER NET FINANCIAL INCOME		82,575	332,455
Non-recurring income	6	2,845	739
Extraordinary expenses	6	(5,938)	(3,160)
NET NON-RECURRING INCOME	6	(3,093)	(2,421)
Employee profit-sharing		(344)	(9)
Corporate income tax	7	7,913	14,300
NET INCOME		87,051	344,325

1.6.2 Balance sheet as of December 31, 2023

Assets

<i>(in € thousands)</i>	Notes	31/12/2023		31/12/2022	
		Gross amounts	Depreciation and provisions	Net amounts	Net amounts
Intangible assets	8	105	25	80	80
Property, plant and equipment	9	899	821	78	90
Investments	10	12,065,301	209,789	11,855,512	11,880,083
TOTAL FIXED ASSETS		12,066,305	210,635	11,855,670	11,880,253
Operating receivables		45,356	580	44,776	60,485
Other receivables	11	3,585,175	0	3,585,175	3,263,972
Marketable securities and related receivables	12	954,379	0	954,379	306,710
Cash and cash equivalents		406,298		406,298	787,027
TOTAL CURRENT ASSETS		4,991,208	580	4,990,628	4,418,194
Prepaid expenses	13	3,345		3,345	2,111
Unrealized foreign exchange losses		79,099		79,099	67,991
Bond redemption premiums		2,288		2,288	3,813
Deferred charges	14	41,749		41,749	45,953
TOTAL ASSETS		17,183,994	211,215	16,972,779	16,418,315

Liabilities

<i>(in € thousands)</i>	Notes	31/12/2023	31/12/2022
Capital stock		1,379,625	1,379,625
Additional paid-in capital		1,403,368	1,403,368
Statutory reserve		123,341	106,125
Untaxed reserves		8,939	8,939
Other reserves		0	0
Retained earnings		2,166,125	1,839,016
Net income for the fiscal year		87,051	344,325
TOTAL SHAREHOLDERS' EQUITY	15	5,168,449	5,081,398
Provisions for contingencies and charges	16	43,661	28,512
TOTAL DEBT	17	8,740,113	9,139,548
Operating payables	18	76,303	54,102
Sundry payables	18	2,881,983	2,069,172
TOTAL OPERATING PAYABLES AND OTHER PAYABLES		2,958,286	2,123,274
Prepaid income		0	145
Unrealized foreign exchange gains		62,270	45,438
TOTAL EQUITY AND LIABILITIES		16,972,779	16,418,315

1.6.3 Notes to the 2023 parent company financial statements

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Note 1 Summary of significant accounting policies

The annual financial statements were established in accordance with the general principles for preparing and presenting annual financial statements (ANC Regulation No. 2014-03 of June 5, 2014), relating to the PCG [*Plan Comptable Général* (General Accounting Plan)], amended by the regulations of the *Comité de la Réglementation Comptable* [Accounting Regulations Committee] and the *Autorité des Normes Comptables* [Accounting Standards Authority]. The main policies applied are as follows:

- going-concern;
- consistency of accounting principles;
- separating of accounting periods;

The basic method used for the items presented in the accounts is the historical cost method.

The Forvia's financial statements are presented in euros. Except if specifically specified, amounts are in millions of euros; generally, amounts presented are rounded to the closest unit; consequently, the sum of rounded amounts can present non significant differences to the reported total. Moreover, ratios and variances reported are computed with the detailed amounts and not with the rounded amounts.

Only significant information is expressed.

1.1 Property, plant and equipment

Property, plant and equipment are stated at acquisition or production cost. Property, plant and equipment are depreciated by the straight-line method over the estimated useful lives of the assets, as follows:

- buildings: twenty to thirty years;
- building improvements, fixtures and fittings: seven to ten years;
- other fixtures and fittings: ten years;
- office equipment and computers: three to five years;
- software: one to three years;
- furniture: ten years.

1.2 Investments

The shares in subsidiaries and affiliates are composed of long-term investments that enable control of the issuing company or notable influence to be exercised over it, or that establish business relationship with the issuing company.

Gross value is equal to contribution value or cost. A provision is made if the value in use of a security is lower than its entry value. Value in use is based on the subsidiary's revalued net assets, profitability and future outlook.

For investments intended to be sold, value-in-use estimates also take into account prices at which prior transactions were carried out, if any.

The impacts of group commitment on carbon neutrality as well as the consequences of governmental policies linked to the global warming are as well part of the assumptions used for these forecasts provided that these are measurable.

1.3 Marketable securities and related receivables

Marketable securities are stated at the lower of cost or market value.

1.4 Foreign currency transactions

Unhedged payables and receivables in foreign currency are translated at the exchange rate prevailing on the transaction date. At the balance sheet date, they are remeasured at the year-end exchange rate. Gains or losses resulting therefrom are recognized under "Unrealized foreign exchange losses" for unrealized losses and under "Unrealized foreign exchange gains" for unrealized gains. "Unrealized foreign exchange losses" are accrued for up to the non-hedged amount.

1.5 Cash and cash equivalents

Cash and cash equivalents are measured at their nominal value.

1.6 Provisions for pensions and other post-employment benefits

The vested rights of employees under supplementary pension and retirement bonus plans are determined on an actuarial basis using the projected unit credit method. The valuation takes into account the probability of employees staying with the Company up to retirement age and expected future compensation levels. In cases where the funds are permanently allocated to the benefit plan concerned, their value is deducted from the related liability.

1.7 Non-recurring items

Unusual or non-recurring items are included under "Non-recurring income" and "Non-recurring expense".

1.8 Financial instruments

Interest-rate risks are hedged, where appropriate, using financial instruments traded over-the-counter markets with bank counterparties.

Hedging gains and losses are recognized on a symmetrical basis with the loss or gain on the hedged item.

1.9 Pensions

In May 2021, the IFRS Interpretation Committee (IFRIC IC) published a decision relating to the allocation of the cost of services associated with a defined benefit plan with the following characteristics:

- the definitive acquisition of benefits is subject to presence in the Company at the time of retirement;
- the amount of benefits depends on seniority;
- this amount is capped at a determined number of consecutive years of service.

The application of this decision leads to the distribution of the projected rights, not over the duration of the presence of the employees in the Company, but over the last years of acquisition of the rights, taking into account, where applicable, the levels of acquisition.

In France, the accounting standards authority has also amended ANC recommendation No. 2013-02 to introduce this accounting method.

The Company apply this method since 2021.

Note 2 Highlights and post-balance sheet events

The worldwide automotive production showed strong dynamics in 2023 with a global production of 90.3 million light vehicles, corresponding to a 9.7% growth year on year. The market was supported by a very robust global demand and the progressive normalization of semi-conductor's supply. The 2023 level exceeded the c. 89 million LV production reached in 2019 (pre-Covid level), but with a different regional mix ; In 2023, China represented 32% of worldwide LVP (vs. 27% in 2019) and Europe represented 20% (vs. 24% in 2019).

The impact of cost inflation has however persisted during the year 2023. Compared to 2022, which predominantly caused by increase in raw material prices, cost inflation in 2023 mainly related to energy, labor and, to a lesser extent, raw material prices (some of them starting to go down).

Financing :

On June 9, 2023, FORVIA signed a new €500 million syndicated loan (Term Loan 2023) with a maturity date of June 2, 2026 and the possibility of a two-year extension until June 2, 2028, subject to the banks' agreement. The interest rate varies depending on whether the Group achieves its targets for reducing CO₂ emissions.

On December 15, 2023, FORVIA issued ¥11,700 million of bonds maturing on March 15, 2026, bearing interest at 2.48%, with coupons paid on June 15 and December 15 of each year and for the first time on June 15, 2024.

On December 15, 2023, FORVIA issued ¥6,800 million of bonds due March 15, 2027, bearing interest at 2.81%, with coupon paid on June 15 and December 15 of each year and for the first time on June 15, 2024.

On December 15, 2023, FORVIA issued ¥700 million of bonds maturing on December 15, 2028, bearing interest at 3.19%, with coupons paid on June 15 and December 15 of each year and for the first time on June 15, 2024.

Note 3 Depreciation, amortization and provisions (net of reversals) and expense transfers

<i>(in € thousands)</i>	2023	2022
Provision reversals	1,040	0
Expense transfers ⁽¹⁾	10,914	13,453
Depreciation and amortization	(10,743)	(14,403)
Provisions for impairment of current assets	(580)	
Provisions for contingencies and charges	(2,306)	(2,641)
TOTAL	(1,675)	(3,591)

(1) Of which:

- Transfer of fees included in "Outside services" relating to new financings: 10,914 13,453

1 Financial and accounting information

Parent company's financial statements for the year ended December 31, 2023

Note 4 Other income/(expenses)

(in € thousands)	2023	2022
Operating income		
Trademark royalties	59,417	64,158
Other income	14	5
TOTAL	59,430	64,163
Operating expenses		
Trademark royalties	0	0
Other non-operating expenses	859	1,102
TOTAL	859	1,102
TOTAL	58,571	63,061

Note 5 Net financial income (expense)

It breaks down as follows :

(in € thousands)	2023	2022
Financial income		
Income from investments in subsidiaries and affiliates ⁽¹⁾	85,367	277,309
Other interest and related income	668,462	487,616
Net proceeds from sales of marketable securities	5,195	70
Provision reversals ⁽²⁾	31,221	25,248
TOTAL	790,245	790,243
Financing costs		
Interest expense	665,101	443,515
Charges to provisions for impairment of investments ⁽³⁾	10,500	16,700
Charges to other provisions and other financial expenses	31,022	16,045
TOTAL	706,623	476,260
NET FINANCIAL INCOME (EXPENSE)	83,622	313,983

(1) This item corresponds to dividends received from subsidiaries and affiliates

• Faurecia Services Groupe	0	2,000
• Faurecia Investissements	0	198,919
• Faurecia Tongda Exhaust System	3,014	5,486
• Faurecia Honghu Exhaust Systems Shanghai	15,560	7,660
• Faurecia Automotive Holdings	62,311	62,311
• Faurecia Automotive Espana	4,481	933

(2) Of which:

• reversal of provisions for Faurecia Holdings Espana	16,700	17,900
• reversal of provisions for financial contingencies and charges	14,521	7,348

(3) Of which:

• allowances of Faurecia Automotive Belgium	10,500	16,700
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Note 6 Net non-recurring income/(expense)

Net non-recurring income (expense) breaks down as follows:

<i>(in € thousands)</i>	2023	2022
Non-recurring income		
Proceeds from management activities	0	0
Proceeds from disposals of fixed assets ⁽¹⁾	201	17
Proceeds from disposals of bonus shares	1,516	672
Provision reversals	1,128	50
TOTAL	2,845	739
Non-recurring expenses		
On management transactions	4,995	112
Carrying amount of fixed and financial assets sold ⁽²⁾	105	70
Cost of bonus shares sold	838	1,248
Depreciation, amortization and charges to provisions	0	1,730
TOTAL	5,938	3,160
NET NON-RECURRING INCOME/(EXPENSE)	(3,093)	(2,421)
<i>(1) Of which proceeds from the sale of investments in subsidiaries and affiliates:</i>	30	17
<i>(2) Of which carrying amounts of investments in subsidiaries and affiliates sold or transferred:</i>	30	70

Note 7 Corporate income tax

Forvia has elected to file a consolidated tax return. The resulting tax group includes the parent company and its main French subsidiaries. This system allows Forvia to obtain group relief by offsetting any tax losses recorded by the Company and certain of its subsidiaries against the taxable income of other subsidiaries in the tax group:

<i>(in € thousands)</i>	2023	2022
Tax benefit arising from group relief	8,340	13,700
Other tax (expense) income (tax credit) ⁽¹⁾	(427)	600
TOTAL	7,913	14,300
<i>(1) Sponsorship tax credit:</i>	1,520	

1 Financial and accounting information

Parent company's financial statements for the year ended December 31, 2023

Note 8 Intangible assets

This can be broken down as follows:

<i>(in € thousands)</i>	Concessions, patents and similar rights	Other intangible assets	Intangible assets in progress	Total
AMOUNT AS OF DECEMBER 31, 2021	80	0	0	80
Additions (including own work capital)				0
Disposals				0
Funding of depreciation, amortization and impairment provisions				
Depreciation written off on disposals				0
Other movements				
AMOUNT AS OF DECEMBER 31, 2022	80	0	0	80
Additions (including own work capital)				
Disposals				
Funding of depreciation, amortization and impairment provisions				
Depreciation written off on disposals				
Other movements				
AMOUNT AS OF DECEMBER 31, 2023	80	0	0	80

Note 9 Property, plant and equipment

This can be broken as follows :

<i>(in € thousands)</i>	31/12/2023		31/12/2022
	Brut	Net	Net
Land	52	52	52
Buildings	258	0	0
Other property, plant and equipment	589	26	38
TOTAL	899	78	90

Movements in the net value of property, plant and equipment is explained as follows :

<i>(in € thousands)</i>	Land	Buildings	Other property, plant and equipment	Total
AMOUNT AS OF DECEMBER 31, 2021	52	0	30	82
Additions (including own work capital)				
Disposals			(2)	(2)
Funding of depreciation, amortization and impairment provisions			(68)	(68)
Depreciation written off on disposals			111	111
AMOUNT AS OF DECEMBER 31, 2022	52	0	38	90
Additions (including own work capital)				18
Disposals			(62)	
Funding of depreciation, amortization and impairment provisions			(43)	(60)
Depreciation written off on disposals			93	50
AMOUNT AS OF DECEMBER 31, 2023	52	0	26	78

Note 10 Investments

This can be broken as follows :

<i>(in € thousands)</i>	31/12/2023		31/12/2022	
	Brut	Provisions	Net	Net
Equity investments	8,986,492	207,289	8,779,203	8,773,013
Loans to subsidiaries and affiliates	3,077,850	2,500	3,075,350	3,105,936
Other non-current securities	959	0	959	1,134
TOTAL	12,065,301	209,789	11,855,512	11,880,083

Movements in investments in subsidiaries and affiliates break down as follows:

<i>(in € thousands)</i>	Gross value	Provisions	Carrying amount
AMOUNT AS OF DECEMBER 31, 2021	6,371,800	214,689	6,157,111
Acquisitions			
Capital stock increases	2,614,741		2,614,741
Charges to and reversals of provisions		(1,200)	1,200
Company liquidation			
Sale of shares	(39)		(39)
AMOUNT AS OF DECEMBER 31, 2022	8,986,502	213,489	8,773,013
Acquisitions	20		20
Capital increase			0
Charges to and reversals of provisions		(6,200)	6,200
Company liquidation			0
Sale of shares	(30)		(30)
AMOUNT AS OF DECEMBER 31, 2023	8,986,492	207,289	8,779,203

Note 11 Receivables

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Cash advances	3,521,693	3,194,020
Tax due by subsidiaries in the tax group	11,782	16,387
Prepaid and recoverable corporate income tax	3,214	6,818
Recoverable VAT	2,841	4,736
Sundry receivables	45,478	42,009
Divers	167	2
TOTAL	3,585,175	3,263,972

All receivables are due in less than one year.

Prepaid and recoverable corporate income tax corresponds to tax credits of €3.2 million, including €1.7 million research tax credit.

Note 12 Marketable securities and related receivables

As of December 31, 2023, this item includes:

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Treasury stock	179	3,535
Liquidity agreement	0	973
Securities	689,200	301,943
Depreciation mutual fund	0	0
Deposits	265,000	259
TOTAL MARKETABLE SECURITIES	954,379	306,710

Treasury stock transactions during the year break down as follows:

Shares <i>(in € thousands)</i>	Number of shares	Amount
Amount as at December 31, 2022	84,171	3,535
Distribution and cancelation of treasury shares	(79,080)	(3,356)
Preferential subscription rights ⁽¹⁾		
Shares buyback		
Amount as at December 31, 2023	5,091	179

(1) No disposals in 2023

Liquidity agreement <i>(in € thousands)</i>	Number of shares	Amount
Amount as at December 31, 2022	70,000	973
Shares buyback	3,996,678	79,216
Shares sales	(4,066,678)	(80,188)
Amount as at December 31, 2023	0	0

Note 13 Prepaid expenses

Prepaid expenses mainly comprise:

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Commissions and bank charges	0	111
Rent	0	0
Other	3,345	2,000
TOTAL	3,345	2,111

Note 14 Deferred charges

The deferred charges on December 31, 2023 correspond to the costs of the financing facilities.

A bond issue with a nominal value of €700 million issued on November 15, 2022 (maturity date June 15, 2026 - interest rate 7.25%) generated issue costs of which €6.0 million were charged to expenses to be spread over three years. In 2023, additional issue costs of €0.3 million have been charged to expenses to be spread over three years.

A bilateral loan of €289 million nominal amount issued on July 25, 2022 (Maturity date July 25, 2029 - interest rate 3.474%) generated issue costs of which €0.5 million were charged to expenses to be spread over seven years.

A bilateral loan of €50 million nominal amount issued on December 30, 2022 (50% maturing on December 30, 2024, the remainder on December 30, 2025 – EURIBOR 6 months + rate 3.6%) generated issue costs of which €0.7 million were charged to expenses to be spread over three years.

A supplement to the Bank of China bilateral loan (maturity date July 5, 2024 – EURIBOR 3 months + rate 0.85%) generated additional issue costs of which €0.2 million were charged to expenses to be spread over two years.

A renegotiation of the terms of the bridge loan set up to pre-finance the HELLA acquisition generated additional issuance costs of which €3.1 million were charged to expenses to be spread over 2022, over three years.

A renegotiation of the terms of the 1.5 billion RCF credit line (not drawn down) generated additional issuance costs of which €1.5 million were charged to expenses to be spread over three years.

A €200 million syndicated loan issued by Bank of America in 2021, partially repaid on June.2023, generated additional issue costs of which €0.6 million were charged to expenses to be amortised over two years.

A bond issue with a nominal value of €250 million issued on February 1, 2023 (maturing on June 15, 2026 - interest rate 7.25%) generated issue costs of €1.2 million, which were expensed over three years.

A bond issue in three tranches issued on December 15, 2023, the first tranche of ¥11,700 million of bonds maturing on March 15, 2026, bearing interest at 2.48%, the second tranche of ¥,800 million of bonds maturing on March 15, 2027, bearing interest at 2.81% and the third tranche of ¥700 million of bonds maturing on December 15, 2028, bearing interest at 3.19%, generated issue costs of which €1.3 million were charged to expenses to be spread over three years.

A new €500 million syndicated loan (Term Loan 2023) maturing on June 2, 2026 and including the possibility of extension for two consecutive years until June 2, 2028 generated issue costs of which €3.1 million were charged to expenses to be spread over three years.

Note 15 Shareholders' equity

15.1 Change in shareholders' equity

<i>(in € thousands)</i>	Amount as at 31/12/2022	Appropriation decision at the OGM of 05/30/2023	Capital stock increase	Capital stock decrease	Dividends	Net income for the fiscal year	Amount as at 31/12/2023
Capital stock	1,379,625						1,379,625
Additional paid-in capital	1,403,368						1,403,368
Statutory reserve	106,125	17,216					123,341
Untaxed reserves	8,939						8,939
Other reserves	0						0
Retained earnings	1,839,015	327,109					2,166,125
Net income for the fiscal year	344,325	(344,325)				87,051	87,051
TOTAL	5,081,398	0	0	0	0	87,051	5,168,449

15.2 Capital stock and premiums from equity issues, mergers and acquisitions

- As of December 31, 2023, the share capital was €1,379,625,380 divided into 197,089,340 fully paid-up shares of €7 each. As of December 31, 2023, 13,977,679 registered shares held double voting rights.
- There are no share subscription options as of December 31, 2023.

15.3 Free share allocation plans

In 2010, Forvia implemented a share grant plan for executives of Group companies. These shares are subject to service and performance conditions.

In 2021, Forvia has implemented a unique long term share grant plan (Executive Super Performance Initiative-ESPI) for the members of the Group Executive Committee, executives of Group companies. The acquisition period is five years without conservation condition, and the maximum amount is limited to 300% of the yearly fixed wages. These shares are subject to a service and a performance condition, the Total shareholder Return -TSR, compared to a peer group.

Details of the share grant plans as of December 31, 2023, are set out in the table below:

Date of Annual Shareholders' Meeting	Date of Board meeting	Maximum number of free shares that can be granted* for:		Performance condition
		reaching the objective	exceeding the objective	
5/31/2021	10/25/2021	862,293	1,121,703	2023 after tax income target as stated in strategic plan when granted, Forvia earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population
6/1/2022	7/28/2022	1,492,710	1,939,880	For the CEO: 2024 after tax income target as stated in strategic plan when granted, Forvia earning per share growth compared to a reference group of companies and percentage of diversity men-women within the management population For the other beneficiaries: 2024 operating income and net cash flow target as stated in strategic plan when granted, Forvia earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO ₂ emissions reduction target
5/30/2023	7/26/2023	1,531,480	1,991,900	2025 operating income and net cash flow target as stated in strategic plan when granted, Forvia earning per share growth compared to a reference group of companies, percentage of diversity men-women within the management population and CO ₂ emissions reduction target
6/26/2020	7/23/2021	324,883	324,883	ESPI plan: Forvia share relative performance (TSR) compared to a reference group of companies on a yearly basis; For the CEO: Forvia share relative performance (TSR) compared to a reference group of companies on average over 5 years (2021-2026)

* Net of free shares granted cancelled.

The performance conditions for the plan attributed by the Board of October 9, 2019 have been partially met, the corresponding shares (72,002), were distributed in October 2023. The performance conditions for the plan attributed by the Board of October 22, 2020 have been partially met, the corresponding shares (521,273) will be distributed in October 2024.

Note 16 Provisions for contingencies and charges

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Provision for contingencies		
Foreign exchange losses	87	14,521
Other	29,411	0
SUB-TOTAL	29,498	14,521
Provisions for charges		
Provision for pensions and other post-employment benefits ⁽¹⁾	13,007	11,202
Other provisions for charges	1,156	2,789
SUB-TOTAL	14,163	13,991
TOTAL	43,661	28,512

(1) Provisions for pensions and other post-employment benefits cover the following costs payable by the Company on retirement of employees:

- post-retirement benefit obligations;
- supplementary pensions paid to some employees.

For this last obligation, she is released from her commitments by a deduction of the capital necessary for the service of the annuity that the insurance company, responsible for this service, makes from the fund set up to cover retirement commitments not yet definitively acquired. The Company therefore no longer has any obligation towards former employees.

The actuarial valuation was carried out by independent actuaries. The calculations were made on the basis of a discount rate of 3.40% and an inflation rate of 2.0%.

Executive Committee members holding an employment contract with Forvia SE or one of its subsidiaries also benefit from a defined benefit plan of the additive type for French members and a defined contribution plan for foreign members. The rights acquired as of December 31, 2019 in the additive plan for French members have also been frozen based on the seniority acquired as of that date in accordance with the PACTE Act of May 22, 2019. The rights are revalued according to the evolution of salaries and the corresponding employee charges in these plans.

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Projected benefit obligation	21,299	20,348
Hedging of obligations	(9,181)	(9,599)
Deferred items	888	452
Long-service award	1	
PROVISIONS	13,007	11,202

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Service cost	(1,192)	(1,278)
Interest cost	(979)	(429)
Expected return on plan assets	366	106
Other changes	(1)	
TOTAL	(1,805)	(1,601)

Changes in provisions for liabilities and charges in 2023 were as follows:

<i>(in € thousands)</i>	Amount as at 31/12/2022	Additions	Reversals (surplus provisions)	Payments to retirement funds	Amount as at 31/12/2023
Provisions for currency risks	14,521	87	(14,521)		87
Provision VPPA hedging		29,411			29,411
Provisions for pensions and other employee obligations	11,202	1,805			13,007
Other provisions for charges	2,789	500	(2,133)		1,156
TOTAL	28,512	31,803	(16,654)	0	43,661

Note 17 Borrowings

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Bond issue premium	7,742	6,671
Other bonds	5,862,738	5,640,000
Borrowings and debts from credit institution	2,822,196	3,454,790
Other borrowings	47,436	38,087
TOTAL	8,740,113	9,139,548

28.13% of the Company's debt is at variable rates. This debt is hedged using interest-rate caps as described in Note 21.1.

The breakdown of the Company's debt by maturity is as follows:

<i>(in € thousands)</i>	31/12/2023
Maturing in 2024	1,065,345
Maturing in 2025	1,315,683
Maturing in 2026	2,475,972
Maturing in 2027	2,165,153
Maturing in 2028	1,028,961
Maturing in 2029	689,000
TOTAL	8,740,113

The main components of Forvia financing are described below; (see Notes 2.1 & 10.A).

Syndicated credit facility

On December 15, 2014, FORVIA signed a syndicated credit facility, with a five-year maturity, for an amount of €1,200 million. This credit facility was renegotiated on June 24, 2016, then on June 15, 2018 in order to extend the maturity to five years from that date. In May 2021, FORVIA has signed with its banks an Amend & Extend agreement of this syndicated credit line enabling the Group to increase

the amount up to €1,500 million, as well as indexing its costs on FORVIA's environmental performance, the interest rate varying depending upon the achievement of the Group's target of CO₂ neutrality for its scopes 1 & 2, and to extend its maturity to five years, i.e. May 2026, with two one-year extension options submitted to the banks' agreement.

On April 26, 2022 FORVIA has renegotiated its covenant related its leverage ratio (ratio Net debt⁽¹⁾/adjusted EBITDA⁽²⁾) and which compliance is a condition affecting the availability of this credit facility. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2023, this condition was met.

On June 27, 2023 FORVIA has extended the maturity of the syndicated credit facility to May 28, 2027 for an amount of €1,450 million. The available amount is of €1,500 million up to May 28, 2026. FORVIA also negotiated the possibility to extend the credit facility until June 2, 2028, submitted to the banks' agreement.

This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

As of December 31, 2023, this facility was not drawn.

Term loan 2023

FORVIA has signed on June 9, 2023 a new €500 million syndicated loan (Term loan 2023) with a maturity to June 2, 2026 and including two one year extension options until June 2, 2028, submitted to the banks' agreement, the interest rate varying depending upon the achievement of the Group's target of CO₂ neutrality for its scopes 1, 2 & 3 (controlled emissions).

This credit facility includes some restrictive clauses on asset disposals (disposal representing over 35% of the Group's total consolidated assets requires the prior approval of banks representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

Schuldscheindarlehen

FORVIA has signed on December 17, 2018 a private placement under German law (*Schuldscheindarlehen*) for a total amount of €700 million. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of four, five and six years, i.e. December 2022, 2023 and 2024. €378 million have been received on December 20, 2018 and the remaining amount has been received in early January 2019. The USD tranches have been partially converted in EUR resources through long term cross-currency swaps.

This private placement has been used to finance the acquisition of Clarion Co., Ltd.

On June 21, 2021 FORVIA has reimbursed by anticipation €226.5 million of the variable rate tranche of the *Schuldscheindarlehen* with 2022 maturity. On December 20, 2022, FORVIA has reimbursed €58.5 million of the fixed rate tranche of the *Schuldscheindarlehen* with 2022 maturity.

FORVIA has signed on December 17, 2021 a private placement under German law (*Schuldscheindarlehen*) including ESR performance criteria for a total amount of €700 million and on June 15, 2022 an additional placement of €50 million. This transaction is structured into several tranches in EUR and USD, at fixed and variable rates, with maturities of two and a half, four, five and six years, i.e. July 2024 and January 2026, 2027 and 2028. €435 million have been received on December 22, 2021 and the remaining amount has been received in early January 2022. The USD tranches have been partially converted in EUR resources through long term cross-currency swaps.

This private placement is part of the prefinancing of the acquisition of HELLA.

¥30 billion credit facility

On February 7, 2020, FORVIA has signed a credit facility in yen for an amount of ¥30 billion, with a five-year maturity, aiming at refinancing on a long term basis the debt of Clarion Co., Ltd. The credit facility comprises two tranches of ¥15 billion each, one being a loan and the other one a renewable credit line.

The proceeds of this credit line have enabled Clarion Co., Ltd to reimburse most of its bank debts.

The maturity of the credit line has been extended from February 2025 to February 2026 by exercising the first extension option.

On April 26, 2022, FORVIA has renegotiated its covenant related its leverage ratio (ratio Net debt⁽¹⁾/adjusted EBITDA⁽²⁾) and which compliance is a condition affecting the availability of this credit facility. The level of this covenant was not to be tested for June 30, 2022 and was at 3.75x for December 31, 2022 (instead of 3.0x) before coming back to 3.0x from June 30, 2023 onwards. As of December 31, 2023, this condition was met.

As of December 31, 2023, the drawn amount was at ¥20 billion, representing €127.9 million.

European Investissement Bank (EIB) credit facility

On July 1, 2022, FORVIA signed a credit facility for an amount of €315 million, with a seven year maturity with the European Investment Bank (EIB). This credit facility aims at financing investments in research and development, in production and deployment of the hydrogen technology for mobility applications, advanced systems for driving assistance and driver control systems. It is composed of two tranches: (i) one for an amount of €289 million (ii) one for an amount of €26 million.

This credit facility includes a covenant on the ratio Net debt⁽¹⁾/adjusted EBITDA⁽²⁾ which compliance is a condition affecting the availability of this credit facility, identical to the syndicated credit facility and which cannot exceed 3.75x for December 31, 2022 and 3.0x from June 30, 2023 onwards. As of December 31, 2023, this condition was met. It includes as well some restrictive clauses on asset disposals and on the debt level of some subsidiaries.

(1) Consolidated net debt.

(2) Operating income before depreciation of intangible assets acquired plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

In compliance with IAS 20, the difference between the market rate for a comparable loan at initial date and the interest rate for this loan has been recognized as a grant; it is recognized in P&L against the costs that the grant aims to compensate over the loan duration.

As of December 31, 2023, the drawn amount was at €289 million.

2025 bonds (2.625%)

On March 8, 2018, FORVIA issued bonds for an amount of €700 million due June 15, 2025, carrying annual interest of 2.625%, payable on June 15 and December 15 each year, as from June 15, 2018.

These bonds include a covenant restricting the additional indebtedness if the EBITDA after certain adjustments is lower than twice the gross interest costs, and restrictions on the debt similar to those of the syndicated credit loan.

The proceeds of these bonds have been used to redeem the €700 million bonds due June 15, 2022, carrying annual interest of 3.125%, issued in March and April 2015.

The bonds are listed on the Global Exchange Market of Euronext Dublin (previously Irish Stock Exchange).

An additional issue for €300 million of these 2025 bonds has been done on July 31, 2020. These additional bonds have been issued at 97.50% of the par, which corresponds to a yield to maturity of 3.18%.

As of December 31, 2023, the outstanding amount of these 2025 bonds amounted to €1,000 million.

2026 SLB bonds (7.25%)

On November 15, 2022, FORVIA issued bonds for an amount of €700 million due June 15, 2026, carrying annual interest of 7.25%, payable on June 15 and December 15 each year, as from June 15, 2023.

These bonds are subject to the same restrictions than the 2029 bonds and base the 2025 objectives of CO₂ emission reduction on scope 1 & 2 on the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026.

The proceeds of these bonds have been used to redeem partially the syndicated bridge loan.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

An additional issue for €250 million has been done on February 1, 2023. These additional bonds have been issued at 101.75% of the par, which corresponds to a yield to maturity of 6.65% of the par, for a total amount of €150.1 million. On December 14, 2023 Forvia has launched a tender offer to purchase back a part of these bonds at 105.5%.

As of December 31, 2023, the outstanding amount of these bonds amounted to €799.9 million.

2026 bonds (3.125%)

On March 27, 2019, FORVIA issued bonds for an amount of €500 million due June 15, 2026, carrying annual interest of 3.125%, payable on June 15 and December 15 each year, as from June 15, 2019.

These bonds are subject to the same restrictions than the 2025 bonds.

The proceeds of these bonds have been used to finance the acquisition of Clarion Co., Ltd.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

In order to prefinance the acquisition of 50% of SAS shares, an additional issue for €250 million of these 2026 bonds has been performed on October 31, 2019. These additional bonds have been issued at 104.50% of the par, which corresponds to a return at issuance of 2.40%.

As of December 31, 2023, the outstanding amount of these 2026 bonds amounted to €750 million.

Yen bonds 2026 (2.48%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥11,700 million due March 15, 2026, carrying annual interest of 2.48%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥11,700 million (€74.8 million).

2027 bonds (2.375%)

On November 27, 2019, FORVIA issued bonds for an amount of €700 million due June 15, 2027, carrying annual interest of 2.375%, payable on June 15 and December 15 each year, as from June 15, 2020.

These bonds are subject to the same restrictions than the 2026 bonds.

The proceeds of these bonds have been used to refinance the €700 million bonds due June 15, 2023 carrying annual interest of 3.625%, issued on April 1, 2016.

This refinancing has been done through a tender offer through which 2023 bond holders could exchange their bonds against new 2027 bonds. The rate of exchange has reached 76%. The bonds that were not tendered in this offer have been redeemed in accordance with the offering memorandum. The settlement of these two operations has taken place respectively on November 25 and November 28, 2019.

The bond premium for bonds tendered in the offer is amortized over the duration of the new 2027 bonds; the bond premium for bonds redeemed by anticipation has been expensed in the year 2019.

On February 3, 2021, an additional issue for €190 million of these 2027 bonds has been performed via a private placement. These bonds have been issued at 100.75% of the par, which corresponds to a return at issuance of 2.26%.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €890 million.

2027 SLB bonds (2.75%)

On November 10, 2021, FORVIA issued bonds for an amount of €1,200 million due February 15, 2027, carrying annual interest of 2.75%, payable on June 15 and December 15 each year, as from June 15, 2022.

These bonds are subject to the same restrictions than the 2029 bonds and base the 2025 objectives of CO₂ emission reduction on scope 1 & 2, on the "Sustainable Linked Financing Framework" published in October 2021 and approved by the ISS ESG. The non compliance to these objectives involves a step up of the bonds interest in 2026.

The proceeds of these bonds have been used to pre finance the acquisition of HELLA.

The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2027 bonds amounted to €1,200 million.

Yen bonds 2027 (2.81%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥11,700 million due March 15, 2027, carrying annual interest of 2.81%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥6,800 million (€43.5 million).

2028 bonds (3.75%)

On July 31, 2020, FORVIA issued bonds for an amount of €700 million due June 15, 2028, carrying annual interest of 3.75%, payable on June 15 and December 15 each year, as from December 15, 2020.

These bonds are subject to the same restrictions than the 2027 bonds. The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2028 bonds amounted to €700 million.

Yen bonds 2028 (3.19%)

On December 15, 2023, FORVIA issued bonds for an amount of ¥700 million due December 15, 2028, carrying annual interest of 3.19%, payable on June 15 and December 15 each year, as from June 15, 2024.

As of December 31, 2023, the outstanding amount of these bonds amounted to ¥700 million (€4.5 million).

Green bonds 2029 (2.375%)

FORVIA issued on March 22, 2021 green bonds for an amount of €400 million due June 15, 2029, carrying annual interest of 2.375%. The proceeds will be used to finance or refinance the Group's investments in the hydrogen mobility, for both hydrogen storage and distribution systems and in fuel cell stacks and systems through Symbio, its joint venture with Michelin and Stellantis. The Green Bond Framework has been reviewed by ISS ESG, environmental rating agency.

These bonds are subject to the same restrictions than the 2028 bonds. The bonds are listed on the Global Exchange Market of Euronext Dublin.

As of December 31, 2023, the outstanding amount of these 2029 bonds amounted to €400 million.

Finally, during 2023, Forvia regularly issued commercial paper with a maturity date of up to one year to investors located mainly in France. Their outstanding amount was €482.8 million on December 31, 2023.

Note 18 Operating payables and other liabilities

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Trade payables	37,847	25,565
Other operating payables	38,456	28,537
SUBTOTAL OPERATING PAYABLES	76,303	54,102
Cash advances from subsidiaries	2,881,411	2,066,045
Other liabilities	572	3,127
SUBTOTAL OTHER PAYABLES	2,881,983	2,069,172
TOTAL	2,958,286	2,123,274

All operating payables and other liabilities are payable in less than one year.

Note 19 Deferred taxes

Deferred taxes relate to:

- temporary differences between the recognition of income and tax purposes;
- tax loss carry forwards of the tax group;
- tax savings arising from the use of tax losses of subsidiaries in the tax group which will have to be restored to them if and when they return to profit.

Deferred taxes are computed based on the tax rate for the year in which they are expected to reverse.

Deferred taxes can be analyzed as follows:

<i>(in € thousands)</i>	31/12/2023	31/12/2022
Deferred taxes relating to the tax savings arising from using losses in tax-group subsidiaries	(596,074)	(550,491)
SUBTOTAL, DEFERRED TAX LIABILITIES	(596,074)	(550,491)
Tax paid on taxable income that is not yet recognized	3,096	(1,810)
Charges recognized that are deductible for tax purposes in future years	11,250	5,421
Future tax savings on tax loss carry forwards of the tax group	375,509	332,652
SUBTOTAL, DEFERRED TAX ASSETS	389,855	336,263
NET DEFERRED TAX (LIABILITIES)/ASSETS	(206,219)	(214,228)

Note 20 Financial commitments

Endorsements, sureties and guarantees include commitments to subsidiaries and direct and indirect equity investments for an amount of €507.7 million (€169.2 million as of December 31, 2022).

Note 21 Financial instruments used to hedge market risks

21.1 Interest-rate hedges

The Company manages interest rate hedging centrally. This management is implemented by the Faurecia group's Finance and Treasury department, under the responsibility of general management. Management decisions are taken within a market risk management committee which meets monthly.

The hedges arranged comprise mainly euro-denominated interest rate swaps, designed to hedge interest payable on variable rate borrowings.

The notional amounts of the Group's interest rate hedges break down as follows:

At 31/12/2023 (in € millions)	Notional amounts by maturity		
	< 1 year	1 to 5 years	> 5 years
Interest rate options			
Variable rate/fixed rate swaps	137	225	

Share of variable rate debt (before rate swap): 28.13%.

21.2 Foreign exchange hedges

The company centrally covers the foreign exchange risk of its subsidiaries, linked to their commercial operations, by means of forward or optional foreign exchange transactions as well as financing in foreign currencies. This centralized management is implemented by the Faurecia group Finance and Treasury department, under the responsibility of general management. Management decisions are taken within a market risk management committee which meets monthly. Derivatives purchased for subsidiaries are retroceded to the subsidiaries when they are unwound.

- Future transactions are hedged on the basis of forecast flows established during the preparation of budgets approved by General Management; these forecasts being updated regularly.
- Currency risk on inter-company loans and borrowings to/from subsidiaries outside the eurozone that are denominated in the subsidiaries' functional currency but referenced in euros is hedged through swaps.
- Currency risk on external borrowings is hedged by means of cross currency swaps.

As of December 31, 2023, the foreign exchange swaps in place relate to the following currencies:

At 31/12/2023 (in millions)	Net position		Equivalent (in € millions)	Fair value of derivatives (in € millions)
	Buyer	Seller		
CAD	0.0	8.3	5.6	0.0
CHF	0.0	16.0	17.3	(0.3)
CNY	411.6	0.0	52.4	1.5
DKK	0.0	250.3	33.6	0.0
GBP	85.0	0.0	97.8	0.2
JPY	0.0	18,327.3	117.2	(1.8)
MXN	2,000.0	0.0	106.8	17.0
SEK	0.0	18.1	1.6	0.0
THB	0.0	1,845.9	48.6	(0.2)
USD	0.0	26.5	24.0	(0.4)
ZAR	0.0	917.9	45.1	0.1

NB: these are foreign exchange swaps that cover intra-group deposits and loans.

Note 22 Average headcounts

	2023	2022
Management	7	9
Staff	0	0
TOTAL	7	9

Note 23 Compensation

In 2023, total attendance fees paid to directors amounted to €703,571 compared with €885,045 in 2022.

1.6.4 Five-year financial summary

(in €)	2023	2022	2021	2020	2019
1 – CAPITAL STOCK AT END OF PERIOD					
a) Capital stock	1,379,625,380	1,379,625,380	966,250,607	966,250,607	966,250,607
b) Number of ordinary shares outstanding	197,089,340	197,089,340	138,035,801	138,035,801	138,035,801
c) Maximum number of future shares to be created: by exercising stock options	0	0	0	0	0
2 – OPERATIONS AND RESULTS FOR THE FISCAL YEAR					
a) Sales excluding tax	65,064,928	96,589,000	42,481,000	34,843,000	30,146,000
b) Income before tax, employee profit-sharing, depreciation, amortization and provisions	101,244,802	300,815,183	196,816,636	(330,269,884)	462,414,608
c) Corporate income tax ⁽¹⁾	(7,912,524)	(14,290,638)	(21,414,822)	(9,303,708)	(31,436,160)
d) Employee profit-sharing	344,007	0	0	0	0
e) Income after tax, employee profit-sharing, depreciation, amortization and provisions	87,051,249	344,325,258	212,551,344	(122,782,135)	477,124,055
f) Total dividend ^{(2) (3)}	0	0	0	138,035,801	0
3 – EARNINGS PER SHARE					
a) Income after tax and employee profit-sharing, but before depreciation, amortization and provisions	0.55	1.49	1.29	-2.45	3.15
b) Income after tax, employee profit-sharing, depreciation, amortization and provisions	0.44	1.75	1.54	-0.89	3.46
c) Net dividend per share	0.00	0.00	0.00	1.00	0.00
4 – PERSONNEL					
a) Average number of employees during the fiscal year	7	9	8	8	9
b) Total payroll for the fiscal year	24,778,258	15,523,622	4,884,197	12,332,626	16,239,993
c) Total employee benefits paid for the fiscal year (social security, other social benefits, etc.)	6,289,945	7,937,716	2,434,566	1,890,759	4,187,781

(1) Amounts in parentheses represent tax savings recognized under the tax consolidation agreement.

(2) The 2023 dividend is pending approval by the Ordinary General Meeting of the proposed appropriation of 2023 net income.

(3) The part of the 2023 dividend corresponding to shares that the Company holds on its own behalf at the payment date will be allocated to "Retained earnings".

1 Financial and accounting information

Parent company's financial statements for the year ended December 31, 2023

1.6.5 Subsidiaries and affiliates

(in € thousands)	Capital stock	Reserves and retained earnings before appropriation of net income	Share of capital stock owned as a%	Gross carrying amount of investment	Net carrying amount of investment	Outstanding loans and advances granted by the Company and not yet paid	Amounts of guarantees and securities given by the Company	Sales excluding sales tax from the last fiscal year	Profit or loss (-) from the previous year-end	Dividends received by the Company during fiscal year or to be received	Exchange rates used for non- French subsidiaries and affiliates
I. DETAILED INFORMATION											
A. Subsidiaries (at least 50% of capital stock owned by the Company)											
Faurecia investments	238,702	789,247	100.00	1,480,395	1,480,385	(347,479)	0	0	167,201		
Faurecia Automotive Belgium	10,000	8,207	100.00	60,196	30,963	5,923	0	0	1,297	0	
Faurecia USA Holdings Inc.	15	366,927	85.03	600,699	600,699	418,173	0	49,463	622,501	0	
ET Dutch Holdings B.V.	18	263,187	100.00	610,550	610,550	128,156	0	871	55,749	0	
Faurecia Automotive Holdings	62,311	893,525	100.00	1,618,260	1,618,260	292,646	0	217,029	(14,527)	62,311	
Faurecia Exhaust International	7,301	(57,791)	100.00	82,301	82,301	235,568	0	0	151,849		
Faurecia Services Groupe	40	(1,462)	100.00	46	0	(47,100)	0	387,251	3,894		
Faurecia Honghu Exhaust Systems Shanghai	6,023	86,871	59.97	1,212	1,212	95	0	187,818	29,249	15,946	
Faurecia Holdings Espana	3,010	340,594	60.59	514,183	514,183	129,905	0	6	92,374	0	
Hennape six	1,100,010	(979,559)	100.00	1,100,010	922,000	462,759	0	0	(2,991)	0	
Faurecia participation GmbH	2,053,461	561,244	100.00	2,614,770	2,614,770	2,933,586	0	2,775	119,011	0	
B. Affiliates (10%-50% of capital stock owned by the Company)											
Faurecia Automotive Espana S.L.	7,138	741,180	10.66	76,449	76,449	(72,746)	0	189,788	37,982	4,481	
Faurecia Automotive GmbH	146,420	122,748	25.81	225,184	225,184	(340,027)	0	7,460	117,833		
Faurecia Tongda Exhaust System (Wuhan) Co. Ltd	4,791	11,823	50.00	2,217	2,217	1,418	0	48,741	1,906	3,173	
II. SUMMARIZED INFORMATION											
Subsidiaries and affiliates not included in Section A				20	20	0				0	
Subsidiaries and affiliates not included in Section B											
TOTAL				8,986,492	8,779,193	3,800,875				85,911	

* Note: BS (Balance Sheet); PL (Profit & Loose).

1.7. Statutory auditors' report on the financial statements

Year ended December 31, 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of Englishspeaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Forvia SE for the year ended December 31st, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31st, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1st, 2023 to the date of our report, and specifically we did not provide any prohibited nonaudit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Risk identified

The balance of equity interests as at December 31, 2023 amounted to 8,779.2 million euros, representing 52% of the assets on the balance sheet.

As stated in Note 1.2 to the financial statements, the gross value of these investments is equal to contribution value or cost. An impairment loss is recorded if the value in use of these interests falls below their entry value.

Value in use is based on the revalued net assets, profitability and the future outlook of the interest. Where appropriate, when the future sale of certain investments is being planned or considered, data from previous transactions are taken into account along with other evaluation criteria.

We deemed the assessment of the value in use of equity interests to be a key audit matter due to the materiality of these assets to the balance sheet and the inherent uncertainty of specific inputs applicable to the assessment of their value in use, in particular the likelihood of achieving the discounted cash flows forecast by management in its forecasts, especially in the crisis evolutive context related to inflation and the military conflict in Ukraine.

Our response

We assessed the methods used by management to determine the value in use of each of these equity interests.

We obtained management's most recent forecasts and the impairment tests for each of the significant equity interests in order to assess the valuations based on forecasts.

With asset valuation experts part of the audit team, we assessed the key assumptions considered in the crisis evolutive context related to inflation and the military conflict in Ukraine context and used to determine expected future cash flows and in particular:

- we compared the key assumptions used by management with independent market data, such as discount rates and the long-term growth rate;
- we reperformed the calculations used in the impairment tests performed by management;
- we reconciled the main forecasts data used in impairment testing with the specific data for each entity.

For the valuations based on historical data, we examined the consistency of the equity values used with the financial statements of the entities concerned and considered whether any adjustments to equity were based on documentary evidence.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the board of directors' and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 4416 of the French Commercial Code (*Code de commerce*).

Report on Corporate Governance

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by Articles L. 225374, L. 221010 and L. 22109 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 22109 of the French Commercial Code (*Code de commerce*) relating to the remuneration and benefits received by, or allocated to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 221011 of the French Commercial Code (*Code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of preparation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the financial statements intended to be included in the annual financial report mentioned in Article L. 45112, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the Chief executive officer's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the preparation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent in the macro-tagging of consolidated accounts according to the single European electronic information format, the content of certain tags in the notes may not be returned in the same way as the consolidated accounts attached to this report.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Faurecia by the Annual General Meetings held on May 28, 2019 for MAZARS and on June 17, 1983 for ERNST & YOUNG Audit.

As at December 31, 2023, MAZARS and ERNST & YOUNG and Young were fifth year and the forty one year of total uninterrupted engagement (which is the twenty-five year since securities of the Company were admitted to trading on a regulated market).

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris-La Défense, February 19, 2024

The Statutory Auditors

French original signed by

MAZARS

Anne-Laure Rousselou

Gregory Derouet

ERNST & YOUNG Audit

Guillaume Brunet-Moret

2

Risk factors & Risk management

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2 Risk factors & Risk management

Methodology and description of the main risk factors and their management

This section describes the parties involved in FORVIA group's Enterprise Risk Management program (ERM) and the main risk factors to which the Group believes it is exposed as of the date of this Universal Registration Document. However, other risks that the Group is not aware of at the date of this Universal Registration Document, or which are not considered to date as likely to have a significant unfavorable impact for the Group, its Business Groups, its financial position, its results or its outlook, may exist or occur.

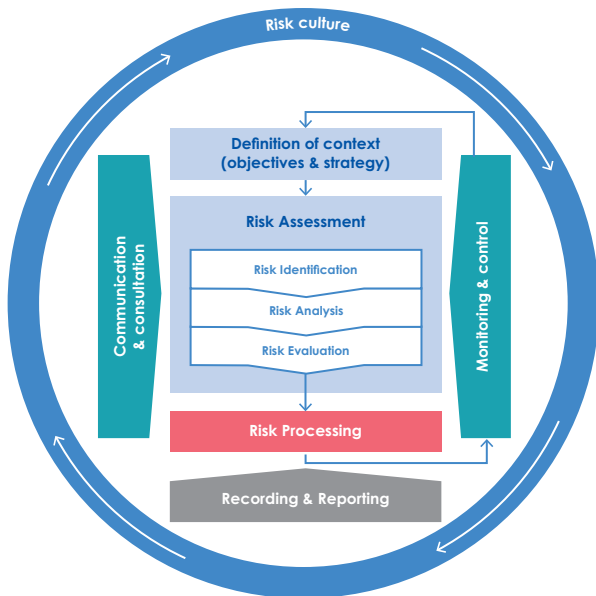
The risk factors of the Group presented below are those identified as being within its ERM scope as of the date of this Universal Registration Document, it being understood that certain information presented below and identified as such relates specifically to the 2023 fiscal year.

2.1. Methodology and description of the main risk factors and their management

The Group operates its activities in an environment that is constantly changing. It is therefore exposed to risk factors that could result in events whose probability of occurrence and/or severity could adversely affect the achievement of its objectives in the short, medium or long term.

Methodology

Raising awareness of risk culture is the key element of the methodology, for which training is provided to all players in the risk management system. The Group works every year on a risk tolerance mapping through a global approach that is broken down into several stages:



1. the **definition of the Group's context** and associated objectives; this forward-looking strategy phase is carried out at the beginning of the year as part of the strategic plan. Thanks to a bottom-up approach, for each product line, the deliverable is formalized with a SWOT analysis and a risk tolerance mapping, with three key factors:

- the uncertainties related to the global environment and the automotive sector,
- the threats, known or unknown, that could affect the Group's objectives,
- the opportunities associated with the threats identified in order to achieve the Group's objectives.

A version is then consolidated by business groups with the entries of its product lines to form a Strategic risk mapping that represents the net impact in function of the time horizon; a final version is then consolidated for the Group;

2. the **risk assessment** of which the Group is aware, with three phases:

- risk identification which is approached via various methods, including surveys and interviews with the main stakeholders at Group and business level,
- risk analysis by the causes and consequences to better qualify the risk parameters using a qualitative method,
- risk assessment using the prioritization method described below;

3. the **risk processing** is done using four different levers so called 4T (terminate or avoid, treat or reduce, transfer or share and then tolerate the residual risk) and this thanks to risk control tools that apply for:

- the probability of occurrence with control measures, to anticipate the occurrence of any known and possible event,
- the impact (or severity) with appropriate mitigation plans, to limit the effects of any adverse event as far as possible.

The Group's risk mapping changes each year according to the external and internal context. It is submitted to the Risk Committee for approval.

There are two other specific risk mappings in accordance with the new regulations:

- the corruption risk mapping in application of the provisions of the Sapin II law;
- the extra-financial performance risk mapping in the context of the Non-Financial Performance Declaration.

Since 2022, more granular risk analyzes have been carried out at the level of functions, Business Groups or regions, and

these feed into the Group's vision. They also give more autonomy to the operational teams thanks to the deployment of tools and help to raise their awareness of risk management and culture. The result is formalized in the form of risk tolerance maps. They are specific to the scope in question and are accompanied by risk mitigation measures and plans.

The link between risk management and internal control is described in Section 2.2.2.2. "Internal control" in this section.

The assessment of the main risks takes into account the control measures implemented to reduce the risk (net or residual risk) and is based on a simplified risk tolerance mapping with a three-level scale:

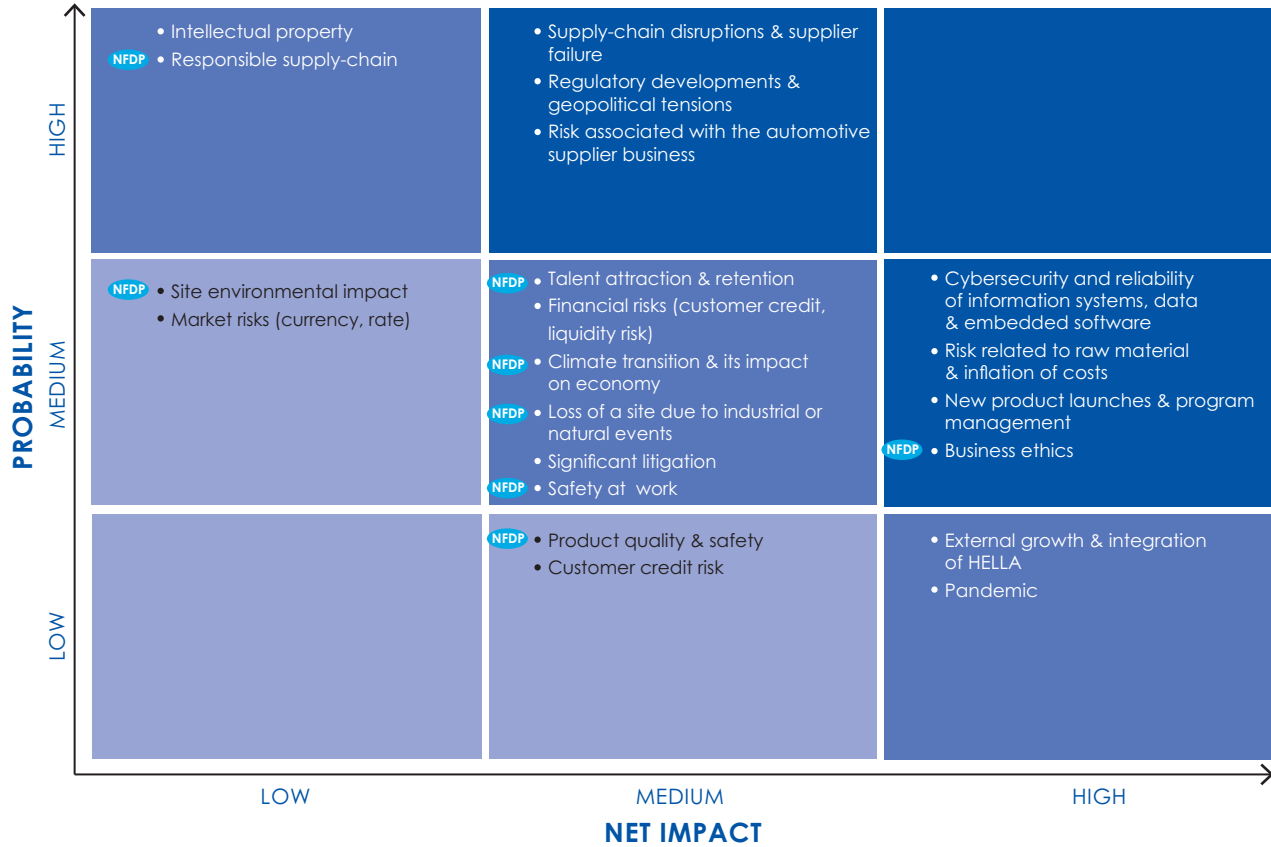
- **impact or severity** (low/medium/high) which is characterized by financial, operational, reputational, human and/or legal criteria;
- the **probability of occurrence** (low/medium/high) which is characterized by a frequency.

Since 2022, the Group created the ABC Risk class method to better control risk (see paragraph 2.2.4 "Risk department").

2 Risk factors & Risk management

Methodology and description of the main risk factors and their management

The simplified mapping of the main risk factors is shown below. The different risk factors included in this matrix are detailed in this section. The risk tolerance mapping is an internal tool to manage the Group's risk factors. It is also validated by the Audit Committee and by the Board of Directors of FORVIA SE once a year.



Note: The abbreviation **NFPD** indicates that this risk presents non-financial challenges, which are described in detail in Chapter 4 "Non-Financial Performance." Identification of the primary CSR risks & opportunities is based on CSR risk mapping produced by the Group to supplement Group risk mapping. A risk universe (and the associated descriptions) was thus defined during a process that included consultations with internal and external stakeholders. Identified risks were rated by stakeholders. The risks selected are those with high criticality during this rating phase and have been approved by the Group's Risk Committee.

In addition to the simplified mapping of the main risks above, the following table provides a summary of the risk factors and the associated measures of control. The categories below are not set out in order of importance. However, within each category, the risk factors are set out in decreasing order of importance as determined by the Group at the date of this Universal Registration Document on the basis of an assessment of their probability and potential impact, taking into account mitigating measures (net risk). The assessment made by the Group of this ranking in terms of importance may however be modified at any time, in particular, in response to new events outside or within the Group. Moreover, even a risk that is currently considered to be of lesser importance could have a significant impact on the Group should it occur at a future date.

Other risks of which the Group is currently unaware, or which it does not consider significant at the date of this Universal Registration Document, could also affect its business.

Risk factors	Main risk control measures	Probability	Impact	Related Section
Operational & industrial risks				
Supply-chain disruptions & supplier failure	<ul style="list-style-type: none"> ■ Qualification process of supplier panel according to specific criteria (innovation, quality, cost, cash, lead times, etc.) ■ Systematic assessment of supplier risks within dedicated sourcing committees ■ Integration of geopolitical, social, ethical, economic and financial risks ■ Monthly monitoring of operational and financial performance ■ Supplier development plan (logistics, quality, international development, etc.) ■ Implementation of a supplier risk management solution ■ Analysis of the capacity of suppliers beyond tier 2 for critical families 	●●●	●●○	2.1.1.9.
Risk associated with the automotive supplier business	<ul style="list-style-type: none"> ■ Diversity of sales by region, by brand and vehicle model ■ Dependency rate per customer limited to 15% of Group sales ■ Constant monitoring of the competition ■ Innovation and investment in Research & Development ■ Forward management method enabling fine-tuning of the means of production 	●●●	●●○	2.1.1.3.
Cybersecurity and reliability of information systems, data & embedded software	<ul style="list-style-type: none"> ■ Team of specialists dedicated to cybersecurity headed by a CISO ■ Strategic plan dedicated to information systems risks (IT + OT) ■ High Availability Architecture and Disaster Recovery Plan ■ Regular audits of sensitive applications ■ Precise methodology for computer science project management ■ Existence of a Security Operation Center and a Product Security Incident Response team ■ Management of access rights and roles ■ Continuous software updates ■ GDPR compliance program ■ Regular simulation exercises for the Group ■ Deployment of online training and an annual awareness campaign 	●●○	●●●	2.1.1.1.
New product launches & program management	<ul style="list-style-type: none"> ■ Existence of a standard organizing the program life ■ Systematic risk assessment program as of the initial phase using 16 criteria ■ Monthly review of programs and monitoring of action plans ■ Regular audit of each development center and the industrial parks 	●●○	●●●	2.1.1.5.
NFPD Talent acquisition & retention	<ul style="list-style-type: none"> ■ Partnerships with more than 100 post-secondary institutions ■ Specific on-boarding program for newcomers using a dedicated platform ■ Internal mobility policy (including abroad) ■ Regular reviews of the compensation policy ■ Quantitative indicators through dedicated reporting ■ Succession plans for key positions 	●●○	●●○	2.1.1.12.
NFPD Climate transition & its impact on the economic system	<ul style="list-style-type: none"> ■ Vice-Chairman reporting to the Executive Committee, who manages the CO₂ reduction project ■ Roadmap validated by the Science-Based Targets Initiative (SBTI) ■ Special partnership with Schneider Electric, Accenture, Engie, KPMG and Deloitte ■ Performance indicator linked to variable compensation for Management ■ Risk mitigation plan with specific projects being rolled out 	●●○	●●○	2.1.1.2.
NFPD Loss of a site due to industrial or natural events	<ul style="list-style-type: none"> ■ Industrial risk assessment model based on a framework of 15 assessment criteria ■ Valuation of the existing portfolio of industrial parks using the aforementioned model ■ Periodic audits conducted by the insurer and issuance of an RHP label ■ Assessment of external factors (fire, climate risks, cyber, etc.) ■ Systematic analysis and sharing of incidents ■ Specific audits of most vulnerable sites carried out by technical experts ■ Existence of a surveillance and real-time warning system for climate-related events ■ Analysis of vulnerabilities to the climate transition of the portfolio of industrial parks 	●●○	●●○	2.1.1.8.
External growth & integration of HELLA	<ul style="list-style-type: none"> ■ Strategic priorities set by the Board of Directors ■ Control and allocation of necessary resources by a team of specialists ■ This team is involved in the life of entities concerned and takes part in decision-making bodies ■ Constitution of provisions as necessary 	●○○	●●●	2.1.1.4.
Pandemic	<ul style="list-style-type: none"> ■ Crisis management process ■ Deployment of the "Safer Together" program applicable to all sites and conducting regular audits ■ Implementation of cost reduction and cash protection measures 	●○○	●●●	2.1.1.7.

2 Risk factors & Risk management

Methodology and description of the main risk factors and their management

Risk factors	Main risk control measures	Probability	Impact	Related Section
NFPD Site environmental impact	<ul style="list-style-type: none"> Analysis and control of local environmental risks based on ISO 14001 Monthly Environment and Energy Committee at Group level Network of HSE managers at all levels of the organization (site, division, Business Group, Group) Operational requirements defined in the 10 Green Fundamentals, accompanied by a self-assessment tool integrated into the FORVIA Excellence System Regular internal and FORVIA Excellence System audit of sites 	●●○	●○○	2.1.1.11.
NFPD Product Quality & Safety	<ul style="list-style-type: none"> IATF 16949 certification Existence of a designated Quality Control department at all levels of the organization Measuring customer satisfaction Alert management system and problem solving with evidence Specialized and independent auditors 	●○○	●●○	2.1.1.6.
NFPD Safety at work	<ul style="list-style-type: none"> Existence of an HSE network at all levels of the organization Systematic accident analysis Mandatory training in HSE rules Regular audits of all sites and systematically in the event of an alert Ergonomic analysis of all workstations Regular "hazard hunting" in industrial plants 	●●○	●●○	2.1.1.10.
Financial & market risks				2.1.2.
Risk related to raw material & inflation of costs	<ul style="list-style-type: none"> Negotiations with customers and strict inventory management Raw material price fluctuations mainly passed on to customers on a "pass-through basis" Specific negotiations to pass price increases linked to inflation and impacting different cost items (energy, transport, labor, etc.) on to customers 	●●○	●●●	2.1.2.4.
Liquidity risk	<ul style="list-style-type: none"> Diversification of fundings sources (bond issues, bank loans, factoring, commercial papers, etc.) Implementation of committed credit facilities (syndicated and bilateral) Maintenance of a cash cushion 	●○○	●●○	2.1.2.1.
Customer credit risk	<ul style="list-style-type: none"> Completion of a risk analysis prior to the acquisition of new customers Specific reporting on customer receivables 	●●○	●●○	2.1.2.5.
Interest rate risk	<ul style="list-style-type: none"> Centralized management of interest rate hedging A monthly Finance Committee validates hedging decisions Interest rate policy to limit the impact of rate fluctuations on the Group P&L 	●●○	●○○	2.1.2.2.
Currency risk	<ul style="list-style-type: none"> Centralized management of foreign exchange risk hedging 	●●○	●○○	2.1.2.3.
Legal, regulatory & reputational risks				2.1.3.
Regulatory developments & geopolitical tensions	<ul style="list-style-type: none"> Network of legal, tax and financial experts Constant monitoring of laws and regulations in France and abroad Monitoring of a sanctions compliance process 	●●●	●●○	2.1.3.1.
NFPD Business ethic	<ul style="list-style-type: none"> Global network of Compliance Officers Employee training and awareness raising Code of Ethics/internal procedures Anti-corruption risk mapping Third-party assessment process Accounting controls specific to the prevention and detection of corruption Existence of a whistle-blowing system 	●●○	●●●	2.1.3.5.
Significant litigation	<ul style="list-style-type: none"> Regular monitoring through dedicated reporting Adequate provisioning 	●●○	●●○	2.1.3.2.
Intellectual property	<ul style="list-style-type: none"> Internal network of experts and specialists Global network of external advisors Performing patent searches and searches on technologies Centralized control of technical and legal matters 	●●●	●○○	2.1.3.4.
NFPD Responsible supply chain	<ul style="list-style-type: none"> Buy Beyond sustainable buying policy with a dedicated solution Systematic CSR analysis of new programs suppliers Minimum CSR score required to join the panel Quality audit of suppliers covering all aspects of CSR Existence of a whistle-blowing system 	●●●	●○○	2.1.3.3.

Note: The abbreviation **NFPD** indicates that this risk presents non-financial challenges, which are described in detail in Chapter 4 "Non-Financial Performance." Identification of the primary CSR risks & opportunities is based on CSR risk mapping produced by the Group to supplement Group risk mapping. A risk universe (and the associated descriptions) was thus defined during a process that included consultations with internal and external stakeholders. Identified risks were rated by stakeholders. The risks selected are those with high criticality during this rating phase and have been approved by the Group's Risk Committee.

2.1.1. Operational & industrial risks

2.1.1.1. Security and reliability of information systems, data & embedded software

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●●○	Impact ●●●
<p>Given that the Group (and, more generally, the industry as a whole) has been implementing its digital transformation for several years now, information systems are incredibly important for day-to-day operations. The Group relies upon the capacity, reliability and security of its IT, data protection and security infrastructure, as well as its ability to expand and update it in response to the changing needs of its business.</p> <p>The Group's information systems can be vulnerable to damage from computer viruses, natural disasters, unauthorized access, cyberattacks, breakdowns and other similar disruptions. In particular, the Group is facing the risks relating to (i) failures of computer equipment used in plant production, (ii) breaches of confidentiality of know-how and personal data, and in general (iii) the integrity and availability of information systems, particularly those contributing to business processes related to ordering, supply and invoicing or to digital products and services marketed by the Group.</p> <p>In addition, certain of the Group's products or components such as infotainment, Advanced Driver Assistance Systems (ADAS), Android system embedded applications, cloud computing applications or wireless chargers that also connect with smartphones, contain complex information technology systems, software and/or data connectivity features and may be vulnerable to unauthorized access aimed at gaining control of, changing the functionality of or gaining access to data stored in or generated by these products. Finally, this remote access control can lead to significant handling of the vehicle, which could endanger the safety of passengers.</p>	<p>Any system failure, accident, security breach or delivery of a flawed digital product or service could result in disruptions to the Group's operations. There could be multiple potential impacts on the Group depending on the type of incident that occurs, including:</p> <ul style="list-style-type: none"> ■ a system failure that makes it impossible to perform business transactions (production, order intake, deliveries, accounting, etc.); ■ breach, loss or theft of confidential, personal, or strategic data; ■ non-compliant storage, processing, transmission or use of personal information in violation of applicable privacy laws; ■ delivery of a flawed or compromised digital product or service. <p>Despite the numerous investments made in this field in both human and financial resources, any major interruption or loss of sensitive data could impact the Group's business and have a material adverse effect on its operations, financial condition and reputation. For example, to the extent that any disruption or security breach results in inappropriate or unlawful disclosure of confidential, proprietary, customer or supplier information, it could cause significant damage to the Group's reputation, affect the Group's relationships with its customers and suppliers or lead to claims or fines against the Group, including within the framework of the General Data Protection Regulation (GDPR) to which it is subject. In addition, the Group may be required to incur significant costs to remedy damage caused by these disruptions or protect against security breaches in the future.</p>	

Probability
●●○Impact
●●●**RISK MANAGEMENT**

Particular attention has been paid to the protection of data and IT systems for the past several years. The strategic plan to prevent, detect and control Information Systems security risks continued throughout 2023 and primarily covered the following aspects:

- improving cybersecurity awareness across the Group through the implementation of threat awareness campaigns, including mandatory training for all employees, as well as regular phishing campaigns and on-site events;
- strengthening the Group's protection, detection and response capabilities with respect to cybersecurity incidents, through the implementation of software solutions using artificial intelligence and automation to protect the Group against such threats;
- reinforcing control and data access permissions for the Microsoft Office 365 software suite;
- the reinforcement of the Group's teams with cloud experts;
- the implementation of data loss prevention technology against the leakage of confidential information and personal data;
- the use of dedicated and secure information networks as part of the ongoing digitization of the Group's plants;
- the creation of a dedicated cybersecurity team to optimize the Company's cybersecurity as well as when consolidating new companies or to facilitate the spin-off of certain non-strategic entities;
- strengthening network access controls;
- regular tests and vulnerability checks on the system infrastructure.

Centralized management systems, such as SAP and Oracle Hyperion Financial Management (HFM), provide means to check the integrity and traceability of data as well as the separation of tasks for all entities and domains. They are subject to regular audits.

Finally, since 2020, new sites were evaluated according to the TISAX standard in force in the automotive industry to certify the security of the Group's Information Systems.

Since 2022, the Group has changed its cross-functional organization on the three lines of defense to better protect the systems in terms of cybersecurity.

With regard to embedded products, the Group has implemented standards as of the design stage in order to secure them:

- definition of a product cybersecurity process, in accordance with ISO/SAE 21434;
- implementation of a protection system for the management of the cryptographic keys (KMS) used by the Group's products;
- deployment of a Product Safety Incident Response Team (PSIRT) to monitor the vulnerabilities of the Group's products, including dedicated technologies;
- conducting of an annual survey to assess the skills of employees dedicated to the Group's products and create a training plan adapted to each one (raising awareness and reducing possible gaps).

2.1.1.2. **NFPD** Climate transition & its impact on the economic system

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●●○	Impact ●●○
<p>With transport accounting for approximately one quarter of global CO₂ emissions, and passenger vehicles accounting for approximately 10% of global CO₂ emissions, the automotive industry has a responsibility to reduce greenhouse gas emissions and its environmental impact. Climate change, and businesses' responses to these emerging threats, are under increasing scrutiny by governments, regulators and the public alike.</p> <p>The automotive sector is subject to regulatory constraints related to CO₂ emissions, including European Regulation 2019/631, which includes an additional obligation to reduce the emissions of new passenger cars by 37.5% between 2021 and 2030. The automotive sector may be strongly impacted in the future by the introduction of stricter regulations on climate issues, particularly in the area of vehicle life cycle analysis. Regulations on the life cycle carbon footprint of vehicles would have a direct impact on the products and solutions that Faurecia provides. The Group's greenhouse gas footprint comes from its own direct and indirect emissions (scopes 1 & 2), more predominantly from the controlled upstream and downstream value chain (scope 3), and especially from purchasing. To accelerate the climate transition, the public authorities are expected to constrain this total footprint with new taxes and regulations. In addition, more extensive regulations aimed at reducing emissions of NOx in urban areas and CO₂ globally could lead to an increase in demand for vehicles that emit less pollution. Consumer behavior may also evolve as a result of greater environmental awareness, encouraging new models of mobility and vehicle ownership as well as the purchase of more eco-friendly vehicles. Finally, extreme weather-related events (such as floods, cyclones and storms) may impact production facilities located near rivers or basins, which could disrupt production and thereby lead to customer delays and, potentially, loss of business.</p> <p>A study on the evolution of climate change and the associated potential physical risks for the Group was carried out in 2022 and an adaptation plan was launched in 2023 at the Group's sites.</p>		<p>Failure to anticipate, identify and manage risks associated with the climate transition risk could have a significant impact on the Group's financial condition, business and reputation. Furthermore, the Group's operations may be interrupted due to the loss, closure or suspension of its production facilities, whether as a result of extreme weather-related events or failure to comply with more stringent regulations.</p>
RISK MANAGEMENT		
<p>The Group has established a climate transition roadmap according to the SBTi net zero standard, validated in June 2022 by the Science-Based Targets initiative (SBTi) for the FORVIA scope and compatible with the reduction required to maintain global warming at 1.5°C. FORVIA's roadmap is in line with the Paris Agreement and the most ambitious of the thresholds proposed by the SBTi.</p> <p>Details relating to this roadmap and projects are available in chapter 4 "Non-Financial Performance" of this Universal Registration Document and in particular sections 4.2.1 to 4.2.3.</p>		

2.1.1.3. Risk associated with the automotive supplier business

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●●●	Impact ●●○
<p>The Group's business is the manufacture and sale of original automotive equipment and aftermarket automotive components for its automaker customers. The global automotive supply industry is highly competitive and there can be no assurance that the Group's products will be able to compete successfully with those of its competitors, including new competitors entering the markets served by the Group.</p> <p>The Group's sales are directly related to the level of sales of each of its customers in their respective markets, which depends on many factors, including (i) the overall level of consumption of goods and services in a given market, (ii) confidence levels of the economic actors in each market, (iii) buyers' access to credit for vehicle purchases and (iv) any existing governmental aid programs, such as programs to support the automotive industry or vehicle purchase incentive programs.</p> <p>The success of the Group's products is also related to the commercial success of the models marketed by its customers for which the Group produces components and modules. Sales of car models with combustion engines in particular may be negatively affected by increased regulation, such as more stringent emissions tests or the exclusions of such vehicles from city centers, or by an acceleration in the adoption of electric vehicles by consumers.</p> <p>In addition, developments in the automotive sector could accelerate the concentration of various manufacturers and lead to the eventual disappearance of certain vehicle brands or models for which the Group produces equipment. Finally, it could also generate a shift in geographic supply to different markets or locations from the current footprint of FORVIA.</p>		<p>There is a direct correlation between the Group's sales and operating income and the performance of the automotive sector in the main regions in which the Group and its customers are present, particularly in Europe, Middle East and Africa (which represented 45% of the Group's sales in 2023), Asia (27% of the Group's sales in 2023) and the Americas (28% of the Group's sales in 2023) as well as the commercial success of the models marketed by its customers for which the Group produces components and modules. In addition, the cyclical nature of the automotive industry can have a significant impact on the Group's sales and results.</p> <p>Furthermore, the orders placed with the Group are binding supply contracts for open orders without any guarantees of minimum volume. The orders are generally based on the life cycle of the particular vehicle model, and there can be no certainty as to how long a given vehicle model will remain in production. At the end of a vehicle's life cycle, there can be no guarantee that the Group's products will be utilized for the replacement model. The Group could therefore be required to make certain investments in supply contracts that may not be offset by customer order volumes, thereby generating a significant impact on the Group's operating income.</p> <p>More generally, a shift in market share away from the vehicles for which the Group produces components and modules (particularly internal combustion engine vehicles) could have a material adverse effect on the Group's business, financial position and results of operations.</p>
RISK MANAGEMENT		
<p>Given its market share and diversified international presence, the Group has a natural potential to assess its customer risk. FORVIA thus seeks to optimize the quality and diversity of its customer portfolio. In addition, the Group has set itself the goal of limiting its dependency rate per customer to 15% of its sales.</p> <p>In 2023, the Group did business with around 90 customers. In addition to historical Group customers (e.g. Stellantis, Renault-Nissan-Mitsubishi, Volkswagen, Ford, etc.), the Group is now also working with new entrants in the mobility business as well as several local actors, for example in China.</p> <p>The Group is working to reduce its exposure to sales of internal combustion motor vehicles from around 17% in 2023 to about 10% in 2025.</p> <p>The Group also relies on the diversification of its sales by region by vehicle brand and model. In addition, each business monitors the competition on an ongoing basis so that it can respond in the best possible way to calls to tender from automakers and, in particular, to their specific demands for the sale of complex equipment. In this way, FORVIA stays competitive through innovation and efficiency in the development of products.</p> <p>As purchases of components and raw materials account for more than 60% of the sales of an automotive supplier, risk factors related to supply-chain failure and raw materials are detailed in Sections 2.1.1.9 "Supply-chain disruptions & supplier failure" and 2.1.2.4 "Risk related to raw materials & inflation of costs", respectively.</p>		

2.1.1.4. External growth & integration of HELLA

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●○○	Impact ●●●
<p>As part of its external growth policy, the Group has made, and may make in the future, acquisitions of varying sizes, some of which have been and may be significant on a Group-wide scale.</p> <p>Since January 31, 2022, the FORVIA Group has held 81.6% of HELLA's share capital. HELLA develops, manufactures and markets electronic components, lighting systems and product lifecycle recovery.</p> <p>There are several risks inherent to acquisitions which could occur, including, in particular:</p> <ul style="list-style-type: none"> ■ risk of overestimation of the target value; ■ risk of the anticipated synergies being significantly delayed or not being achieved; ■ risk of not succeeding in integrating the acquired companies and their technologies, product ranges and employees; ■ risk of departure of key employees; ■ risk of higher than expected costs related to the integration of acquired companies; ■ risks related to suppliers or customers, or the loss of contracts resulting in costly or unfavorable financial conditions; ■ existence of new specific risks within the target including risks the Group failed to identify during the due diligence investigations (tax, environmental, ethics, legal, etc.); ■ risk of increased indebtedness in order to finance the acquisition or refinance the debt of the target. 		<p>The benefits expected from future or completed acquisitions may not be realized within the anticipated time frames and/or at the levels expected and, consequently, may significantly affect the Group's business, financial position and results of operations.</p> <p>The expected benefits of the HELLA acquisition in particular will depend upon the successful integration of HELLA's activities into the Group's. Companies may face significant difficulties when implementing the integration plan. Some of these difficulties may be unforeseeable or outside of the Group's control or the control of HELLA, notably with respect to differences in norms, controls, procedures and rules, corporate culture, the history of technological investments and the organization of the Group and HELLA, and the need to integrate and harmonize the various operating systems and procedures that are specific to each group, such as financial and accounting systems and other IT systems. The costs the Group incurs in integrating HELLA or trying to realize anticipated synergies may be substantially higher than our current estimates and may outweigh any benefit. Furthermore, if the assumptions and estimates used by the Group to value the acquisition prove to be inaccurate, it could result in an impairment of the goodwill recorded in respect of the transaction.</p>
RISK MANAGEMENT		
<p>FORVIA SE's Board of Directors determines the Group's major priorities and strategies. FORVIA SE's Executive Management oversees these strategies and allocates the resources necessary to carry them out. The policy of external growth is supported by the team in charge of Mergers & Acquisitions, under the responsibility of the Group's Executive Vice President in charge of finance. Targets are identified as part of a selection process led by the Strategy departments with the help of specialized consulting firms. A set of documents comprising analyses of the market, competitors, Business Plans and risks is used as part of the decision-making process. Negotiations and determination of the valuation of the target are carried out by this same team. Major acquisition decisions are made by FORVIA SE's Board of Directors in accordance with the provisions of the Board's internal rules.</p> <p>The Mergers & Acquisitions team is also very closely involved in the life of the entities resulting from external growth transactions (joint ventures, acquisitions) and thus takes part in their decision-making bodies.</p> <p>A post-acquisition integration plan covering all aspects of the relevant entity (human resources, purchasing, sales, R&D, production, etc.) is systematically drawn up and monitored on a regular basis, including at the highest levels of the organization.</p> <p>The Integration Committee is in charge of supervizing and facilitating the process of integrating HELLA into the Group. It is continuously driving this project and managing the risks associated.</p>		

2.1.1.5. New product launches & program management

	Probability ●●○	Impact ●●●
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>Most of the contracts entered into by the Group at December 31, 2023 were awarded after a call for tenders put out by an automaker to supply complex equipment, to which the Group responded in the form of a Request for Quotation. Every contract entered into with a customer constitutes a "program" whose production phase, which follows the development phase, may last up to ten years, although there is no minimum duration for a program. In 2023, the Group managed a portfolio of approximately 1,000 programs.</p> <p>Over the course of its life cycle, a program faces various risks such as a shortage of qualified operators and workers, problems with component availability or quality, problems related to the quality of the assembly or transportation of finished products or difficulties linked to the rate of work imposed by the customer.</p>	<p>If the Group fails to identify and manage risks in connection with the bidding for and establishment of new programs, or fails to appropriately monitor its operational and financial performance, the Group's gross margins could be adversely affected, which could have a material adverse effect on its business, financial condition and results of operations.</p> <p>Furthermore, depending on the difficulties encountered over the course of the life cycle of a program, customers' satisfaction with a program may be negatively impacted, which could have significant consequences on the reputation of the Group as well as its financial results (sales and/or operating margins).</p>	
RISK MANAGEMENT		
<p>The Program Management Core System lays out a strict succession of steps for the entire duration of a program, from bid processing to the end of product life.</p> <p>As part of the bid procedure, a risk assessment is completed in order to determine in advance, based on a list of 16 preset criteria, the nature and level of the risks that should be eliminated during the program's development phase. A specific organization with managers and an action plan is followed for each critical program.</p> <p>Program reviews are carried out monthly within each division and business to define and monitor action plans, including the plans to eliminate the execution risks that are identified during the acquisition phase. Programs deemed "high risk" are also subject to review by the Group's Executive Management. Each program is subject to a prospective financial analysis and is being monitored through Key Performance Indicators updated monthly. There is a management alert system on top of those indicators which is used to report and correct any significant deviations as soon as possible.</p> <p>For each program identified as critical, audits are carried out on the industrial sites affected by these launches before the mass production phase. The purpose of this measure is to better assess the maturity of the launch phase and ensure a good ramp-up for the customer concerned.</p> <p>Since 2022, the Group has deployed its program risk management methodology within HELLA.</p>		

2.1.1.6. **NFPD** Product Quality & Safety

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●○○	Impact ●●○
<p>With approximately 1,000 active programs in its portfolio, FORVIA supplies a very large number of vehicle components with a potential impact on driver and passenger safety.</p> <p>The products manufactured by the Group could present quality problems in relation to customer expectations as well as compliance with applicable regulations, particularly those relating to safety.</p> <p>In addition, a number of the Group's products (such as infotainment, Android system embedded applications or wireless chargers that connect with smartphones) include embedded software which is obtained from third-party providers. If the software provided by the Group's suppliers is defective, the product may not function as intended.</p>		<p>Faulty products that are delivered or manufactured may adversely affect the production process for customer systems, subject the Group to legal proceedings and commercial or contractual disputes or result in the incurrence of additional costs that have repercussions on the Group's business, results or financial position.</p> <p>In particular, the Group may be exposed to product liability or warranty claims if its products actually or allegedly fail to perform as expected or the use of its products results, or is alleged to result, in bodily injury and/or property damage. The Group may incur significant costs to defend these claims or experience product liability losses. Large product liability claims, if made, could exceed the Group's insurance coverage limits, and further insurance may not continue to be available on commercially acceptable terms or at all for the Group. Further, any proven or alleged instances of inferior product quality or damage caused by the Group's products could damage its reputation and brand image, reduce customer satisfaction and/or cause new or existing customers to be less willing to conduct business with the Group.</p> <p>In addition, in the event of the failure or suspected failure of products designed by the Group, the latter may be forced to recall and exchange them. The future cost associated with providing product warranties and/or bearing the cost of repair or replacement of such products could have a material adverse effect on the Group's business, financial condition and results of operations.</p>

Probability
●○○Impact
●●○**RISK MANAGEMENT**

The Group manages product quality and safety risks from the new order acquisition phase to manufacturing in the plants. The Group's Quality Department ensures proper management at all stages of the process. It is present in all levels of the organization, from the multidisciplinary team developing new programs or production plants up to the Group's management structure.

In 2018, the Group initiated its Total Customer Satisfaction program, which takes into account both Group performance and the perception its customers have of the Group. This program aims to obtain a global picture of customer satisfaction, both in terms of performance and perception, across the entire value chain from order-taking to the start of production.

The FORVIA Excellence System defines how production and operations are organized. It has been built to improve quality, cost, delivery and safety on a continuous basis. It helps to guarantee the operational performance of the Group's production plants around the world, thanks to common working methods and a shared language.

Following feedback from our customers, we launched a focus on improving our program launches, using the principles of our FES.

In addition to quality indicators, customer satisfaction and their comments are monitored and processed, which makes it possible to monitor the speed and effectiveness of the improvement actions to be implemented by the Group.

In 2023, the Group transformed its operational excellence system by integrating the best practices of Faurecia and HELLA. In particular, two areas for improvement are taken into account: a focus on compliance and adherence to standards, as well as anticipation of preventive measures through the strengthening of problem-solving methods.

As part of this approach, the Group recently acquired a database in order to centralize all documents and construct an integrated system of audits, and to work on operational vulnerabilities.

For major problems, a Management alert system is used. The Group's management continuously deploys a structured problem-solving culture (contact within 24 hours, identification of the main causes, etc.). This system evolved in 2023 to include all sources of vulnerabilities in the risk management program.

Finally, the Group's industrial management includes a team of auditors that is independent of the operational organization of the businesses, and which conducts reviews on both production plants and R&D centers. They use a precise and rigorous questionnaire to assess the application and maturity of enforcement of the Faurecia Excellence System. Each site is classified according to four levels: poor, satisfactory, excellent, benchmark. If a site is rated poor, it is required to prepare a corrective action plan which is presented directly to FORVIA SE's Chief Executive Officer with a view to reaching a satisfactory level within a maximum of three months.

Since 2022, Faurecia and HELLA Quality teams are working in close coordination to share their best practices and continue to grow total customer satisfaction. In particular, the role of the HELLA product integrity team shall strengthen the risk management process.

2.1.1.7. Pandemic

	Probability ●○○	Impact ●●●
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>In March 2020, the Coronavirus (COVID-19) pandemic and its global development has generated many significant health threats in the countries where the Group operates and is causing the gradual implementation of public measures restricting the movement of goods and people.</p> <p>This situation disrupted, in the short or longer term, the operation of all or some of the Group's production plants and R&D centers located in impacted areas, including as a result of a decline in demand for our customers' products. The pandemic similarly impacted the industrial sites or the points of sale of all or some of the Group's customers and suppliers.</p> <p>The Group cannot guarantee that this type of event will not reoccur in the future, whether due to a new wave of COVID-19, a new variant or another virus.</p>	<p>A pandemic could have multiple significant impacts concerning:</p> <ul style="list-style-type: none"> ■ the temporary or lasting disruptions of production chains in the various countries affected by the pandemic; ■ the global demand for vehicles (new ways of working, etc.); ■ the health and availability of Group employees, particularly in its factories and R&D centers; ■ the Group's and its partner's financial performance (sales, operating income and cash in particular). <p>The consequences of these impacts could include the partial or total shutdown of production plants and lead to delays in the execution of contracts, or the postponement of decisions concerning the placement of orders, or even their cancellation. The effects could have an impact on the Group's sales.</p> <p>In the past, the shortage of semiconductors linked to the COVID-19 pandemic had an impact on the Group's volumes (see risk factors 2.1.1.9. "Supply-chain disruptions & supplier failure" and 2.1.2.4. "Risk related to raw material & inflation of costs").</p> <p>The extent of the impact of a pandemic on the Group's business and financial performance, including its ability to execute its near-term and long-term operational, strategic and capital structure initiatives, would depend on future developments, including the duration and severity of a new pandemic, which remains uncertain.</p>	
RISK MANAGEMENT		
<p>The management of the COVID-19 crisis has led the Group to adopt various measures:</p> <ul style="list-style-type: none"> ■ the Group is able to ensure that its production activities take place in a secure environment, including in the event that a variant of the COVID-19 virus or any other similar virus propagates. Thus, the "Safer Together" program could be reactivated and could continuously be improved. It could be redeployed across all of the Group's sites. This program could be regularly audited to ensure that it is implemented and is appropriate to the health situation at hand; ■ the Group has a crisis management process in order to improve the upstream phases of preparation and the downstream phases of feedback and continuous improvement; ■ the Group maintains a worldwide health situation monitoring, and has developed a health risk classification system, in order to be able to take the necessary decisions quickly, while following the rules to be respected on the sites, in the work environment (or in case of remote working needs for example) or business travel; ■ finally, the Group has implemented drastic cash management measures as well as strict control of costs and investments during the period of slower activity. <p>The FORVIA teams remain attentive to issues related to this risk factor.</p>		

2.1.1.8. **NFPD** Loss of a site due to industrial or natural events

	Probability ●●○	Impact ●●○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>The Group has approximately 257 industrial parks and 78 R&D centers located in 41 different countries. Some of the Group's plants are highly specialized in terms of manufacturing, and it would therefore be difficult to set-up alternative solutions within a short period of time in the event of a major incident. In addition, some of the Group's plants are located in "high-risk" areas in terms of natural disasters (earthquakes, flooding, etc.).</p> <p>The main causes identified that could potentially lead to the loss of a major industrial park are:</p> <ul style="list-style-type: none"> ■ a fire or an explosion due to the presence of combustible materials (foam, plastics, etc.) and/or the handling of flammable chemicals (solvents, hydrogen); ■ a major natural disaster such as floods, earthquakes, cyclones or blizzards, including those resulting from climate change (see risk factor 2.1.1.2 "Climate transition and its impact on the economy"). 	<p>These various risks may result in the Group incurring additional costs, which could have a material adverse effect on its business, financial condition and results of operations. The total or partial loss of a major industrial park could lead to a supply disruptions affecting one or more customers with major consequences for the automotive industry value chain. An event of this kind would also have consequences on the Group's sales and operating margins. Such loss or damage may not be fully insured or could exceed the Group's insurance coverage limits, which could have an adverse effect on the Group's financial position.</p>	
RISK MANAGEMENT		
<p>The Group has drawn up an industrial risk prevention policy, aimed at limiting potential losses from fire or natural disasters, in partnership with its insurer.</p> <p>The Group's industrial risk prevention policy is based on the following:</p> <ul style="list-style-type: none"> ■ internal guidelines (the HPR grid – Highly Protected Risk) developed with the Group's insurer, based on 24 items which rank both the prevention management system (human resources) and the protection systems put in place (technical measures). Two new items were integrated in 2023: the threat related to solar panels and the assessment of the physical risk related to climate change; ■ the upstream integration of fire safety and natural disasters into industrial projects, new plants, or any significant redevelopment of existing sites. For example, an analysis of the natural disaster exposure profile forms an integral part of the decision-making matrix when selecting a new site; ■ a schedule of periodic audits carried out by Group's insurer following the HPR grid. More than one hundred prevention audits are completed each year, together with some specific flood, wind, weight of snow or earthquake risk audits for the most exposed sites; ■ key performance indicators which are monitored every six months by the Group Risk Committee. Sites are ranked according to fire prevention/protection performance and on the basis of their exposure to natural disasters. High-risk sites are monitored closely by Industrial Management within the relevant business; ■ recording and systematic analysis of fires or outbreaks of fire or losses linked to a natural event. The results of this analysis is shared with the plants' HSE network; ■ the existence of a single database to manage all audit reports, action plans for improvements, the audit program as well as the status and key dates of projects; ■ the assessment of the exposure of industrial sites to natural risks by 2030 and 2050 according to the IPCC scenarios, in order to anticipate the impact of climate change on our industrial footprint through an adaptation plan; ■ a monitoring system (24/7) in relation to hydrometeorological phenomena anywhere within the industrial park. This support service enables warnings of coming events to be sent to the sites' management teams via e-mail or SMS alerts in real time. Depending on the alert level, a series of reactions is defined in action sheets so that appropriate measures are taken to prepare for the event, keep employees safe and ensure the site's resilience. Since 2022, two new types of alerts have been introduced: "heat wave alert" and "cold wave alert", the latter being related to the risks of stress on the energy network, mainly in Europe. HELLA also benefits an access to those tools. 		

2.1.1.9. Supply-chain disruptions & supplier failure

	Probability ●●●	Impact ●●○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>The Group uses a large number of suppliers based in different countries for its raw materials and basic parts supplies.</p> <p>As of December 31, 2023, the Group had made total purchases (direct and indirect, excluding monoliths catalytic converters) above €20 billion with more than 25,000 suppliers.</p> <p>Given its business, the Group could be impacted in the event of supply-chain failures, for example, following a major loss at a supplier's production park, a health crisis, production quality issues, delivery of lower than required quantities or a liquidation or even bankruptcy.</p> <p>Furthermore, the global supply chain has experienced disruptions as the result of a general lack of production capacity for certain raw materials and components, such as the recent shortage of semiconductors, which had an adverse impact on vehicle production levels.</p> <p>These shortages may be exacerbated by external factors, such as a pandemic, natural disasters, accidents such as fires at a supplier or social unrest, and also by the global economic context that has created, and may continue to create pressure on demand for raw materials or components as well as geopolitical tensions (see risk factor 2.1.3.1 "Regulatory developments & geopolitical tensions").</p> <p>As a result, production downstream of the global supply-chain can be disrupted.</p>	<p>If one or more of the Group's main suppliers were to go bankrupt or experience an unforeseen stock-out, quality problems, social unrest, a strike or any other incident disrupting its supplies for which it were liable, this could cause delays, impact the Group's production output or image, or lead to additional costs that would affect the Group's business, results and overall financial position.</p> <p>In addition, should the Group or one of its suppliers or service providers default at any stage of the manufacturing process, the Group could be held liable for failure to fulfill its contractual obligations or for technical problems. If the Group is unable to obtain sufficient or competitively priced raw materials and components to meet customer demand, this could result in potential disruptions in the supply chain or a reduction in the number of cars produced, which could have a material adverse effect on the Group's business, results and financial position.</p>	
RISK MANAGEMENT		
<p>The Group's Purchasing department closely monitors the quality and reliability of suppliers' production operations as well as their credit status and sustainability in order to ensure that the Group's supply chain is secure through the following measures:</p> <ul style="list-style-type: none"> ■ the operational and financial performance of FORVIA's suppliers is constantly monitored to ensure that any restructuring and security measures that may prove necessary to ensure the quality, quantity and cost of supplies are carried out successfully; ■ in the context of the COVID-19 pandemic, the risk management process has been enriched with additional elements of resilience, such as the implementation of a process for projecting the financial health of Group's suppliers ("Stress Test"). The measure consists of anticipating, as far as possible, court-ordered liquidations and bankruptcies of certain Group suppliers, which could lead to interruptions to business; ■ geopolitical, environmental, social, ethical, economic, health and financial risks, and specific factors such as management of fire risk, the cybersecurity risk or the level of dependence in terms of sales allocated to a supplier, are subject to strict supervision. <p>This risk review is carried out as early as the supplier selection process and is subject to regular reassessment. It may lead to a refusal to include the supplier in the Group panel or to an end of the relationship with the supplier in the event of high risk.</p> <p>The Group has a supplier risk analysis tool, which enables it to better anticipate all natural, geopolitical and solvency risks on a single platform.</p> <p>The Group's purchasing teams regularly organize reviews of supplier risk at the global level, by activity and by division. They also work with suppliers to define action plans to reduce the risks identified in each of them. They thus help suppliers to develop and reduce their industrial and financial risks, in particular through operational support to improve their performance in terms of production, quality, logistics and cost control. They also support suppliers in their international expansion. A specific coordination by product family has been implemented to strengthen to leverage the supplier panel and actions. Since 2023, the general purchasing conditions by country have been harmonized for the Group and rolled out in 2023 by the purchasing teams with the support of the Legal Department. This approach to managing the supplier panel is being extended to harmonize and cover the scope of HELLA.</p>		

2 Risk factors & Risk management

Methodology and description of the main risk factors and their management

2.1.1.10. **NFPD** Safety at work (1)

	Probability ●●○	Impact ●●○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>As of December 31, 2023, the Group employed around 98,400 operators worldwide, i.e. approximately 64% of its total headcount.</p> <p>As part of the Group's production activities, personnel are exposed to a variety of risks, including accidents, occupational illnesses or illnesses related to the workplace environment in general that may affect their health or physical safety.</p>	<p>The key potential impacts on the Group concern the harm caused to the individual(s) in question. Insufficient management of workplace conditions could also impact the Group's reputation as well as its finances in the event of financial penalties associated with this harm.</p>	
RISK MANAGEMENT		
<p>Safety at work is one of the key elements of the excellence initiative embodied by the FORVIA Excellence System (FES). The Group's policy on health and safety at work at the day-to-day level centers around two main goals: safeguarding staff health and improving their safety at work.</p> <p>FORVIA has a dedicated Health, Safety and Environment Department which is present at all levels of the organization.</p> <p>The change in the frequency rate of work-related accidents is analyzed in order to measure the effectiveness of actions carried out in this area. After each accident, a "Quick Response Continuous Improvement" (QRCI) analysis is performed using a problem-solving method based on best practices in terms of solving quality problems to ensure that the primary causes of the accident are understood, that corrective actions have been effective and that preventative measures are implemented and shared across the various sites.</p> <p>Since 2018, the Group has structured its approach to prevention around Seven Fundamental Safety Principles for all employees, and in particular operators and the employees of external contractors.</p> <p>In 2023, the Group further strengthened the measures implemented to prevent accidents (refer to section 4.3.1.4 of chapter 4 of this Universal Registration Document) and transformed the "7 Fundamental Safety Principles" into "7 Mandatory Safety Rules" to strengthen the obligation aspect for all.</p> <p>Most occupational illnesses reported by Group employees involve musculoskeletal injuries. To reduce this, the Group has taken steps for several years to take into consideration the strain caused by workstations and to remedy the situation as far as possible. Ergonomic analysis of workstations is part of the FORVIA Excellence System tools. This subject is systematically included in the design of products and production tools. It is checked during production plant audits. These reviews, the effectiveness of which was significantly improved by the use of digital technology augmented by artificial intelligence, assists the implementation of solutions to improve manufacturing workstations.</p> <p>In 2023, Faurecia and HELLA's HSE teams made an important step forward in the convergence of workplace safety risk management processes by creating and launching the deployment of the FORVIA Excellence System 4.0 throughout the Group.</p>		

(1) Excluding pandemic risk detailed in Section 2.1.1.7.

2.1.1.11. **NFPD** Site environmental impact

	Probability ●●○	Impact ●○○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>In light of its industrial activities, as well as the use of a large number of potentially polluting products and materials in the context of the product manufacturing process, the Group may be exposed to environmental risks such as the risk of accidental pollution or any risk related to the tightening of environmental regulations. The Group could also be exposed to operational risks related to poor energy management (generating excessive CO₂ emissions) or poor management of raw materials or waste.</p>	<p>Any failure to comply with environmental regulations could cause damage to the Group's reputation and generate a significant financial impact (including in the form of criminal law sanctions as well as loss of opportunities). Accidental pollution could also require the Group to incur significant costs for the decontamination of the sites impacted.</p>	
RISK MANAGEMENT		
<p>In 2023, the Group updated its environmental policy under which it commits to reducing the environmental impact of its facilities. Environmental risk analysis and control are based on ISO 14001. The Environment Committee, which holds monthly meetings and is chaired by the Group Environmental Impact department and includes managers from each Business Group, implements and manages the Group's environmental policy.</p> <p>Each Business Group has appointed an HSE Officer, who is assisted by (i) a network of HSE managers at the division level (mainly regional) and (ii) HSE coordinators at each FORVIA site. They bring their expertise to plant management. They are also responsible for applying procedures and ensuring compliance with regulations and FORVIA standards.</p> <p>In 2023, the FORVIA Faurecia and FORVIA HELLA teams worked together to define a common framework of fundamental rules to be applied in all sites, the Ten Green Fundamentals, or "Ten Fundamental Principles for Environmental Protection". This makes it possible, through common standards and a self-assessment process applicable to all sites, to increase the management of the risk of environmental impact of industrial activities, see section 4.2.6 of chapter 4 of this Universal Registration Document.</p> <p>The amount of investments reported by the sites for environmental protection, reducing damages and the value of the provisions recorded for environmental contingencies is indicated in Chapter 4 "Extra-Financial Performance" of this Universal Registration Document.</p> <p>Moreover, the Group has transferred a portion of the risk to the insurance market in order to hedge against damage that may result from environmental pollution.</p>		

2.1.1.12. **NFPD** Talent acquisition & retention

Probability



Impact

**IDENTIFICATION AND DESCRIPTION OF RISK**

The Group's strategy focuses on four main mobility priorities which are based on electrification and energy management, safe and automated driving then digital and sustainable cockpit experiences. Consequently, the Group must have key know-how and the appropriate resources to deploy this strategy and these new technologies.

The Group could experience difficulties in attracting and retaining the necessary talents able to provide the skills required for the development or production of its innovative products or services, particularly if the automotive industry is considered less attractive to younger generations.

In addition, the Group must compete with other companies for suitably qualified personnel, including technical and engineering personnel.

POTENTIAL IMPACT ON THE GROUP

If positions remain unfilled for too long, if turnover rates are too high or if diversity is not sufficient, the level of motivation and productivity of the teams, as well as the cost of recruiting, training and integrating new employees, could be impacted.

In addition, the loss of the Group's management team or key individuals (for example, during the integration of an acquisition) could have a negative effect on its operations. Such risks could also slow down the Group's development and innovation and have a negative impact on its results and reputation.

RISK MANAGEMENT

The Group defines and deploys several policies and actions related to recruitment, development and compensation to ensure it recruits and retains talent. These actions are adapted according to the country of operation.

Talent recruitment

In 2023, the Group continued to focus on recruiting recent graduates and early-career skilled professionals in order to ensure that the Group recruits and retains the talents of the future. Throughout this process, the Group has established preferential partnerships with more than 100 schools, post-secondary institutions and universities in the many countries where the Group operates.

The Group uses the international volunteering in business (IVB) program as a key to achieving its recruitment goals among recent graduates. The number of IVB participants recruited by the Group has been continuously increasing for the past several years.

Since 2022, the Group has launched an artificial intelligence solution to facilitate recruitment and has deployed a specific digital app to discover the Group, its values, strategy and organization and improve integration.

All new hires benefit from a personal induction program enabling them to find out more about the Company and its values, strategy and organization.

Talent development

To prepare the managers of tomorrow, talent identification starts as early as possible in the Group. After a period during which employees successfully demonstrate their talents, the Group offers employees diverse career paths to help them continue to realize their full potential. These paths include cross-functional/inter-divisional mobility, which makes it possible to develop new skills in a variety of contexts. The plan aims to help employees step out of their comfort zone and provide them with general management skills.

Experts are also recognized according to a specific process.

The Group offers a large catalog of training courses. In 2023, the FORVIA University trained more than 13,000 employees, and in 2022, its online training (Learning Lab) exceeded its first million hours of delivered training since it was initially set-up in 2016. In 2023 the Learning Lab recorded more than 400,000 hours of trainings. This offer is available at HELLA since 2022.

Recognition

The Group's compensation policy is subject to an annual review by specialized firms in order to ensure competitiveness with the local market. Compensation depends on several elements related not only to individual performance, but also team performance. The variable portion of compensation rises increasingly with the level of responsibility exercised. These various subjects are monitored through dedicated Key Performance Indicators (KPI).

In 2023, FORVIA was awarded the LinkedIn Top Companies label (France, Portugal - LinkedIn), Top Employer (India - Top Employer Institute), the Happy Trainees label (Group - ChooseMyCompany) as well as the "Digital HR" award (Group - LOSAM) and "Connected HRD" (Group - Human Capital Victory) for the deployment of our artificial intelligence solution for recruitment. FORVIA Faurecia is ranked as "most attractive company" by engineering students (France, Universum), is among the Top 100 employers for undergraduate students in the United Kingdom (RateMyPlacement) and finally appears in the "Top 1% Best Employers" in the Leading Employers Institute ranking.

For more information on efforts to promote diversity in talent attraction and development, please refer to Section 4.2.6 of Chapter 4 of this Universal Registration Document.

2.1.2. Financial and market risks

2.1.2.1. Liquidity risk

	Probability ●●○	Impact ●●○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
In order to finance its capital expenditures and face its cash requirements, the Group must secure its access to funding sources from banks and financial markets.	A worldwide economic downturn and/or capital markets disruptions could reduce the Group's ability to raise the funding required to run its operations and execute its strategic plan. If the Group's access to these funding sources were to become significantly constrained, or if the cost of capital increased significantly due to lowered credit ratings, prevailing industry conditions, the volatility of the capital markets or other factors, the inability to access such resources could have an adverse impact on the profitability of the Group and on its financial condition, operating result or cash flows.	

RISK MANAGEMENT

The Group's liquidity is based on the issuance of long term debt (bonds and bank loans), on short term funding programs (commercial paper, factoring) and on the maintenance of committed credit facilities. FORVIA SE holds a 1.5 billion EUR syndicated credit facility maturing in May 2027. As of December 2023, this facility was undrawn. This facility includes a financial covenant: the availability of the credit line is conditioned to the satisfaction of a net debt/EBITDA test, set at 3.0x. As at 31 December 2023, this condition was met.

HELLA also holds a 450 million euros syndicated credit facility maturing in December 2026.

The components of FORVIA long term debt as well as the liquidity maturity profile are detailed on sections 26.2 and 26.3 of the consolidated financial statements.

Ratio	Limit	Carrying amount at 31/12/2023
Net debt*/Adjusted EBITDA**	<3.0x	2.1x

* Consolidated net debt.

** Operating income plus depreciation, amortization and funding of provisions for impairment of property, plant and equipment and intangible assets, corresponding to the past 12 months.

2

Risk factors & Risk management

Methodology and description of the main risk factors and their management

2.1.2.2. Interest rate risk

	Probability ●●○	Impact ●○○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
As a significant portion of FORVIA debt is indexed on variable rates, the Group is exposed to changes in interest rates.	Any significant variation in interest rates would lead to an increase in finance expenses and could have a noticeable impact on the Group's financial results.	
RISK MANAGEMENT		
The management of interest rate risk is centralized. Such management is implemented through the Group Treasury department, which reports to FORVIA SE's Executive Management. Hedging decisions are made by a monthly Finance Committee.		
A significant part of the debt (syndicated credit facilities, short- and medium-term financing, commercial paper) being linked to variable rates, the interest rate policy aims at reducing the impact of interest rate fluctuations on the Group's earnings. The Group's interest rate exposure as well as the sensitivity of interest expense to short-term rates are disclosed in Note 30 to the consolidated financial statements.		
At the end of December 2023, before taking into account the impact of hedges, 25.7% of the Group's gross debt was exposed to floating rates - compared with 29.4% as of year-end 2022.		
Details of the Group's main financing is summarized in Note 26.4 to the consolidated financial statements.		

2.1.2.3. Currency risk

	Probability ●●○	Impact ●○○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
Given its international footprint, the Group is exposed to the risk of exchange rate fluctuations. This risk arises when Group affiliates incur sales or costs denominated in a currency other than their functional currency.	A fluctuation in exchange rates could have an adverse impact on the Group's financial results.	
The Group is also faced with the translation risk linked to the contribution of affiliates, whose functional currency is not the euro, to the consolidated financials. The sales, net profit and cash flows of these subsidiaries, when converted into €, are sensitive to fluctuations in their accounting currency against the euro.		
RISK MANAGEMENT		
The Group centrally hedges the foreign exchange rate risk of FORVIA and its subsidiaries through forward or optional foreign exchange transactions as well as foreign currency financings.		
Note 30.2 of the notes to the consolidated financial statements provides a detailed description of the underlying foreign exchange exposures and their derivative hedges. This note also provides a detailed description of the sensitivity of the Group's earnings and shareholders' equity to the fluctuations of the main currencies to which the Group is exposed.		

2.1.2.4. Risk related to raw material & inflation of costs

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●●○	Impact ●●●
<p>The Group is exposed to raw material risk directly through its raw materials purchases and indirectly through components purchased from its suppliers.</p> <p>In 2023, direct raw materials purchases (thermoplastic resins, steel, and semi-conductors) and the raw materials share of indirect purchases of parts made of these same raw materials accounted for about 45% of the Group's total purchases. Their prices are subject to fluctuations, the underlying causes of which are linked to structural supply capacity, demand, international geopolitical relations.</p> <p>Since 2022, rising inflation also contributed to the increase in the costs of purchased components in consideration of energy, transport and labor.</p> <p>To the extent that the Group's sales contracts with customers do not include systematic price indexation clauses linked to the price of its raw materials, Faurecia is exposed to risks related to unfavorable fluctuations in raw material prices. The Group does not use derivatives to hedge its purchases of raw materials. However, energy purchases are covered by hedging mechanisms. With regard to inflation, sales contracts with customers do not systematically include an indexation clause based on cost parameters.</p>		<p>The Group's sales, as well as its operating and net income, could be adversely affected if the prices of the raw materials it uses, notably steel and plastics, were to rise steeply. The same is true for the increase in inflation-related costs.</p> <p>The Group may be unable pass on all such price increases to its customers, and the impact could be reflected in the Group's financial results.</p> <p>If the Group is unable to secure a sufficient quantity of semiconductors or, in Europe sufficient energy supplies for its industrial parks and/or those of its suppliers, it could be exposed to operational losses as well as customer claims seeking indemnification (mass production or launch phase).</p> <p>Bottlenecks in the value chain, which are mainly the result of a general shortage of certain electronic components and have been amplified by external factors over which the Group has limited control, could result in higher costs (transportation, raw materials, energy, workforce, quality assurance and disruptions to the production process) which may affect the Group's financial results.</p> <p>These risks could also affect customer-supplier relationships. Automakers could require the creation of larger safety stocks, followed by revising existing contractual arrangements. Impacts from such changes to customer-supplier relationships could affect the Group's financial results.</p> <p>A change of 10% to 20% in the price of raw materials, would have an impact from 50 bps to 100 bps on the Group's operating income.</p>
RISK MANAGEMENT		
<p>Efforts are made to reduce this exposure by continually negotiating conditions with customers and strictly managing inventories. The Group does not use derivatives to hedge its purchases of raw materials. However, a hedging mechanism exists for energy purchases.</p> <p>The Group's exposure to this risk remains limited since a large proportion of the raw material price fluctuations are subject to an indexation mechanism or frequent renegotiation with most of its customers on a "pass-through basis." The Group's remaining exposure is, therefore, around 10% of the total exposure to raw material costs. In the event of very significant variations in raw materials prices, specific negotiations going beyond the usual indexation mechanisms are implemented to further reduce exposure to the risk of rising prices.</p> <p>The Group is actively working to minimize these risks through a proactive approach to customer and supplier risk management. This approach includes (i) a multi-sourcing strategy, to the extent it remains a viable solution in terms of technical and economic feasibility, while using the existing qualified supplier panel, (ii) methods deployed on an ongoing basis by the Group to identify alternative products available on the market and (iii) a systematic revision of customer and supplier contracts to attenuate the effects of this risk.</p>		

2.1.2.5. Customer credit risk

	Probability ●○○	Impact ●●○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>In view of the economic context in the automotive sector (the emergence of new stakeholders, including new market entrants and strong competition in China, a decrease in volumes, increasingly stringent environmental standards, etc.), the Group cannot rule out the possibility that one or more of its customers may not be able to honor certain agreements or suffer financial difficulties.</p> <p>In 2023, the Group's five largest customers accounted for 54.1% of sales, as follows: Volkswagen (17.4%), Stellantis (12.4%), Renault-Nissan-Mitsubishi (8.2%), Ford (8.1%) and Chinese OEMs (8.0%).</p>	<p>The failure to recover a trade receivable in the event of a payment default (for example, resulting from a customer bankruptcy) could have a negative impact on the Group's financial results.</p>	
RISK MANAGEMENT		
<p>Trade accounts receivable are monitored on a regular basis by the Group's Finance department. Since 2019, a customer credit risk assessment system has been implemented to better manage the acquisition process with new customers.</p> <p>As of December 31, 2023, late payments of the Group represented €213 million, or 0.8% of consolidated sales for the fiscal year.</p> <p>Details of trade accounts receivable and other receivables are provided in Note 18 to the consolidated financial statements.</p>		

2.1.3. Legal, regulatory & reputational risks



2.1.3.1. Regulatory developments & geopolitical tensions

IDENTIFICATION AND DESCRIPTION OF RISK	Probability ●●●	Impact ●●○
<p>Due to the international nature of its business activities, the Group is exposed to economic, political, fiscal, legal and other types of risks in the countries in which it operates.</p> <p>These risks may result in particular from heightened geopolitical tensions (including those between the U.S. and China, between Russia and Ukraine, and in 2023 in the Middle East), regional instability or the imposition of trade barriers and protectionist policies in various countries.</p> <p>At December 31, 2023, the Group operated in 41 countries and generated 45% of its sales in Europe, Middle East and Africa, 27% in Asia, 28% in Americas and stopped its activities in Russia.</p> <p>The risks to which FORVIA is exposed notably include:</p> <ul style="list-style-type: none"> ■ any potential amendments to laws or regulations, or to commercial, monetary or fiscal policies applied in certain foreign countries and, in particular, risks of expropriation and nationalization; ■ customs regulations, foreign exchange controls, investment restrictions or requirements on investment or relating to international trade, such as international sanctions or any other constraint such as levies or other forms of taxation on settlements and other payments; ■ difficulties in enforcing agreements, collecting payments due and protecting property through foreign legal systems, in particular where intellectual property protection is less stringent; ■ supply-chain tensions and their consequences (see risk factor 2.1.1.9 "Supply-chain disruptions & supplier failure"). 	<p>Inadequate planning or preparations for regulatory decisions or changes made to legal requirements could have a significant negative impact (particularly regarding finances) on the Group's business and results of operations. For example, the government authorities in a country in which Faurecia operates could update standards that apply to the Group's products, which could have negative consequences for the Group's operating income.</p> <p>These risks may be further exacerbated by macroeconomic trends and developments, such as trade tensions between various regions, which could lead to unfavorable changes in trade policies that apply to the Group's products.</p> <p>These developments could have a material adverse effect on the Group's business, financial condition and results of operations.</p>	
<p>RISK MANAGEMENT</p> <p>The Group relies on the expertise of its Legal, Tax and Finance departments, which consistently monitor legislation and regulations in France and abroad via local intermediaries (employees, networks of lawyers, tax specialists, etc.). The Communications, Public Affairs and Sustainability department integrates a monitoring unit that analyzes regulatory aspects in terms of sustainability and has a direct link to the activities. It can anticipate changes that might affect the design of the Group's products. Regular reviews are carried out regarding changes which may have a significant impact on the Group's business, and specific measures are taken to hedge the associated risks.</p> <p>The Group assesses the risk of the countries in which it operates. To do this, it relies on the tool of an external service provider, which produces a risk mapping by country, classified according to a three-color code representing the level of external risk. The method is based on several criteria that are fundamental to the automotive supplier business.</p> <p>Faurecia and HELLA teams are synchronizing the geopolitical tensions risks.</p>		

2.1.3.2. Significant litigation

	Probability ●●○	Impact ●●○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>Given its key role and the nature of manufacturing in the global automotive industry, the Group may become the target of litigation or claims filed by its customers, suppliers, end-users or government authorities or become subject to class action lawsuits. These lawsuits, claims and proceedings typically arise in the normal course of business and include claims pertaining to product liability, product safety, environmental, safety and health, intellectual property, employment, commercial and contractual matters and various other matters.</p> <p>The Group may also be subject to investigations by various regulatory authorities regarding compliance with local laws in certain jurisdictions.</p>	<p>The frequency and outcome of such lawsuits, investigations, claims or proceedings cannot be predicted with certainty. Major litigation could have a negative impact on the Group's financial position that is greater than the Group anticipates or cause harm to the Group's image.</p>	
RISK MANAGEMENT		
<p>Adequate provisions have been set aside to cover litigation facing the Group, in accordance with the facts and information available at the balance sheet date. Note 24.2 to the appendix of the consolidated financial statements as of December 31, 2023 gives a description of ongoing significant claims and litigation and indicates the total amount of provisions for litigation.</p> <p>Litigation is tracked quarterly at the Group level and monthly at the business level through reporting prepared by the Legal department. Preventative measures, in particular via the provision of training to core teams, negotiation of contractual terms and proactive identification of potential legal risks are implemented on a continuous basis.</p> <p>Since 2022, the same process has been in place to monitor HELLA litigations.</p>		

2.1.3.3. **NFPD** Responsible supply chain

IDENTIFICATION AND DESCRIPTION OF RISK	Probability  Impact 
<p>The Group pays particular attention to the risks related to fundamental rights (child labor, forced labor, non-respect for union freedom, environmental damages, etc.) relevant to its activities, all of its suppliers and subcontractors. Due to a large number of suppliers (more than 25,000 in more than 60 countries during 2023), the Group cannot exclude the existence, and may not be aware, of bad practices within its suppliers, in terms of respect for the environment, business ethics, labor law or human rights and fundamental freedoms.</p>	<p>If one of the Group's suppliers has failed, or is suspected of having failed to comply with environmental standards, business ethics, labor law, or human and fundamental rights, or if the Group's integrity on these issues is called into doubt, it could have significant consequences for its reputation, business activity and financial position.</p>
<p>RISK MANAGEMENT</p>	
<p>The Group's Purchasing department has established a policy of sustainable buying, called "Buy Beyond," which reflects the Group's commitment to comply with the requirements of the Law no. 2017-399 of March 27, 2017, related to the duty of care. This policy consists, in particular, in systematically reviewing suppliers that are part of the Group production process prior to their selection. For existing suppliers, selection among the main suppliers is complete. This analysis is conducted through a partner of the Group, EcoVadis, and addresses the following areas:</p> <ul style="list-style-type: none"> ■ Ethics: assessment of the organization's ability to implement tangible actions to ensure data protection, fight corruption, fraud, anti-competitive practices, money laundering and avoid conflicts of interest; ■ Labor and human rights: assessment of the organization's level of maturity in terms of the actions on employee health and safety, working conditions, social relations, forced labor and child labor, discrimination and respect for fundamental rights; ■ Environment and sustainable purchasing: assessment of the formalized policy, verification mechanisms and certification obtained. <p>Since 2019, the assessment of suppliers is carried out in a dedicated solution that requires a minimum score. In an effort to achieve continuous improvement, this score has changed over the years, rising from 30 out of 100 in 2019 to 45 out of 100 in 2023. Moreover, supplier quality audits, which are a prerequisite to joining the Group's panel of suppliers, also include CSR requirements.</p> <p>In the event of non-compliance, the Group may conduct enhanced due diligence and request additional certifications to ensure compliance with international standards and a responsible supply chain.</p> <p>The Group is committed to building close, long-term relationships with its suppliers, based on mutual growth and benefit. Thus, suppliers are asked to comply with the responsible purchasing policy, through the application, in their own organizations and their global supply chains, of the Code of Conduct for suppliers and subcontractors and which, in addition, is systematically integrated in the mandatory consultation documents sent to suppliers. The responsible purchasing policy is described in further detail in Chapter 4 "Extra-Financial performance", Section 4.3.4 "Responsible supply-chain" of this Universal Registration Document.</p> <p>Lastly, the Group has an external whistle-blowing system that makes it possible to report any breaches related to human rights and fundamental freedoms, or to individual health and safety as well as the environment. This process is being harmonized between Faurecia & HELLA in order to cover the entire supplier base of the Group.</p>	

2.1.3.4. Intellectual property

	Probability ●●●	Impact ●○○
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>The Group conducts an active R&D policy and stresses protection of the resulting innovations. To this end, the Group files patents and designs for technologies, products and processes in many countries. In particular, 719 new patent applications and 564 territorial extensions were filed by the Group in 2022 for a total of 1,283 patent applications filed. There are more than 13,400 patents in the patent portfolio.</p> <p>Due to these significant volumes, the Group may be exposed to infringement of its intellectual property rights by third parties.</p> <p>Moreover, given its active innovation policy, the Group may also be exposed to the involuntary infringement of intellectual property rights held by third parties (unpublished or unidentified rights).</p>	<p>The infringement of intellectual property rights held by the Group is likely to have an adverse impact on the Group's activities and results as well as on its image and the quality of its products.</p> <p>The Group cannot rule out the risk that its intellectual property rights may be disputed by a third party, including by non-practicing entities or "patent trolls", on the grounds of preexisting rights or for any other reason, whether or not founded. The use of new technologies also entails the risk of infringing upon patents of other companies. The materialization of such a risk could have a financial impact as a result of claims for damages or loss of business income and harm the Group's reputation. The Group may also be required to modify its products or processes or negotiate rights of use with third parties generating significant financial consequences.</p> <p>Furthermore, for countries outside France, the Group cannot be sure of holding or obtaining intellectual and industrial property rights offering the same level of protection as those in France.</p>	
RISK MANAGEMENT		
<p>In order to support and accompany its innovation policy and reinforce the protection of its rights, the Group has a centralized organization that handles all technical and legal issues relating to intellectual property. Bi-monthly committee meetings organized for each business allow strategic decisions to be made to protect transactions with all stakeholders. Twice a year, Intellectual Property Management Committees define the strategies for the businesses and their application, as well as the resources necessary.</p> <p>The Group files patents and designs for technologies, products, and processes in many countries. The Group also protects its name and certain product ranges via trademark law. For example, the FORVIA, Faurecia and HELLA trademarks are protected in all countries of interest to the Group and this protection is monitored.</p> <p>The Group has a large and solid portfolio of intellectual property rights. It is supported by in-house teams of experts and specialists and a global network of advisers, who conduct searches of existing patents and technology watches and monitor the competition, as well as analyses of third-party rights regarding ongoing projects.</p> <p>The Group undertakes actions to prevent, terminate and penalize infringements of its intellectual property rights. For instance, the Group may act against third parties that use its patents, know-how, designs and models or trademarks without its authorization, or it may file challenges or actions for invalidation against third-party patents whose issue the Group does not deem justified.</p>		

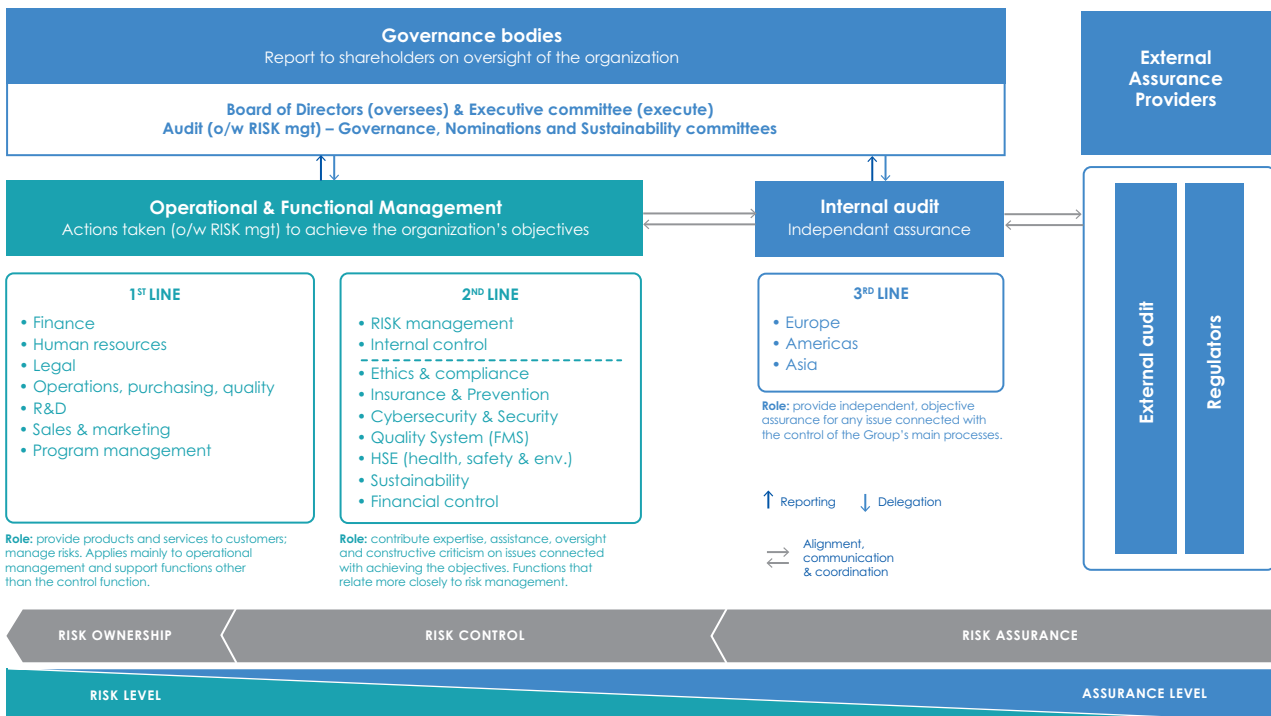
2.1.3.5. **NFPD Business ethics**

	Probability ●●○	Impact ●●●
IDENTIFICATION AND DESCRIPTION OF RISK	POTENTIAL IMPACT ON THE GROUP	
<p>The Group's organization is decentralized and located in many countries. Each of these countries may have anti-corruption legislation that is potentially extra-territorial in scope. This is the case with regard to the Sapin II law in France, the Bribery Act in the United Kingdom and the Foreign Corrupt Practices Act in the United States.</p> <p>In addition, given the specific nature of the automotive sector (in particular, the presence of a reduced number of stakeholders in certain markets), the Group may also be exposed to antitrust risks (for example, cartel arrangements).</p>	<p>These regulations, some of which are quite recent, and the specific nature of the sector mean that the Group is exposed to sanctions in the event of non-compliance, which could in turn have a material adverse effect on the Group's business, financial condition and results of operations.</p> <p>In addition, should the Group's integrity in these matters be called into question, this could have significant consequences on its reputation and commercial activity.</p>	
RISK MANAGEMENT		
<p>The Group's ethical commitments are formalized and detailed in the Code of Ethics, which establishes the essential rules of conduct and ethics applicable to employees (including temporary workers, sub-contractors, etc.), partners, suppliers, civil companies, NGOs, civil society organizations and local communities. This Code of Ethics is given to each new employee, is available in a range of languages and may also be accessed on the Group's website and intranet. All Group employees are responsible for complying with the Code of Ethics and, if applicable, ensuring that it is circulated and complied with. The Group also has a Code of Conduct for the prevention of corruption. It contains internal rules that are widely distributed to employees. These rules cover in particular the following subjects: gift and hospitality policy; donations and sponsorship; conflict of interest management (via an electronic tool). HELLA has a separate code of ethics and in 2022 it adopted a code of conduct for the prevention of corruption similar to the one of Faurecia.</p> <p>Since 2015, the Group has a Compliance department. This is under the responsibility of the Chief Compliance Officer, who reports to the Group General Counsel and Secretary to the Board of Directors. The Compliance department relies on regional compliance officers for the Americas (United States, Canada, Mexico, Brazil and Argentina), Asia and the EMEA region (Europe, Middle East and Africa). It also relies on a network of Compliance Leaders who serve as contacts in each operational division of the businesses.</p> <p>A compliance program with:</p> <ul style="list-style-type: none"> ■ online training programs with the "Ethics", "Anti-corruption", "Antitrust" and "Internal Control Basics" MOOCs primarily intended for Group executives. The deployment and monitoring of these training courses were ongoing in 2023; ■ an annual online questionnaire on the declaration and management of conflicts of interest; ■ an internal whistle-blowing line on allegations of non-compliance with the Code of Ethics and the applicable regulations. The Group has a whistle-blowing system, which was reviewed as part of its compliance with the General Data Protection Regulation, the Sapin II law and regulations on whistle-blower protection, and which allows any employee or partner to flag a potential breach of rules defined in the Code of Ethics; ■ more specifically, a major risk management program related to anti-competition practices has been deployed throughout the Group. This program includes the creation of a dedicated team of experts within the Legal department, a guide to best practices in the fight against anti-competitive practices, a program of digital and face-to-face training for at-risk populations in the various countries where the Group operates and a control plan implemented throughout the various divisions of the Group. <p>Faurecia and HELLA continue to work closely together to define and implement a common compliance program that meets international standards, including the requirements of the Sapin II Law.</p> <p>please refer to section 4.2.6 of chapter 4 of this Universal Registration Document.</p>		

2.2. Contributors and Enterprise Risk Management program

The Audit Committee (specialized committee of FORVIA SE's Board of Directors), which is tasked with overseeing the effectiveness of the risk management program and the internal control system (which are not limited to accounting and financial risks), informs FORVIA SE's Board of Directors of the main actions taken by the Group in this domain. Risk contributors provide information to the Audit Committee which conducts a formal annual review of the global risk management program and the internal control system.

The following diagram provides a summary of the organization and processes of risk management and internal control within the Group.



2.2.1. Operational departments

The Group's Executive Committee examines the major operational risks inherent to the Group's business during the monthly meetings of the Operations Committee, and at least once per year it reviews the risk mapping prepared by the Group's Risk Committee.

The Executive Management of each business (Business Group) is responsible for identifying and managing the operational risks inherent to its business, which are examined by the respective Operations Committee and Risk Committee. The operational and support functions direct and lead the actions, including risk management, necessary to achieve the Group's objectives.

2.2.2. Functional departments

Focusing on their specific fields, the Group's functional departments are responsible for complying and ensuring compliance with current regulations and standards, improving their processes and working with the other departments in order to improve cross-functional processes. They monitor the performance of the operating entities and provide coordination and support to the divisions and sites reporting to them. Each manager is responsible for assessing risks with regard to the processes for which he is responsible and is directly involved in their mitigation and the implementation of internal control measures.

2.2.2.1. The Finance department

PRINCIPLES APPLIED TO THE PREPARATION OF FINANCIAL STATEMENTS

The Group Finance department, which reports to the Chief Executive Officer of FORVIA SE, is responsible for outlining the rules and procedures, consolidating the financial statements, managing cash and financing, and carrying out management control, internal control and internal audits.

It is responsible for performing the following tasks:

- determining the Group's accounting and financial standards in accordance with IFRS as adopted by the European Union and the tax provisions and accounting standards specific to each country, and ensuring compliance with them;
- preparing the annual parent company financial statements, the monthly consolidated financial statements and, more specifically, the interim and annual financial information to be reported;
- outlining, improving and ensuring enforcement of the internal control procedures needed to produce reliable accounting information. These procedures include a generalization of the permanent inventory process completed by physical inventory takings at least once a year, the strict separation of tasks, and thorough monitoring of access to the various accounting transactions as a function of the different businesses;
- managing and improving the information systems used to produce accounting and financial data.

The Country or Regional Chief Financial Officers who manage the shared financial service centers report to the Group's Finance department. They are responsible for:

- the production of the financial and accounting statements for all the units within their scope, in compliance with IFRS and local standards, and the closure dates set by the Group;
- compliance with and improvements to the internal control procedures specific to their scope;
- strengthening the role and skills of the accounting function;
- close collaboration with operational sites within their scope in order to work with them to solve internal control issues and to improve the overall effectiveness of the financial process.

This organization with, on one hand, shared services responsible for producing the financial statements and complying with the standards, and on the other, the controllers considered as co-pilots for the management of operational entity, enables a real separation of tasks and a better development of skills in each role, resulting in better overall effectiveness and reduced risk of fraud.

The following principles are implemented across the Group to prepare financial statements:

- completeness of transaction processing;
- transaction compliance with applicable accounting principles;
- periodic review of assets.

FINANCIAL REPORTING PROCESS

The goal of the reporting processes is to provide all the financial and non-financial information needed to manage the Group and disclose the financial statements in accordance with applicable accounting standards and the rules decreed by the *Autorité des Marchés Financiers* (AMF). A "reporting" glossary describes all the content of the reporting data. Procedures explain how this must be carried out.

MONTHLY REPORTING

The Oracle HFM (Hyperion Financial Management) and PBCS (Planning and Budgeting Cloud Service) consolidation systems are used for the monthly reporting of both financial information (income statement and balance sheet data) and non-financial information (such as indicators relating to quality, production, purchasing, safety, human resources, etc.). Each business unit reports its final results of operations four days after the end of the month in accordance with Group standards. Every month, the Operations Committee reviews the operational performance and action plans of each Business Group.

In order to effectively anticipate short-term changes and improve responsiveness, monthly reporting includes a rolling forecast for the income statement and cash flow statement for the current and subsequent quarters.

BUDGET AND STRATEGIC PLAN

The Group draws up a year sales plan each year, in which programs play an essential role. This plan determines the Group's business outlook by business and product line, and the Group's resources and profitability. It is consolidated using the same tools as for monthly reporting and it is also used to define the budgetary targets for the following year.

INFORMATION SYSTEMS

For process and data management purposes, the Group uses a unique management software package based on SAP. This solution is common to most sites (except recent acquisitions and HELLA) and enables standardization and digitization to occur at a faster pace. All management processes (orders, inventory, flow of parts, receiving, shipping, accounting, etc.) are supported by this solution.

Moreover, the Group relies on this software package to accelerate digitization in numerous areas such as management of workshops and transportation, measuring customer satisfaction, managing maintenance, etc. Work is in progress to enable all of this data to be used by artificial intelligence tools to optimize the processes. A project to unify the Group's information systems architecture, to define future changes as part of the consolidation of HELLA is underway.

2.2.2.2. Internal control

Within the Group, internal control is a mechanism that encompasses a set of resources, behaviors, training, procedures and actions, the overall purpose of which is to mitigate risks (prevention and protection) that may:

- have an impact on the financial and accounting information published by the Group;
- cause damage to the Group's image and reputation;
- expose the Group to regulatory or legal sanctions from the various jurisdictions and competition authorities of the countries in which it operates;
- threaten the Group's employees and ecosystem (risk of natural disasters, epidemics, environmental risks);
- prevent the Group's customers from producing, delay their production or hinder their product and service performance (critical equipment breakdown, quality risks, delays in products development);
- prevent the Group from being able to continue to finance its operations (cash flow crisis);
- threaten the confidentiality of the information held by the Group on its own behalf (intellectual property, data on technologies, financial data) or with regard to its employees (personal data).

By helping to prevent and control risks that could negatively impact the Group in attaining its goals, the risk management and internal control program plays a key role in conducting and steering its various business activities. However, no risk management and internal control system can provide an absolute guarantee that the Group's objectives will be achieved. In fact, inherent limits exist to any risk management and internal control program, notably due to the uncertainties of the outside world, the exercise of judgment or shortcomings that may arise due to technical or human failure.

SCOPE

The Group's internal control system is deployed throughout the Company and its fully consolidated subsidiaries and covers a larger scope than the procedures related to the preparation and processing of accounting and financial information.

INTERNAL CONTROL MISSIONS

The main responsibilities of the internal control Department are:

- participating in projects to improve cross-functional processes (transportation, protection of the access and rights associated with IT applications, improving IT tools, etc.);
- mobilizing the Group's employees around a common vision of the main risks and making them aware of the risks inherent to their business activity;
- training on internal control, some of which are now offered by FORVIA University (Faurecia's internal training center), including online training modules. Please note that the "basic" module is mandatory for all Group executives;

- preparation for COSO certification, which is an internal control standard defined by the Committee of Sponsoring Organization of the Treadway Commission. The Group's primary contributors in internal control all hold COSO certification;
- self-assessment campaigns for all corporate management cycles (business management, direct and indirect purchases, inventory management, management of property, plant and equipment, payroll management, tracking of standard costs, information system management, management of expats and other personnel transfers, etc.). A self-assessment questionnaire addressing the most important control items for operational sites (plants and Research & Development centers) was deployed in 2017 in order to help these sites strengthen their internal control system (methods of proof, identification of weaknesses and corresponding action plans). Since 2018, the scope of the self-assessment has been extended to the registered office and administrative centers, in order to comprehensively cover the Group's business activities. This questionnaire is reviewed annually; a self-assessment program was rolled out in 2019 to strengthen control over development costs, volumes and other assumptions used for the Business Plans;
- regular communication with operational entities, functional departments and the Executive Committee to make all business lines aware of current priority issues (fraud, improvement actions, best practices, etc.);
- monitoring of "high" and "critical" recommendations raised by internal audit as part of their assignments.

Internal control representatives are present at several levels of the organization (Group, activities, divisions, shared financial service centers) in order to support the approach without taking on the responsibilities of operations management.

PROCEDURES

Internal control is based on a set of principles and procedures: the Group's culture (Being Faurecia), which is based on six key values and on the Code of Ethics, the Management Code and the Faurecia Excellence System, which represents the operational focus, defining the ways of working for the Group's employees around the world and structuring the Group's identity.

The documentation on which the internal control system is based is therefore made up of the following items, which can all be accessed on the Group's intranet:

- the Code of Ethics and the management code;
- the internal control manual;
- Manager Empowerment, which defines six general cross-functional principles for managers in certain key areas: Acquire a new program; Assess Managers and Professionals; Decide on Capital Expenditures; Decide on Exceptional Items; Manage Managers and Professionals Compensation; Staff Managers and Professional positions;

- the Faurecia Core Procedures are set out within nine processes developed by each Group division respecting a common general framework, and apply to all subsidiaries controlled by the Group. They are regularly updated and continually enhanced. The nine processes are as follows:
 - production control and logistics,
 - purchasing,
 - quality and HSE (Health, Safety and Environment),
 - PMS (Program Management System) and Engineering,
 - sales and marketing,
 - communication,
 - finance,
 - human resources,
 - information technology;
- Faurecia's Alert Management System (AMS) immediately informs activities management teams and, if necessary, the Group Executive Committee of any problems encountered in production and program management. This system also ensures a prompt and structured response including problem-solving and capitalization of the solution is achieved by the organization.

GOVERNANCE

Internal control reports on its work and sustains the connection between the disciplines in the form of the Internal Control Governance Committee, which holds monthly meetings chaired by the Group Chief Financial Officer. This Committee also includes the Deputy Chief Financial Officer, the Director of Internal Audit, the General Counsel, the Chief Risk Officer, the Chief Compliance Officer, and the Chief Financial Officers of the businesses.

The work of the Internal Control Governance Committee is also regularly reviewed by the Audit Committee of the Board of Directors and the Executive Committee.

Since 2023, the Faurecia and HELLA teams have been harmonizing the internal control process between the two teams. HELLA has created an Internal Control Governance Committee, whose work is regularly supervised by the Audit Committee of the Board of Directors and the Management Board.

2.2.2.3. Internal audit

The Internal Audit department assesses the effectiveness of the internal control and governance mechanism and checks that Group procedures are in compliance with local laws and regulations. It defines its missions on the basis of the Group's risk mapping and an independent risk assessment.

The Internal Audit department has an Internal Audit Charter, which was last reviewed in December 2022 and which defines its roles and purpose, its field of competence and the audit methodology used for its assignments.

The Internal Audit department is under the responsibility of the Group Legal Counsel and Secretary to the Board of Directors, with an option to directly alert the Chief Executive Officer and the Chairman of the Audit Committee of FORVIA SE. It submits the audit program for approval once a year to the Chief Executive Officer of FORVIA SE, the Chief Financial Officer and the Audit

Committee. It regularly reports to them on the results of its audit assignments and the measures taken to achieve its audit objectives. It reports to the Audit Committee at least twice per year on the result of its work and its schedule of activities.

Located at the Group's registered office, it also has regional teams based in Europe, the United States and Asia.

It conducts its assignments wholly independently and systematically substantiates its findings with specific facts that have been duly verified. It follows up on its recommendations that have been sent to the audited sites via (i) an online audit tool or (ii) by an on-site follow-up if deemed necessary.

2.2.2.4. Risk Management department

ENTERPRISE RISK MANAGEMENT PROGRAM (ERM)

Risk management is handled by the Group Risk Committee, which is chaired by the Chief Financial Officer. The main duties of the Risk Committee are to update the risk mapping, to ensure that the associated control (causes) and mitigation (consequences) plans are defined, implemented and more generally, that risks are managed by the first and second lines of defense, experts in their business lines.

The Group Risk Committee meets quarterly. The Chief Risk Officer, Chief Financial Officer, the Deputy Chief Financial Officer, the Director of Internal Control, the Director of Internal Audit, the General Counsel and the Chief Compliance Officer are permanent members of this committee. Risk sponsors, representing the first line of defense for each Group function, the Business Groups and the main regions are also members. The Risk Managers of the key risk management bodies are also part of this committee as a second line of defense (financial control, quality, purchasing, HSE, GIT, sustainable development, insurance, prevention, etc.). The Risk champions, who are responsible for each of the Group's risks, are invited to participate according to the agenda to carry out a specific review and present the elements of management and control that they steer on a daily basis.

The risks monitored by the Risk Committee concern the entire Group and are notably associated with personal safety, quality, program management, IT systems, the reliability of supplies, asset protection and fire risk, exposure of industrial sites to certain types of natural disasters, the reliability of financial information, compliance and the environment. In addition to an annual review of the entire risk management system, the Audit Committee also conducts an in-depth review of a specific risk several times a year. At least once a year, a review of the entire portfolio of main risks is presented to the Audit Committee and the Board of Directors of FORVIA SE for approval.

In an effort of continuous improvement of the system, the Group risk mapping is reviewed regularly and the integration of new risks is submitted to the Group's Risk Committee, then to the Audit Committee and finally to FORVIA SE's Board of Directors.

The Group has appointed a Chief Risk Officer who reports to the Group General Counsel and Secretary to the Board of Directors. He is in charge of the Enterprise Risk Management program, which is based on the ISO 31000 standard.

He leads a network of Risk sponsors who report directly to a member of the Executive Committee and who represent each of the three pillars of the program:

- Group functions;
- the activities or Business Groups;
- the main regions.

Each Risk sponsor has one or more Risk champions who cover one or more risks in the system. They are responsible for coordinating the Enterprise Risk Management program within their function, business group or region. The internal network thus deployed provides comprehensive coverage of the Group in terms of risk management in order to protect and create value on both Faurecia and HELLA.

The Enterprise Risk Management program was designed to cover all categories of risks, regardless of their exposure and impact, whether strategic, financial, social, legal, operational or reputational.

Each year, the Group launches a risk assessment campaign covering the three pillars, with two objectives:

- identify any new risks (emerging risks);
- update the mapping of tolerance for known risks (existing risks).

This approach makes it possible to prepare the organization and raise its awareness of risk management in order to update the Group's risk register, called the "risk universe" each year, and to standardize the working framework for all of the Group's lines of defense.

The Risk Management program has also been implemented through two procedures (Faurecia Core Procedures); the associated process, called Enterprise Risk Management (ERM), is built using a step-by-step approach and provides the method to be followed by each of the risk management players, both functionally and operationally, with the Group's businesses and regional representatives, who are all in charge of dealing with risk.

The risk register enables a close monitoring of the subjects analyzed by the Group Risk Committee. It was set up in 2017 and, since 2018, it is accessible remotely using a dedicated IT solution developed in-house in real-time to share the information between the various lines of defense: the risk universe, risk sheets, risk assessment with associated parameters and risk tolerance mapping. Finally, quarterly reporting and monitoring are carried out using more than 100 Key Risk Indicators (which assess the threat and the level of danger or risk appetite) as well as the main measures of control and risk mitigation plans.

In addition to the usual work, the risk universe was extended to cover the new emerging risks. An analysis of the specific risks linked with our three historical businesses was carried out in order to feed the Group's risk mapping, but also to provide a risk-based thinking vision by Business Groups, giving them more autonomy on an Operational Risk Management standpoint.

In 2021, in order to strengthen anticipation, the Group introduced a risk assessment approach embedded into its strategic planning process. This approach combines not

only work on the definition of threats (value protection) but also on opportunities (value creation). Thanks to a bottom-up approach by business and by product line, the assessment of potential net impacts was combined with a time scale of 15 years, to identify future risks in a strategic risk mapping.

Since 2022, with the aim of strengthening risk management, the Group's Risk Committee has implemented an innovative method to better address risk management at the various levels of the organization. It tiers them into three classes, according to their number and is called the "ABC risk class". It is based on the principle that each risk is broken down into two elements: threat and opportunity. For each class, the ratio between the threats on the one hand, and the possibilities of seizing new opportunities on the other hand is inversely proportional. Each of the classes therefore addresses different stakeholders in the organization to better manage the risk.

- **A | Disruptive:** with risk-taking, generally by Top management, which commits the company's strategy and its future with a transformation of the activity (new normals).
- **B | Unpredictable:** for which the cause is exogenous and for which the organization must prepare with the expertise of the Group's functional teams and their Risk Champions to react quickly in the event of a crisis (sudden events).
- **C | Preventable:** at the heart of the business they are operational risks by nature and well known, these risks must be prevented by the operational entities and processed with the "4T's" methodology detailed in chapter 2.1 under Methodology (everyday events).

Since 2023, the HELLA team has been a member of the Group Risk Committee. Risk management methods have converged and a common risk management and control tool is being rolled out to better understand FORVIA's risks. A link between the Group's risk universe and the operational risks identified at each industrial site has been created to better meet the expectations of IATF 16949.

2.2.2.5 Compliance Department

COMPLIANCE PROGRAM

Organization

The Compliance department was created in 2015. Its matrix structure relies on functional and operational resources, which allows for wide distribution of its annual plan. The Chief Compliance Officer determines program priorities that arise from the risk analysis of the previous compliance plan. Regional Compliance Officers (RCOs) drive the compliance program in the regions in which the Group operates: Americas (United States, Canada, Mexico, Brazil and Argentina), Asia and EMEA (Europe, Middle East and Africa). The Compliance department also relies on a network of contact people, called Compliance Leaders, in each operational division of the businesses. As part of the identification and monitoring of non-compliance risks, the compliance team works closely with the Chief Risk Officer and members of functions in the second (finance, internal control, IT, etc.) and third (internal audit and external audit) lines of defense.

Frame of Reference

The Group is a signatory of the United Nations Global Compact. Consequently, the Group is committed to aligning its operations and strategy with 10 universally accepted principles in the areas of human rights, labor standards, the environment and the fight against corruption. This commitment is reasserted in the Code of Ethics, which is updated on a regular basis, specifically (i) as part of the roll-out of the "Being FORVIA" program intended to strengthen the Group culture and thereby contribute to long-term value creation, and (ii) to integrate the changes resulting from the provisions of the Sapin II law. Moreover, the Management Code, established to guide the day-to-day management of the teams, customers and suppliers, translates many of the principles set out in the Code of Ethics into operational terms.

Furthermore, the Group has an anti-corruption Code of Conduct and a best practice guide concerning anti-competitive practices. It contains internal rules that are widely distributed to employees. These rules cover the following subjects: policy on gifts and hospitality, donations and sponsorships, managing conflicts of interest (via an electronic tool) and the "golden rules" of competition law.

The functions of the second line of defense regularly monitor risks to prevent and fight against corruption at Faurecia. The Compliance and Legal departments assess the risks before and/or after acquisition operations. Accounting controls to prevent and identify acts of corruption are carried out by Compliance, Internal Control and the Finance Directors of the countries concerned. In addition, Internal Audit conducts assignments relating to the existence and effectiveness of the Group's anti-corruption program. These missions cover a sample of transactions selected by the audit.

Lastly, internal rules exist in relation to the risk tracking system for the Group's third parties and their co-contractors, as applicable.

Training and Communication

In order to maintain the Group's strong culture of ethics and compliance, the Compliance department introduced a training program tailored to risks that targeted populations may encounter.

The training and communication program on ethical rules and compliance relies on various internal communication mechanisms. There is a core of mandatory online training (MOOC) focusing in particular on ethics, competition rules and the fight against corruption. In order to maintain a strong compliance culture, the Group Compliance department has implemented different training sessions accessible to all employees of the Group (FORVIANS including temporary employees, interns, consultants, etc.). These trainings are Faurecia tailored and include the risks that may face targeted population. The pedagogical approach promotes interactive training using short videos and animations. Moreover, the Group has prepared and disseminated practical guides and an online training.

Periodic hard-copy and electronic publications, as well as blogs and intranet communities, provide opportunities for the Group to communicate more widely about its internal rules.

Moreover, Regional Compliance Officers and Compliance Leaders regularly organize, at industrial parks and within divisions of the Business Groups, on-site training or communication sessions to ensure a close culture of ethics and compliance. These training sessions also occur, in particular, in the context of audit duties conducted by the Internal Audit.

Governance

The measures taken by the Group to prevent breaches, (particularly in the area of corruption), as well as areas for improvement, are regularly presented and discussed at the various bodies in which the compliance function participates.

On the Group level, the Chief Executive Officer of FORVIA SE chairs a quarterly Committee, which is steered by the compliance function. Its main missions and strategic decisions are discussed and approved within this body.

The Group's Chief Financial Officer chairs the quarterly Risk Committee meetings, which is steered by the Risk department. The main risks identified and monitored by the compliance function are in particular presented and discussed in this Committee.

Furthermore, Compliance Leaders facilitate quarterly Compliance Committee meetings, which are chaired by the manager of each of the Business Groups. They deploy and facilitate the compliance program at each level of the Group's activities in conjunction with priorities defined at the Group level.

Finally, each Regional Compliance Officer oversees one or several quarterly Compliance Committee meetings to present the actions and results of the compliance program in their region

WHISTLE-BLOWING PROCEDURE

Faurecia implemented a whistle-blowing system ("Speak Up"), revamped as part of its compliance with the Sapin II and Duty of Care laws and the General Data Protection Regulation (EU GDPR). Thus, any Group employee (FORVIANS including temporary employees, interns, consultants, etc.) as well as any person and entity are called upon to express their concerns or report a breach of the Code of Ethics, the Code of Conduct for the prevention of corruption, internal policies and procedures or the law, by reporting it to the Company's management:

- either via the internal whistle-blowing procedure: any Group employee may share their concerns or indicate unethical behavior to their line manager, to someone in Human Resources, or a compliance team member;
- or through a dedicated whistle-blowing hotline: this channel may be used specifically for the most serious cases mentioned above. This mechanism offers enhanced protection through "legal confidentiality". The dedicated whistle-blowing hotline is accessible via a website: <https://faurecia.ethicspoint.com/>.

All cases are initially analyzed to determine whether there is sufficient evidence to initiate an investigation, if necessary. After analysis, the lessons learned are regularly shared with the functions concerned. To this end, Compliance department has created a library that gathers all cases according to the following main categories: human resources (inappropriate behavior, discrimination, harassment, etc.), finance (compliance with accounting rules, fraud), conflicts of interest (selection of suppliers, non-declaration), violation of internal processes,

environment and safety, corruption, compliance with competition rules, etc. This periodic reporting guarantees the anonymity of the protagonists.

Compliance communicates widely on the Speak up process, procedures and training. All alerts are received by the Chief Compliance Officer and the General Counsel who, where applicable, together with Regional Compliance Officers provide legal protection for the whistleblower. Alerts can be entered into the tool in the desired language by the whistle-blower. The tool is configured in the main Faurecia languages. Upon receipt of the alert, an investigation procedure is initiated in order to best ensure its management in accordance with applicable internal and local rules. At the end of the investigation, corrective actions can be taken. The Compliance department monitors the implementation of these actions and periodically reports on the trends identified.

2.2.2.6. Legal department

The Legal department consists of a team located in France and in the main countries where the Group operates. It builds on an organization based on three pillars:

- lawyers specializing in certain areas (competition, mergers & acquisitions, intellectual property, company law, information technology);
- general legal experts in each product line – Business Group (seats, interiors, clean mobility, electronics, lighting and after-sales);
- general legal experts in the Group's main regions (Americas, Europe and the Middle East, Asia and China).

Thanks to these various skills, a constant legal watch and the implementation of control and reporting processes, the Legal department protects and ensures the security of the Group's operations.

2.2.3. External stakeholders

The mechanism outlined above is supplemented by the involvement of external stakeholders including:

- the Statutory Auditors;
- third-party organizations which carry out the following certification processes for the entire Group over a three-year cycle:
 - environment (ISO 14001),
 - health & safety (ISO 45001),
 - quality (ISO TS/IATF);
- engineers from fire and property insurance companies who conduct a biennial audit on each of the Group's sites to:
 - assess fire risks and any potential impact on production and customers,
 - check whether the prevention and protection measures in place are adequate,
 - issue recommendations to reduce risks.

2.3. Insurance and risk coverage

The Group's asset protection policy is based on the implementation and ongoing adaptation of a policy of (i) preventing industrial risks and (ii) transferring the main insurable risks to the insurance market.

In addition, given the trend in claims and the unfavorable trend in the insurance market – in particular the increase in deductibles – Faurecia is de facto its own insurer to a certain extent. The Group has set up a captive reinsurance company based in Luxembourg in order to further structure this self-insurance. Since 2021, the Group has obtained approval from the Luxembourg Insurance Commission for FORVIA-Ré, which participates in the hedging of the Group's civil liability, damage and business interruption insurance programs.

2.3.1. Fire, property damage and business interruption insurance

The Group has taken out a fire, property damage and business interruption insurance policy with a co-insurance group of major insurers led by FM Global.

Buildings and equipment are insured as replacement values. The guarantees are organized around a Master policy which directly covers the risks located in the area of freedom to provide services and local policies for subsidiaries located outside this area.

The premium rates applicable to exposed capital (direct damage and annual gross margin) depend directly on the Highly Protected Risk (HPR) classification assigned to the site, after audit by the insurer.

The Group was recently affected by several major incidents:

- June 2019: destruction following a fire at the plant belonging to the FCM supplier Modulo in Poland;
- November 2019: a fire in a workshop used for the manufacturing of flooring and trim and door panels in the Abrera plant in Spain following an outbreak of a fire on a painting production line.

These claims and general developments in the insurance market have led to a significant tightening of the program's terms and conditions:

- a sharp increase in deductibles, particularly for major sites that are poorly protected or exposed to high natural risks;
- increase in the premium;
- increase in the deductible for failures, and reduction in the level of coverage provided for indirect failures (tier-2 and above suppliers, customer suppliers).

Following recent incidents, prevention actions have been stepped up by:

- monitoring by the Risk Committee of the fire protection action plans of the most vulnerable main sites;

- the launch of an analysis and a monitoring of the fire and natural risks of our main suppliers, in particular through the precise location of their production plants;
- the launch of a technical and an economic evaluation of the costs of securing sites exposed to a high risk of flooding, earthquakes, wind or snowfall.

FORVIA completely reviewed the production of insurable property values at the time of the renewal in July 2023: the insured assets are now valued by a specialized service provider according to an algorithmic and predictive methodology based on the characteristics and location of the buildings as well as the list of equipment present at each site. Inventory and gross margin values are extracted from the ERP and then allocated to each site. This innovation made it possible to contain the inflation of securities and therefore the premium budget.

Lastly, the increase in climatic hazards could increase claims related to natural events or trigger other events (heat waves, water scarcity, etc.) likely to affect the Group's operations. A comprehensive analysis of the industrial park portfolio was carried out by an external partner in 2022, with the aim of anticipating the likely impacts of climate change on the most vulnerable industrial parks. Based on this analysis of exposure to natural disasters, the Group assesses the resilience of its activities using the OCARA method. In 2023, five pilot sites have tested the methodology before rolling it out at its most exposed sites.

Damage insurance is supplemented by builder's risk insurance and insurance covering the transportation of goods or equipment and political risk.

The previously regional transport insurance policies have been consolidated into an integrated global program with the insurer AXA XL since January 1, 2022. Prevention actions are underway to control claims in countries affected by recurring claims such as Mexico, Brazil and South Africa.

2.3.2. Liability insurance

Since January 1, 2022, Allianz became the leader of the co-insurance program that covers Faurecia's civil liability. Civil liability insurance covers operational liability and product liability after delivery, including the risk of recall. Liability insurance takes the form of a Master policy combined with local policies taken out in countries where Faurecia has subsidiaries.

The Group's civil liability insurance plan also includes specific policies such as civil liability insurance for environmental damage or damage coverage due to accidents or occupational illnesses of personnel.

Several major claims were filed in the United States and Europe between 2014 and 2019. A surge in claims for physical injuries following an accident has also been recorded in the United States. This increase in claims affects the terms of the liability insurance plan.

Since 2019, it has been observed that the recent high loss experience as well as the tightening of market conditions lead to a sharp increase in the deductibles applicable in case of recall and in insurance premiums.

The acceleration of the Faurecia Hydrogen Solutions division requires the extension of insurance coverage to this new line of products and the associated industrial risks. To this end, information workshops for civil liability insurers were conducted to present these activities and work on risk prevention recommendations.

2.3.3. HELLA insurance

HELLA has set up an insurance program to cover the main risks related to its business. The Insurance Departments of Faurecia and HELLA are working together to merge certain insurance policies for the Group, as is the case for the property and casualty and business interruption policy, which is scheduled to be consolidated on January 1, 2024.

3

Corporate governance

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The information below constitutes the chapter relating to the corporate governance report as provided for by the last paragraph of Article L. 225-37 of the French Commercial Code.

Some of the information forming an integral part of the corporate governance report, as required by Articles L. 22-10-8 and L. 22-10-10 of the French Commercial Code, is included in other chapters of this Universal Registration Document. Where applicable, references included in this section indicate the chapter of this Universal Registration Document to which they refer.

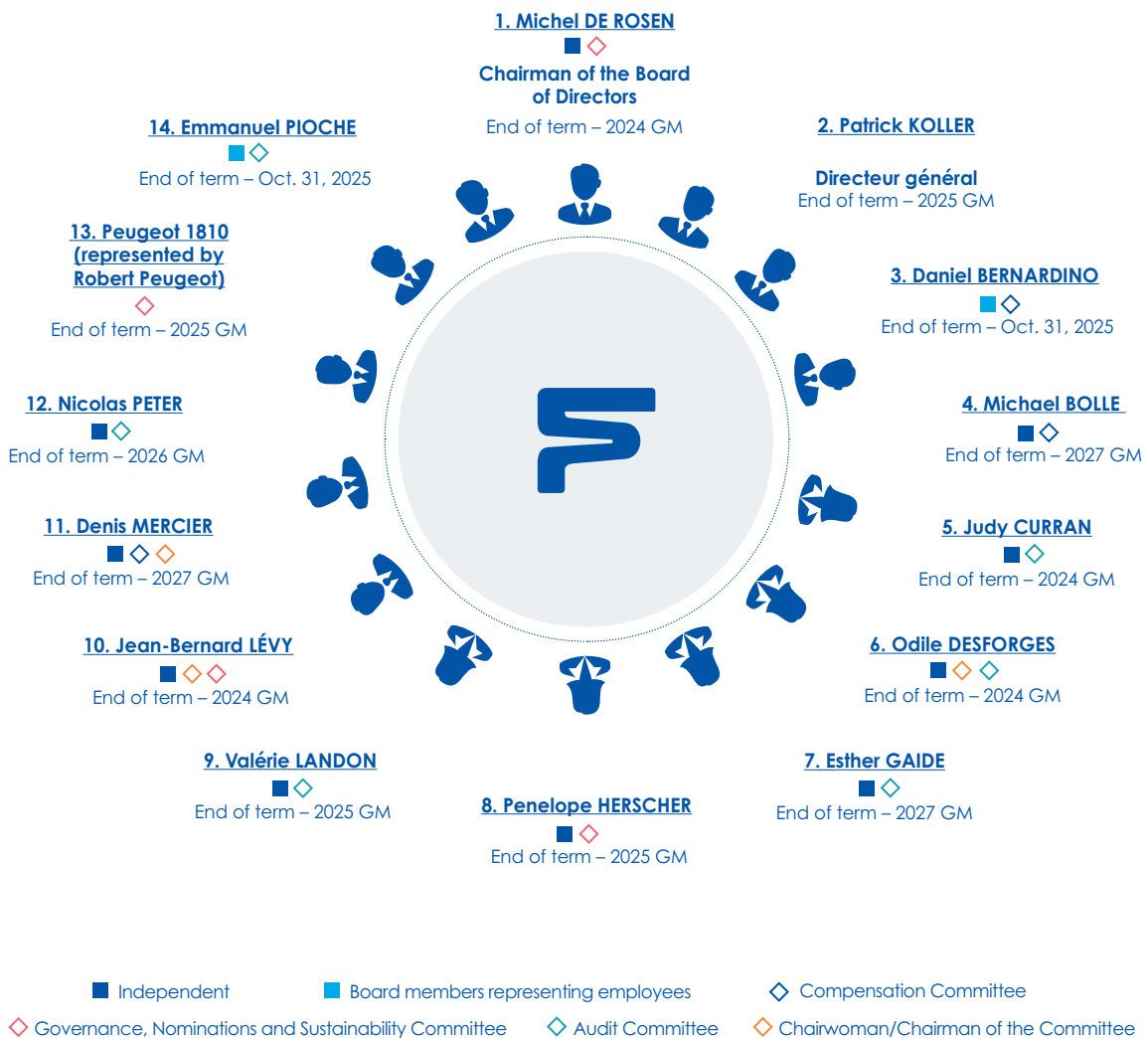
This chapter has been prepared on the basis of the work carried out by the Group's Legal department and Human Resources department.

The Company refers to the AFEP-MEDEF Corporate Governance Code for listed companies, available on the MEDEF website (www.medef.fr).

3.1. Board of Directors

3.1.1. Summary presentation of the Board of Directors and key figures

The diagram below summarizes the composition of the Board of Directors and the Committees (permanent) at the date of this Universal Registration Document:



The table below presents the key figures of the Board of Directors at the date of this Universal Registration Document.

14 Board members	83% Independent Board members ⁽¹⁾⁽³⁾	42% Female Board members ⁽¹⁾⁽³⁾	
2 Board members representing employees	5 Nationalities	4 years Average term of office ⁽³⁾	64 years Average age ⁽³⁾
7 Meetings of the Board of Directors ⁽²⁾	98% Attendance rate at Board meetings ⁽²⁾⁽³⁾		
17 Committee meetings (including 1 meeting of the Ad Hoc Committee) ⁽²⁾	99% Attendance rate at Committee meetings ⁽²⁾⁽³⁾		

(1) Excluding Board members representing employees.

(2) Figures as of December 31, 2023.

(3) Rounded up to the nearest integer.

3.1.2. Composition of the Board of Directors

3.1.2.1. General information on the composition of the Board of Directors

According to the Company's bylaws, FORVIA's Board of Directors comprises at least three members and a maximum of 15 members, excluding Board members representing employees, appointed in accordance with Article L. 225-27-1 of the French Commercial Code.

Board members are appointed for a term of four years by the General Meeting, on the basis of proposals made by the Board of Directors, acting on the basis of recommendations made by the Governance, Nominations and Sustainability Committee. They may be re-elected and can be dismissed at any time by the General Meeting. Neither the bylaws nor the internal rules of the Board of Directors contain rules for staggered terms of office. However, in practice, appointments are renewed on a staggered basis, which helps avoid reappointing Board members all at once.













In addition, the Company has two Board members representing employees appointed pursuant to Article L. 225-27-1 of the French Commercial Code, in accordance with the following terms and conditions of the bylaws: one Board member representing employees is appointed by the labor union that obtained the most votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labor Code, and a second Board member representing employees is appointed by the European Employee Representation Council. They are also appointed for a term of four years.



The Board of Directors has no advisor (*censeur*).

3 Corporate governance

Board of Directors

The table below sets out and completes the information given in the above graph and in the key figures regarding the composition of the Board of Directors and Specialized Committees (permanent) at the date of this Universal Registration Document:

	Age	Gender	Nationality	Number of shares	Number of corporate offices in listed companies (excluding FORVIA)	Independence	Date of first appointment	End of corporate office	Length of time on Board	Committees
1. EXECUTIVE CORPORATE OFFICERS										
Michel de ROSEN Chairman of the Board of Directors	73 years	M		12,565	1	Yes	GM of May 27, 2016	GM 2024	8 years	Member of the Governance, Nominations and Sustainability Committee
Patrick KOLLER Chief Executive Officer and Board member	65 years	M		154,751	2	No	GM of May 30, 2017	GM 2025	7 years	-
2. BOARD MEMBERS APPOINTED BY THE MEETING										
Michael BOLLE	62 years	M		513	0	Yes	GM of May 30, 2023	GM 2027	9 months	Member of the Compensation Committee
Judy CURRAN	62 years	F		500	1	Yes	BoD meeting of February 18, 2022	GM 2024	2 years	Member of the Audit Committee
Odile DESFORGES	74 years	F		664	1	Yes	GM of May 27, 2016	GM 2024	8 years	Chairwoman of the Audit Committee
Esther GAIDE	62 years	F		500	1	Yes	GM of May 30, 2023	GM 2027	9 months	Member of the audit Committee
Penelope HERSCHER	63 years	F		500	2	Yes	GM of May 30, 2017	GM 2025	7 years	Member of the Governance, Nominations and Sustainability Committee
Valérie LANDON	61 years	F		650	0	Yes	BoD Meeting of October 12, 2017	GM 2025	7 years	Member of the Audit Committee
Jean-Bernard LÉVY	68 years	M		500	1	Yes	BoD meeting of February 19, 2021	GM 2024	3 years	Chairman of the Governance, Nominations and Sustainability Committee
Denis MERCIER	64 years	M		1,157	0	Yes	GM of May 28, 2019	GM 2027	5 years	Chairman of the Compensation Committee
Nicolas PETER	61 years	M		500	1	Yes	BoD meeting of October 19, 2023	GM 2026	4 months	Member of the Audit Committee
Peugeot 1810 with Robert PEUGEOT as permanent representative	73 years	M		6,110,494 ⁽¹⁾	3 ⁽³⁾	No	GM of May 31, 2021 ⁽²⁾	GM 2025	3 years	Member of the Governance, Nominations and Sustainability Committee

	Age	Gender	Nationality	Number of shares	Number of corporate offices in listed companies (excluding FORVIA)	Independence	Date of first appointment	End of corporate office	Length of time on Board	Committees
3. BOARD MEMBERS REPRESENTING EMPLOYEES										
Daniel BERNARDINO	53 years	M		-(5)	0	-(4)	November 1, 2017	October 31, 2025	6 years	Member of the Compensation Committee
Emmanuel PIOCHE	58 years	M		-(6)	0	-(4)	November 1, 2017	October 31, 2025	6 years	Member of the Audit Committee

(1) Robert Peugeot also holds 694 individual shares.

(2) Robert Peugeot has been an individual Board member since May 29, 2007. The term of his corporate office ended on May 31, 2021. Since this date, he has been a permanent representative of Peugeot 1810.

(3) Corporate offices held by the permanent representative.

(4) In accordance with the AFEF-MEDEF Code, Board members representing employees are not included in the calculation of the percentage of independent Board members.

(5) Daniel Bernardino participated in an employee shareholding plan carried out in 2021 and holds as such FCPE shares invested in FORVIA shares.

(6) Emmanuel Pioche participated in an employee shareholding plan carried out in 2021 and holds as such FCPE shares invested in FORVIA shares.

3.1.2.2. Board members' expertise, positions and corporate offices as of the date of this Universal Registration Document

The information provided below is given as of the date of this Universal Registration Document.

The business address of Board members is that of the Company.

Daniel BERNARDINO



Date of birth: August 9, 1970

Nationality: 

Number of FORVIA shares: - (*)

Skills:



Board member representing employees

Date of first appointment: November 1, 2017

Date of expiry of corporate office: October 31, 2025

Member of the Compensation Committee

Daniel Bernardino is a method agent in the Logistics department at FORVIA's Palmela site (Portugal).

He joined the Group in 1994 as Head of the logistics team. He held various employee representation offices between 1997 and 2017 and has been a member of FORVIA's European Works Council for 14 years.

He is a sociology graduate.

Main position held outside of FORVIA

No outside position held.

Other positions and corporate offices in 2023 outside of FORVIA


No such corporate office.

Positions and corporate offices held within the last five years and which have expired

-

(*) Daniel Bernardino participated in an employee shareholding plan carried out in 2021 and holds as such FCPE shares invested in FORVIA shares.

 Experience in FORVIA's core businesses

 Experience in an industrial company

 Automotive technologies

 Specific knowledge of a geographic market

 Leadership and crisis management

Michael BOLLE



Date of birth: May 6, 1961

Nationality:

Number of FORVIA shares: 513

Skills:



Independent Board member

Date of first appointment: GM 2023

Date of expiry of corporate office: GM 2027

Member of the Compensation Committee

Dr. Michael Bolle is a company's Board member.

He started his career at Robert Bosch in 1992 as research engineer and was appointed as Department Head of the Corporate Research Department in 1997.

In 1999, he became an entrepreneur and was co-founder of the start-up Systemonic AG, which developed semiconductors for mobile communications and sold it successfully few years later.

In 2003, he returned to Robert Bosch as General Manager of a newly founded joint venture with Denso called ADIT. In 2006, he was appointed head of the product division infotainment systems of Bosch Car Multimedia and in 2011 as Executive Vice President Engineering. In 2014, he was promoted to President of Bosch Corporate Research Organization, covering research activities for all different businesses within the Bosch group and in 2018 he became Member of the Board of Management and fulfilled the roles of Chief Technology Officer and Chief Digital Officer until 2021. In addition, he was responsible for corporate quality and worldwide coordination of manufacturing.

Since January 2022, he is the Chairman of the Shareholder Council of Carl Zeiss Foundation, where he acts as a link between the foundation and the foundation's companies Carl Zeiss AG and Schott AG. He represents the economic interests of the Carl Zeiss Foundation towards the foundation's companies and is simultaneously appointed as Chairman of the Supervisory Board of both Schott AG and Carl Zeiss AG. He is also a Board member (*Verwaltungsrat*) of Swissbit AG.

He received a Master's Degree in Electrical Engineering from the RWTH Aachen University (Germany) in 1986 and earned a PhD in Digital Signal Processing from the Ruhr University Bochum (Germany) in 1992.

Main position held outside of FORVIA:

- Company Director (see below).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

No such corporate office.

French unlisted companies

No such corporate office.

Other foreign listed companies

No such corporate office.

Foreign unlisted companies

- Chairman of the Trustee of the Carl Zeiss Foundation (Germany);
- Chairman of the Supervisory Board of Schott AG (Germany);
- Chairman of the Supervisory Board of Carl Zeiss AG (Germany);
- Board Member of Swissbit AG (Switzerland).

Positions and corporate offices held within the last five years and which have expired

- Member of the Board of Management of Robert Bosch GmbH (Germany) (from 2018 to 2021) – Chief Digital officer and Chief Technology officer.

Experience in FORVIA's core businesses	Experience in an industrial company	International experience	Automotive technologies
Governance/management of large companies	Specific knowledge of a geographic market	Data based technologies/digital	Leadership and crisis management
Risk management	Energy/electrification		

Judy CURRAN



Date of birth: May 17, 1961

Nationality:

Number of FORVIA shares: 500

Skills:



Independent Board member

Date of first appointment: February 18, 2022

Date of expiry of corporate office: GM 2024

Member of the Audit Committee

Judy Curran is responsible for the Automotive Technology and Strategy at ANSYS including the go-to-market plans and the development of new simulation workflows aligned with latest automotive trends such as electrification, assisted driving and autonomy.

Judy Curran served previously in a number of positions at Ford group from 1986 to 2018 (notably as Director of Technology Strategy from 2014 to 2018 where she in particular developed the cross-vehicle global strategy for key new technologies including assisted driving, infotainment, new electrical architectures, and connectivity).

Judy Curran holds a Bachelor of Science, Electrical Engineering/Computer Software from Lawrence Technological University (USA) and a Master of Science, Electrical Engineering from the University of Michigan (USA).

Main position held outside of FORVIA:

- Sr. Chief Technologist, Automotive of ANSYS (foreign listed company).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

No such corporate office.

French unlisted companies

No such corporate office.

Other foreign listed companies

- Independent Board Director at MicroVision.

Foreign unlisted companies

- Independent Board member of SAE International.

Positions and corporate offices held within the last five years and which have expired

- Board of Advisors, College of Engineering, Lawrence Technological University.

Experience in FORVIA's core businesses

Experience in an industrial company

International experience

Automotive technologies

Governance/management of large companies

Specific knowledge of a geographic market

Data based technologies/digital

Leadership and crisis management

Risk management

Energy/electrification

Odile DESFORGES



Date of birth: January 24, 1950

Nationality:

Number of FORVIA shares: 664

Skills:



Independent Board member

Date of first appointment: May 27, 2016

Date of expiry of corporate office: GM 2024

Chairwoman of the Audit Committee

Odile Desforges was a research analyst at the *Institut de Recherche des Transports* in 1973 before joining Renault in 1981, where she held several positions of responsibility in planning, product development and purchasing. Subsequently, after serving as Deputy Chief Executive Officer of Renault-VI/Mack and as a member of the Executive Committee with responsibility for planning, purchasing and program development from 1999 until 2001, she was appointed President of the Volvo 3P Business Unit of AB Volvo, where she remained until 2003. From 2003 to 2009, Odile Desforges was a member of Renault's Management Committee and served as Head of Worldwide Purchasing for Renault-Nissan. In 2009, she was named to Renault's Executive Committee and appointed as Group Director of Engineering and Quality. She exercised her rights to retire in July 2012.

Odile Desforges is an engineer and graduate of *École Centrale de Paris* and of the European Center for Executive Development (CEDEP).

She was made a *Chevalier de l'Ordre National du Mérite* and a *Chevalier de la Légion d'Honneur* by the French government.

Main position held outside of FORVIA

- Company Director (see below).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

- Board member and member of the Audit Committee of Dassault Systèmes.

French unlisted companies

No such corporate office.

Other foreign listed companies

No such corporate office.

Foreign unlisted companies

No such corporate office.

Positions and corporate offices held within the last five years and which have expired

- Board member and Chairwoman of the Audit Committee of Safran until the General Meeting held in 2021;
- Board member of Imerys (until the General Meeting of May 2020);
- Board member and member of the Audit Committee, the Appointments Committee and the Compensation Committee of Johnson Matthey Plc. (Great Britain), until July 2019.

Experience in FORVIA's core businesses

Experience in an industrial company

International experience

Automotive technologies

Governance/management of large companies

Banking/finance

Leadership and crisis management

Risk management

Esther GAIDE



Date of birth: September 6, 1961

Nationality: 

Number of FORVIA shares: 500

Skills:



Independent Board member

Date of first appointment: GM 2023

Date of expiry of corporate office: GM 2027

Member of the audit Committee

Esther Gaide began her career in 1983 working in the external audit departments of PriceWaterhouseCoopers in Paris and London and Deloitte in Paris and Los Angeles. In 1994, she joined Bolloré group as Group Internal Audit Director where she set up the Internal Audit Department. Between 1996 and 2008, she successively held the position of CFO of the Bolloré Logistics Division, CFO of the Bolloré Africa Logistics Division and ultimately Group Director of Controlling, in charge of accounting, consolidation and control. In 2006, she joined Havas as Deputy CFO and HR Director. In 2011, she joined Technicolor as Group Director of Controlling, then was appointed deputy CFO before becoming CFO and member of Technicolor's Executive Committee in 2015. From March 2018 to April 2023, she held the position of CFO of Elixir Group.

She is also Board Member and Chairwoman of the Audit Committee of both Eutelsat S.A. and Iliad S.A.

Esther Gaide is a graduate of ESSEC and a chartered accountant.

Main position held outside of FORVIA

- Company Director (see below).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

- Board member, member of the Audit, Risk and Compliance Committee and member of the remuneration Committee of Eutelsat S.A.

French unlisted companies

- Board member and Chairwoman of the Audit Committee of Iliad S.A.

Other foreign listed companies

No such corporate office.

Foreign unlisted companies

No such corporate office.

Positions and corporate offices held within the last five years and which have expired

- CFO of Elixir Group*;
- Permanent representative of Elixir Group on the Board of Directors of Elixir Restauration et Services S.A.*;
- CEO and Board member of Elixir Financement S.A.*;
- Deputy CEO of Elixir Restauration et Services S.A.*;
- Permanent representative of Elixir Participations S.C.A. as:
 - President of Elixir FA3C S.A.S.*;
 - President of Elixir Trésorerie S.A.S.*;
 - President of Elixir Gestion S.A.S.*;
 - President of Sacores S.A.S.*;
 - President of Egée Venture S.A.S.*;
 - President of Académie by Elixir S.A.S.*
- Board member of SC2R S.A.S.*;
- President of Bercy Services I S.A.S.*;
- President of Bercy Services XXV S.A.S.*;
- President of Bercy Services XXIX S.A.S.*;
- President of Eleat Solutions S.A.S.*;
- President of Elixir Data RC France S.A.S.*;
- Permanent representative of Egée Venture as President of Bercy Services XXVII S.A.S.*;

- Manager of Bercy Services II SARL*;
- Permanent representative of Elior Restauration et Services:
 - on the Board of Directors of ELRES S.A.S.*;
 - on the Board of Directors of Elior Entreprises S.A.S.*;
- Permanent representative of Elior Participations S.C.A., itself Board member of C2L*;
- Permanent representative on the Board of Directors of Ducasse Développement*;
- Permanent representative of Elior Gestion on the Board of Directors of Restaurants et Sites*;
- Board member of Elior Ristorazione*;
- Board member of Gemeaz Elior Spa*;
- Board member of Elichef Holding Spa*;
- Board member of My Chef Ristorazione Commerciale*;
- Permanent representative of Elior Restauration et Services on the Board of Directors of SERUNION S.A.*;
- Board member of Elior UK Holdings Limited*;
- Board member of Elior UK Plc*;
- Board member of Waterfall Elior Limited*;
- Board member of Edwards and Blake Limited*;
- Permanent representative of Elior Group on the Board of Directors of Areas Worldwide S.A. (until 2019);
- Permanent representative of Areas Worldwide and Chairwoman of the Supervisory Board of Elior Participations S.C.A. (until 2019);
- Permanent representative of Holding De Restauration Concédée itself Director of C2L (until 2019).

(*) Her position/mandate ended on April 18, 2023.



Experience in an industrial company



International experience



Governance/management of large companies



Banking/finance



Data based technologies/digital



Leadership and crisis management



CSR



Risk management

Penelope HERSCHER



Date of birth: July 15, 1960

Nationality:

Number of FORVIA shares: 500

Skills:



Independent Board member

Date of first appointment: May 30, 2017

Date of expiry of corporate office: GM 2025

Member of the Governance, Nominations and Sustainability Committee

Penelope Herscher is Chairwoman of the Board of Directors of Lumentum Operations LLC. (previously JDSU) as well as its Governance Committee.

She is also Chairwoman of the Board of a listed company named SGH (formerly Smart Global) for which she also serves on the Governance Committee, as well as of two unlisted companies: Delphix and Modern Health.

From 1996 to 2015, Penelope Herscher was CEO and Chair of two Silicon Valley technology companies: Simplex which she took public in 2001 and subsequently sold to Cadence Design Systems and FirstRain which she sold in 2017.

Penelope Herscher holds a Bachelor of Arts with honors and a Master of Arts in Mathematics from Cambridge University (England).

Main position held outside of FORVIA

- Company Director/Chairwoman (see below).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

No such corporate office.

French unlisted companies

No such corporate office.

Other foreign listed companies

- Chairwoman of the Board of Directors of Lumentum Operations LLC. (since 2019, previously a Board member);
- Chairwoman of the Board of Directors of SGH, formerly Smart Global (since February 14, 2022, previously a Board member);

Foreign unlisted companies

- Board member of Delphix;
- Board member of Modern Health.

Positions and corporate offices held within the last five years and which have expired

- Chairwoman of the Board of Directors of Embark Technology (since September 7, 2022 until August 4, 2023);
- Board member of Verint (from March 2017 to June 2021);
- Board member of Pros (from January 2018 to May 2021).



Experience in an industrial company



International experience



Governance/management of large companies



Specific knowledge of a geographic market



Data based technologies/digital



Leadership and crisis management



CSR



Risk management

Patrick KOLLER



Date of birth: January 2, 1959

Board Member

Nationality:

Date of first appointment: May 30, 2017

Number of FORVIA shares: 154,751

Date of expiry of corporate office: GM 2025

Skills:



Patrick Koller has been Chief Executive Officer of FORVIA since July 1, 2016.

He has held various management positions with several major manufacturing groups (HELLA, Valeo, Rhodia).

In 2006, he joined the Faurecia group (now FORVIA) as Executive Vice President of the Faurecia Automotive Seating Business group (now FORVIA Seating), a position he held until February 2, 2015. During this period, he held various offices within the Group subsidiaries.

On February 2, 2015, he was appointed Deputy Chief Executive Officer in charge of operations, a position he held until June 30, 2016.

He graduated from the *École Supérieure des Sciences et Technologies de l'Ingénieur de Nancy* (ESSTIN).

Main position held within FORVIA

- Chief Executive Officer (CEO).

Main position held outside of FORVIA

- Company Director (see below).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

- Board member of Legrand S.A.

French unlisted companies

No such corporate office.

Other foreign listed companies

- Vice President of the Shareholder Committee of HELLA.

Foreign unlisted companies

No such corporate office.

Other

- Board member (donors' committee) of the *Collège de France* Foundation.

Positions and corporate offices (held within FORVIA group) in the last five years and which have expired

-

Experience in FORVIA's core businesses

Experience in an industrial company

International experience

Automotive technologies

Governance/management of large companies

Specific knowledge of a geographic market

Leadership and crisis management

CSR

Risk management

Energy/electrification

Valérie LANDON



Date of birth: August 17, 1962

Nationality:

Number of FORVIA shares: 650

Skills:



Independent Board member

Date of first appointment: October 12, 2017

Date of expiry of corporate office: GM 2025

Member of the Audit Committee

Valérie Landon began her career in 1985 at Air France. In 1990, she joined Credit Suisse as an investment banker. Over the decades, she has held various responsibilities in various countries, in France, Japan and the United States; since 2021 she has been Chairwoman of Credit Suisse for France and Belgium.

She is an engineering graduate from *École Centrale de Paris*.

Main position held outside of FORVIA

- Chairwoman France and Belgium, Credit Suisse (listed foreign company).

Other positions and corporate offices in 2023 outside of FORVIA

No such corporate office.

Positions and corporate offices held within the last five years and which have expired

- Independent Board member of Albioma, member of the Audit, Accounts and Risks Committee, member of the Commitments Committee (from 2016 to May 2019).



International experience



Specific knowledge of a geographic market



Banking/finance



Risk management

Jean-Bernard LÉVY



Date of birth: March 18, 1955

Nationality:

Number of FORVIA shares: 500

Skills:



Independent Board member

Date of first appointment: February 19, 2021

Date of expiry of corporate office: GM 2024

Chairman of the Governance, Nominations and Sustainability Committee

Jean-Bernard Lévy was a works engineer at the Angers Division of France Télécom in 1979, became responsible for managing executive managers and HR budgets at corporate head office in 1982, and then deputy to the head of the corporate HR department.

In 1986, he was appointed Technical Advisor in the staff of Gérard Longuet, Minister for Postal Services and Telecommunications. From 1988 to 1993, Jean-Bernard Lévy managed the Communications Satellites business of Matra Espace, later becoming Matra Marconi Space. From 1993 to 1994, he was the Chief of Staff to Gérard Longuet, Minister of Industry, Postal Services, Telecommunications and Foreign Trade in the French Government.

In 1995, he was appointed Chairman and Chief Executive Officer of Matra Communication. In 1998, he joined Oddo et Cie as Managing Director, then Managing Partner. In summer 2002, Jean-Bernard Lévy joined Vivendi. He served as its Chief Executive Officer until April 2005, and became Chairman of the Management Board and Chief Executive Officer in April 2005, until June 2012. From December 2012 to November 2014, he was Chairman and Chief Executive Officer of Thales group (defense and aerospace). Jean-Bernard Lévy was EDF's Chairman and Chief Executive Officer from November 2014 to November 2022.

Jean-Bernard Lévy is a graduate of the *École Polytechnique* and of *Télécom Paris Tech*.

Main position held outside of FORVIA

- Company Director/Chairman (see below).

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

- Advisor (*censeur*) and CSR referent of Société Générale.

French unlisted companies

- Chairman of JBL Consulting & Investment (since January 2023);
- Board member of Tehtris (since January 2023).

Other foreign listed companies

No such corporate office.

Foreign unlisted companies

No such corporate office.

Other

- President of *Conseil Français de l'Énergie* (CFE);
- Board member of AX.

Positions and corporate offices held within the last five years and which have expired

- Board member of Edison S.p.A (Italy) until December 6, 2022;
- Board member of France Industrie until November 25, 2022;
- Chairman and Chief Executive Officer of EDF (listed company) until November 23, 2022;
- Chairman of the Supervisory Board of Framatome until November 23, 2022;
- Board member of Dalkia until November 23, 2022;
- Board member of EDF Renouvelables until November 23, 2022;
- Board member of EDF Energy Holdings (United Kingdom) until November 23, 2022;
- Chairman of the Board of Directors of the EDF Foundation until November 23, 2022;
- Board member of the Global Sustainable Electricity Partnership (GSEP) (Canada) until November 23, 2022;
- Chairman of Eurelectric until November 21, 2022;
- Chairman of the Board of Directors of Edison S.p.A (Italy), from 2014 to June 2019;
- President of the *Innovations Pour les Apprentissages* (FIPA) Foundation;
- Board member of Europlace;
- Advisor (*censeur*) of the Fondation JJ Laffont – Toulouse School of Economics (TSE);
- President of Viva Fabrica Foundation.

Experience in an industrial company

International experience

Governance/management of large companies

Banking/finance

Leadership and crisis management

CSR

Risk management

Energy/electrification

Denis MERCIER



Date of birth: October 4, 1959

Nationality: 

Number of FORVIA shares: 1,157

Skills:



Independent Board member

Date of first appointment: May 28, 2019

Date of expiry of corporate office: GM 2027

Chairman of the Compensation Committee

Denis Mercier is Deputy Chief Executive Officer of Fives group, member of the Executive Committee.

He has held different positions within the French Air Force and NATO.

After having been Commandant of the French Flying School at Salon-de-Provence (France) from 2008 to 2010, he became principal private secretary of the French Minister of Defense from 2010 to 2012.

Between 2012 and 2015, he held the position of Chief of Staff of the French Air Force and was promoted to the rank of General of the Air Force.

From 2015 to September 2018, he held the position of Supreme Allied Commander of Transformation at NATO. He joined the Fives Group in October 2018 as Deputy Chief Executive Officer.

Denis Mercier is an engineer from the *École de l'Air* (class of 1979). He is a *Grand Officier* of the *Légion d'honneur* and an *Officier de l'ordre national du Mérite*.

Main position held outside of FORVIA

- Deputy Chief Executive Officer of Fives group (*French listed company*^(*)), member of its Executive Committee.

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

No such corporate office.

French unlisted companies

- Board member of AddUp (Fives-Michelin joint venture);
- Board member of CryptoNext Security;
- Member of the Supervisory Board of ARESIA.

Other foreign listed companies

No such corporate office.

Foreign unlisted companies

- Chairman of the Board of Fives Vostok;
- Member of the Board of Helsing.

Other

- Board member of *Comité France-China* (MEDEF).

Positions and corporate offices held within the last five years and which have expired

- Chairman of the Board of Directors of *École de l'Air* (EPSCP);
- Board member of Fives Engineering Shanghai Co., Ltd;
- Board member of Fives Automation & Processing Equipment Co., Ltd;
- Member of the Supervisory Board of Dataiku.

(*) Company in which only the bonds are listed.



Experience in an industrial company



International experience



Data based technologies/digital



Leadership and crisis management



CSR



Risk management

Nicolas PETER



Date of birth: April 1, 1962

Nationality:

Number of FORVIA shares: 500

Skills:



Independent Board member

Date of first appointment: October 19, 2023

Date of expiry of corporate office: GM 2026

Member of the Audit Committee

Nicolas Peter worked for the BMW group in various positions for more than thirty years and was its Chief Financial Officer and member of the Board of Directors from 2017 to May 2023. He has been Chairman of the Board of Trustees of the BMW Foundation Herbert Quandt since 2020.

Nicolas Peter is also a member of the German Governmental Commission for the German Corporate Governance Code (GCGC).

Nicolas Peter studied law at the Ludwig-Maximilians University in Munich and obtained his doctorate in private international law in 1990.

Main position held outside of FORVIA

- Company Director (see below) and Chairman of the Board of Trustees of the BMW Foundation Herbert Quandt.

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

No such corporate office.

French unlisted companies

No such corporate office.

Other foreign listed companies

- Member of the Supervisory Board and Chairman of the Audit Committee of Kion Group AG.

Foreign unlisted companies

No such corporate office.

Other

- Chairman of the Board of Trustees of the BMW Foundation Herbert Quandt since 2020.

Positions and corporate offices held within the last five years and which have expired

- Member of the Board of Directors of BMW AG from 2017 to May 2023.

Experience in FORVIA's core businesses

Experience in an industrial company

International experience

Automotive technologies

Governance/management of large companies

Specific knowledge of a geographic market

Banking/finance

Data based technologies/digital

Leadership and crisis management

CSR

Risk management

Energy/electrification

PEUGEOT 1810 with Robert PEUGEOT as permanent representative

French société par actions simplifiée with a share capital of €1,531,905,966

Number of FORVIA shares held by Peugeot 1810: 6,110,494

Corporate office: 66 avenue Charles de Gaulle
92200 Neuilly-sur-Seine

Subsidiary of Peugeot Invest and Etablissements Peugeot Frères which purpose is to hold their historical participations in relation to the automotive sector.

Date of first appointment: May 31, 2021^(*)

Date of expiry of corporate office: GM 2025

Member of the Governance, Nominations and Sustainability Committee

Main position held outside of FORVIA

No other positions held.

Other positions and corporate offices in 2023 outside of FORVIA

No such corporate office.

Positions and corporate offices held within the last five years and which have expired

- Board member of SICAV ARMENE;
- Board Member of SICAV ARMENE 2.

^(*) Robert PEUGEOT has been the permanent representative of Peugeot 1810 since May 31, 2021 (and was a Board member of FORVIA from May 29, 2007, to May 31, 2021).

Robert PEUGEOT



Date of birth: April 25, 1950

Nationality:

Number of FORVIA shares held by Robert Peugeot: 694

Skills:



Permanent representative of PEUGEOT 1810

Date of first appointment: May 29, 2007

Date of expiry of corporate office: GM 2025

Robert Peugeot is Chairman of the Board of Directors of Peugeot Invest.

He has held various senior positions within the PSA group and was a member of its Executive Committee from 1998 to 2007, in charge of Innovation and Quality. He represented Peugeot Invest on the Peugeot S.A. Supervisory Board until the merger between Peugeot S.A. and Fiat Chrysler Automobiles; since then, within Stellantis, he has held the positions of Vice-President and Board member. After being the Chairman and Chief Executive Officer of Peugeot Invest from 2002 to 2020, he is now Chairman of the Board of Directors.

Robert Peugeot is a graduate of the *École Centrale de Paris* and of INSEAD. He was made *Chevalier de l'ordre national du Mérite* (2000) and a *Chevalier de la Légion d'honneur* (2010) by the French Government.

Main position held outside of FORVIA

- Chairman of the Board of Directors of Peugeot Invest (French listed company).

Other positions and corporate offices in 2023 outside of FORVIA

Other French listed companies

- Member of the Board of Directors of Safran S.A.

French unlisted companies

- Chairman of the Governance Committee of Tikehau Capital Advisors S.A.S.;
- General Manager of SC Rodom;
- Member of the Soparexo S.C.A. Supervisory Board;
- Member of the Board of Directors of Peugeot 1810 (formerly Maillot I);
- Member of Financière Guiraud S.A.S. Supervisory Board.

Other foreign listed companies

- Vice Chairman of the Board of Directors of Stellantis (Dutch company listed in France, Italy and the United States).


Foreign unlisted companies

- Director of Peugeot Invest UK Ltd (United Kingdom);
- Board member of Asia Emergency Assistance Holdings Pte Ltd (Singapore).

Positions and corporate offices held within the last five years and which have expired


- Permanent representative of Maillot II on the Board of Directors of SICAV ARMENE 2;
- Permanent representative of Peugeot Invest (formerly FFP S.A.) on the Board of Directors of Peugeot 1810 (formerly Maillot I);
- Member of Peugeot Frères S.A. Board of Directors;
- Member of the Board of Directors of Tikehau Capital Advisors S.A.S.;
- Permanent representative of F&P S.A.S. on the Board of Directors of Safran S.A.;
- Member of the Peugeot S.A. Supervisory Board;
- General Manager of SARL CHP Gestion;
- Permanent representative of Peugeot Invest, Chairman of Peugeot Invest Assets;
- Permanent representative of Peugeot Invest Assets, Chairman and member of the Supervisory Board of Financière Guiraud S.A.S.;
- Member of the ACE Management S.A. Supervisory Board;
- Permanent representative of Peugeot 1810 on the Board of Directors of SICAV ARMENE 2;
- Chairman-Chief Executive Officer of Peugeot Invest;
- Board member of DKSH S.A. (Switzerland);
- Member of the Hermès International S.C.A. Supervisory Board;
- Permanent representative of Peugeot 1810 on the Board of Directors of SICAV ARMENE;
- Permanent representative of Peugeot Invest Assets (formerly FFP Invest S.A.S.) on the Board of Directors of Sanef S.A. (France).
- Chairman of F&P S.A.S.;
- Member of the Signa Prime Supervisory Board (Austria);
- Member of Signa Development Supervisory Board (Austria);
- Manager of Mille Sabords;
- Manager of Artemisia;
- Manager of Gatopardi;
- Board member of Sofina S.A. (Belgium).

 Experience in FORVIA's core businesses

 Experience in an industrial company

 International experience

 Automotive technologies

 Governance/management of large companies

 Banking/finance

 Leadership and crisis management

 CSR

 Risk management

 Energy/electrification

Emmanuel PIOCHE



Date of birth: December 4, 1965

Nationality:

Number of FORVIA shares: - (*)

Skills:



Board member representing employees

Date of first appointment: November 1, 2017

Date of expiry of corporate office: October 31, 2025

Member of the Audit Committee

Emmanuel Pioche has been Mission Head for R&D Frames at FORVIA (Brières-les-Scellés site, France) since July 2017. Previously, he was a prototype maker in the R&D trimlab at the same site.

He joined the Group in 1995 as a qualified prototypes agent. He held various employee representation offices from 1999 to 2017.

He holds the professional title of thin-sheet metal worker, holds an Aerospace TIG heavy and light metal welding license, obtained a G2 Baccalaureate (management), and a level III programmer analyst's diploma.

Main position held outside of FORVIA

No other positions held.

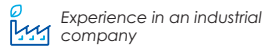
Other positions and corporate offices in 2023 outside of FORVIA

No such corporate office.

Positions and corporate offices held within FORVIA group in the last five years and which have expired

-

(*) Emmanuel Pioche participated in an employee shareholding plan carried out in 2021 and holds as such FCPE shares invested in FORVIA shares.



Michel de ROSEN



Date of birth: February 18, 1951

Nationality:

Number of FORVIA shares: 12,565

Skills:



Independent Board member

Date of first appointment: May 27, 2016

Date of expiry of corporate office: GM 2024

Chairman of the Board of Directors

Date of appointment: May 30, 2017

Member of the Governance, Nominations and Sustainability Committee

Michel de Rosen has been Chairman of the Board of Directors of FORVIA since May 30, 2017.

He has successively held positions first as a senior public official and then as a senior executive in French and US companies.

He was a member of the Inspectorate General of Finance (IGF), a division of the French Ministry of Finance. He was a policy officer in the office of the French Minister of Defense in 1980 and 1981 and served as Chief of Staff for the French Minister for Industry and Telecommunications from 1986 to 1988.

Within the Rhône-Poulenc group, he served as Chief Executive Officer of Pharmuka from 1983 to 1986 and of Rhône-Poulenc Fibres et Polymères from 1988 to 1993, after which he was Chief Executive Officer and then Chairman and Chief Executive Officer of Rhône-Poulenc Rorer in the United States and in France and of Rhône-Poulenc Santé from 1993 to 1999. In 2000, Michel de Rosen was named Chairman and Chief Executive Officer of the US company ViroPharma. In 2008, he became Chairman and Chief Executive Officer of SGD.

He joined Eutelsat in 2009 as Chief Executive Officer, then as Chief Executive Officer and Chairman of the Board of Directors, then as Chairman of the Board of Directors, until November 2017.

He is a graduate of the *École des Hautes Études Commerciales* (HEC) and the *École Nationale d'Administration* (ENA).

Main position held outside of FORVIA

- Company Director/Chairman (see below) and Advisor for a company in the technologies area.

Other positions and corporate offices in 2023 outside of FORVIA

French listed companies

- Non-Executive Chairman of the Board of Directors of DBV Technologies.

French unlisted companies

No such corporate office.

Other foreign listed companies

No such corporate office.

Foreign unlisted companies

No such corporate office.

Positions and corporate offices held within the last five years and which have expired

- Member of the High Committee of Corporate Governance (HCGE) of AFEP-MEDEF until November 2019;
- Board member of Idorsia (Switzerland) until 2021;
- Board member of Pharnext S.A. until June 2022.

Experience in an industrial company

International experience

Governance/management of large companies

Specific knowledge of a geographic market

Banking/finance

Leadership and crisis management

Risk management

3.1.2.3. Changes in the composition of the Board of Directors and the Specialized Committees

During the past fiscal year and up to the date of publication of this Universal Registration Document, the following changes occurred in the composition of the Board of Directors and the Specialized Committees (permanent):

	Departure	Appointment	Reappointment
Board of Directors	Jürgen BEHREND (July 13, 2023) Peter MERTENS (GM of May 30, 2023) Yan MEI (GM of May 30, 2023)	Nicolas PETER (BoD Meeting of October 19, 2023 ⁽¹⁾)	Denis MERCIER (GM of May 30, 2023)
Compensation Committee	Peter MERTENS (GM of May 30, 2023)	Michael BOLLE (BoD Meeting of April 14, 2023 ⁽²⁾)	Denis MERCIER (BoD Meeting of April 14, 2023 ⁽³⁾)
Governance, Nominations and Sustainability Committee	N/A	Peugeot 1810 (represented by Robert PEUGEOT) (BoD of December 14, 2023)	N/A
Audit Committee	Peugeot 1810 (represented by Robert PEUGEOT) (BoD of December 14, 2023)	Esther GAIDE (BoD Meeting of April 14, 2023 ⁽⁴⁾) Judy CURRAN (BoD of December 14, 2023) Nicolas PETER (BoD of December 14, 2023)	N/A

(1) Appointment made subject to the ratification of the appointment of Nicolas PETER as Board member by the General Meeting of May 30, 2024.

(2) Appointment made subject to the appointment of Michael Bolle as Board member by the General Meeting of May 30, 2023.

(3) Appointment made subject to the reappointment of Denis Mercier as Board member by the General Meeting of May 30, 2023.

(4) Appointment made subject to the appointment of Esther Gaide as Board member by the General Meeting of May 30, 2023.

3.1.2.4. Governance structure and shareholder dialog

SEPARATION OF THE POSITIONS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

In the context of a major change in its governance, since July 1, 2016, the positions of Chairman of the Board of Directors and Chief Executive Officer have been separated within the Company. The Board of Directors then reiterated, when the Chairman of the Board of Directors was reappointed with effect from June 26, 2020, that the best way to ensure the efficiency, balance, stability and visibility of governance was to maintain the current governance and collaboration between the Chairman of the Board of Directors and the Chief Executive Officer. The separation of duties remains in effect on the date of this Universal Registration Document.

Chairman of the Board of Directors

Michel de Rosen has been Chairman of the Board of Directors since May 30, 2017. His term of office as Chairman of the Board of Directors, which expired after the General Meeting of June 26, 2020, was renewed for a period of four years and will expire at the end of the General Meeting called to approve the financial statements for the fiscal year ended December 31, 2023.

ROLE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The role of Chairman of the Board of Directors is defined in the internal rules of the Board of Directors, which are available on the governance page of the Company's website (www.forvia.com).

According to the internal rules, the Chairman of the Board of Directors organizes and directs the work of the Board of Directors and ensures the effective operation of the Board of Directors and its committees, in accordance with good governance principles.

He must:

- promote the highest standards of integrity, probity and corporate governance across the Group, particularly at Board level, thus ensuring the effectiveness thereof;
- manage the relations between Board members and the Chairs of the committees and, in this respect:
 - promote effective working relations and open communication, and foster an environment that enables constructive discussions and the sharing of information between members of the Board of Directors and the Chief Executive Officer, during and outside meetings,

- lead and govern the Board so as to create the conditions required for the overall effectiveness of the Board of Directors and its members, and ensure that all key and relevant issues are adequately prepared and discussed by the Board of Directors and the various committees in a timely fashion,
- schedule and set the agenda of the Board meetings, in consultation with the Chief Executive Officer and the Secretary of the Board, to take full account of the Group's major challenges and issues raised by Board members, and ensure that sufficient time is devoted to thoroughly discuss significant and strategic matters,
- address any conflicts of interest,
- conduct, with the assistance of the Governance, Nominations and Sustainability Committee, assessments of the Board of Directors, searches for new Board members and their induction program;
- organize, with the Chief Executive Officer and the Chairs of the various committees, the preparation and chairing of General Meetings, oversee relations and ensure effective communication with shareholders;
- manage relations with the Chief Executive Officer:
 - act as a competent advisor for the Chief Executive Officer on all issues regarding the interests and management of the Company,
 - ensure that the strategies and policies adopted by the Board are effectively implemented by the Chief Executive Officer; without prejudice to the prerogatives of the Board of Directors and its committees, the Chairman is regularly informed by the Chief Executive Officer about significant events concerning the Company's strategy, in line with the objectives set by the Board of Directors, as well as about major external growth projects, significant financial transactions, societal actions, or appointments of Business Group managers and other key positions within the Company. The Chairman receives from the Chief Executive Officer all information necessary to coordinate the work of the Board of Directors and its committees;
- coordinate or conduct specific projects. In particular, at the request of the Chief Executive Officer, the Chairman may represent the Company before stakeholders, public authorities, financial institutions, major shareholders and/or key business partners.

In 2023, Michel de Rosen coordinated the work of the Board of Directors in accordance with the bylaws and the internal rules and prioritized the introduction of practices to improve the way in which the Board operates. He took an active role in the following:

- reviewing developments in governance related issues in order to take into account legislative and regulatory changes;
- managing the internal assessment of the Board of Directors with respect to the 2022 fiscal year and developing the procedure put in place for the internal assessment of the Board of Directors with respect to the 2023 fiscal year;
- shareholder dialog (see below in the subsection dedicated to this topic);
- committee work and reviews and attendance at certain committee meetings;

- recruitment process for new Board members and, in general, reflections on the evolution of the Board of Directors and its composition, particularly with regard to the Group's strategic operations and the consequences for governance;
- monitoring of the Group's operations/strategic issues with the Chief Executive Officer, in particular the integration of HELLA and the implementation of the Group's CSR approach.

Chief Executive Officer (CEO)

Patrick Koller has been Chief Executive Officer of the Company since July 1, 2016. He was appointed for an unlimited term. He has also been a member of the Company's Board since May 30, 2017.

ROLE OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is vested with the widest possible powers to act under all circumstances in the name of the Company. He exercises these powers within the limits imposed by the corporate purpose and subject to those explicitly attributed by law to General Meetings of shareholders and to the Board of Directors.

He represents the Company in relations with third parties. The Company even remains bound by actions taken by the Chief Executive Officer that are not within the scope of the corporate purpose, unless the Company establishes that the third party was aware that the action in question exceeded this scope or could not have been unaware of the fact given the circumstances, the simple publication of the bylaws not being sufficient proof.

The internal rules of the Board of Directors provide for limitations on the powers of the Chief Executive Officer. The Chief Executive Officer must therefore obtain approval from the Board of Directors before carrying out any acquisition, disposal, or joint venture project representing a total asset value of over €100 million and/or with sales in excess of €300 million. These internal rules also state that any material transaction which is not integrated in the Company's current strategy plan will be submitted to the prior approval of the Board of Directors.

SHAREHOLDER DIALOG

The Group attaches particular importance to shareholder dialog, and has set up a specific structure based on three main areas, to respond to the questions, concerns and queries of shareholders (both institutional investors and individual shareholders), asset managers and voting advisory agencies:

- **dialog on financial performance and strategy:** the Chief Financial Officer and his teams, under the responsibility of the Chief Executive Officer, issue communications on the performance of the past quarter or half at the end of each quarter, followed by telephone meetings or a meeting with analysts and investors. In addition to these regular events, throughout the year FORVIA encourages meetings between its Executive Management and financial market participants, at conferences and meetings ("financial roadshows") in France and abroad, in the form of individual or Group meetings. Finally, the Group organizes each year an investors day (Capital Markets Day) to present the Group's medium-term strategic vision, with the possibility to focus more specifically this day on specific topics. The latest investors

day was held on November 3, 2022. For more information on FORVIA's relations with the financial community, please refer to Chapter 5 "Capital stock and shareholding structure", Section 5.5 "Relations with the financial community";

- **dialog on non-financial performance:** the Sustainable Development and Carbon Neutrality teams meet and exchange views with investors or non-financial rating agencies on the Group's CSR approach, based on the Group's six convictions, and on specific action plans for the planet, the Group's businesses and employees. The implementation of the Group's approach, combined with dialog with non-financial rating agencies, made it possible to improve the Group's non-financial rating by MSCI during the 2023 fiscal year. These CSR subjects may also be dealt with during governance roadshows, in the presence of the Chairman of the Board of Directors (see below);
- **dialog on governance:** the Chairman of the Board of Directors has discussions with the main institutional investors on governance issues. This dialog was strengthened in 2022 with the acquisition of control of HELLA. In addition to these discussions, the Secretary of the Board of Directors and the legal teams hold meetings with the main institutional investors and the main voting advisory agencies prior to General Meetings, primarily to explain the resolutions that will be proposed to the General Meeting (these are known as "governance roadshows"). These meetings, in which the Chairman of the Board of Directors frequently participates, are distinct from the financial roadshows and also provide an opportunity to discuss governance, compensation, CSR and strategy. In 2023, discussions mainly focused on (i) the implementation of the POWER25 plan, which is the Group's medium-term strategic plan aimed at generating profitable growth, strengthening cash generation and accelerating the Group's deleveraging, (ii) changes in the Group's governance and (iii) the compensation of the Chief Executive Officer.

3.1.2.5. Diversity policy within the Board of Directors

PRINCIPLES

The Group's Board members come from a wide range of backgrounds and contribute a range of diverse but complementary skills to the Board of Directors. This wealth of diversity can also be found across the Board in terms of gender balance, range of nationalities and culture.

The Board of Directors, with the assistance of the Governance, Nominations and Sustainability Committee, ensures that a diversity policy is implemented within the Board, in accordance with the applicable regulations and the AFEP-MEDEF Code.

The purpose of the diversity policy put in place within the Board of Directors is to ensure in particular:

- a rate of Board member independence which is at least in line with the recommendations made in the AFEP-MEDEF Code;
- gender balance within the Board of Directors, with a ratio at least in line with the applicable law (at least 40%);
- employee representation on the Board of Directors, with a number of Board members representing employees at least in accordance with the applicable legal provisions;
- the need for Board members to have the necessary expertise and experience to carry out their duties successfully in line with the strategy and interests of the Group (regions, activities, etc.);
- the complementary nature of the skills required for the work of the Board of Directors;
- international diversity so as to reflect the Group's global footprint;
- the respect of the bylaws' provisions in terms of age limit.

In order to evaluate the skills and profiles required for the membership of the Board of Directors, the Governance, Nominations and Sustainability Committee refers to a skills matrix (see below) and to the principles set out above, seeking the most appropriate size of the Board of Directors.

IMPLEMENTATION AND RESULTS OF THE DIVERSITY POLICY WITHIN FORVIA'S BOARD OF DIRECTORS

Skills

Michel de ROSEN											
Daniel BERNARDINO											
Michael BOLLE											
Judy CURRAN											
Odile DESFORGES											
Esther GAIDE											
Penelope HERSCHER											
Patrick KOLLER											
Valérie LANDON											
Jean-Bernard LÉVY											
Denis MERCIER											
Nicolas PETER											
Robert PEUGEOT											
Emmanuel PIOCHE											

- Experience in FORVIA's core businesses
- Experience in an industrial company
- International experience
- Automotive technologies
- Governance/management of large companies
- Specific knowledge of a geographic market

- Banking/finance
- Data based technologies/digital
- Leadership and crisis management
- CSR
- Risk management
- Energy/electrification

Independence

At December 31, 2023, the Board of Directors had ten independent Board members, representing 83% of its membership. This percentage is calculated excluding the directors representing employees, who are not taken into account for this calculation in accordance with the recommendations of the AFEP-MEDEF Code.

This percentage of independents is significantly higher than the one recommended by the AFEP-MEDEF Code (50%).

For more information on the independence analysis, please refer to Section 3.1.2.6. "Independence of members of the Board of Directors".

Balanced representation of men and women

At December 31, 2023, the Board of Directors had five women members, representing 42% of its membership. This percentage is calculated excluding the Board members representing employees, who are not taken into account for this calculation in accordance with the applicable legal provisions.

This percentage is higher than that the one set by Article L. 22-10-3 of the French Commercial Code (40%).

Employee representation

At December 31, 2023, the Board of Directors had two Board members representing employees, in accordance with Article L. 225-27-1 of the French Commercial Code.

The Board members representing employees mainly contribute to the Board of Directors through their in-depth knowledge of the Group and of the operational aspects of its businesses.

International diversity

At December 31, 2023, the Board of Directors had five different nationalities (German, American (United States), British, French and Portuguese).

Most of the Board members have an international career and international responsibilities.

Age and seniority

At December 31, 2023, the Board members were aged between 53 and 74 years, with an average age of 64 years. At that date, two Board members and the permanent representative of one Board member were over 70 years old. The average length of service on the Board of Directors is four years ⁽¹⁾, ranging between four months and eight years

The composition of the Board of Directors complies with the legal and statutory rules applicable to age limits.

Changes in the composition of the Board of Directors

On the recommendation of the Governance, Nominations and Sustainability Committee and the Board of Directors, the General Meeting of May 30, 2023, appointed Esther Gaide as independent board member, for a term of four years, to replace Yan Mai whose term of office expired at the end of this General Meeting and who did not wish to be reappointed. Her long experience and expertise in the field of auditing and finance will strengthen the Board's competence in this area as well as its diversity and independence.

Jürgen Behrend, Board member appointed on the proposal of the Hueck & Roepke family pool, resigned for personal reasons on July 13, 2023, with immediate effect. On the proposal of the Governance, Nominations and Sustainability Committee, the Board of Directors' meetings of October 18 and 19, 2023 co-opted, with immediate effect and subject to ratification by the Company's next General Meeting, Nicolas Peter, proposed by the Hueck & Roepke family pool, as a new independent board member, for the duration of its predecessor's term of office, i.e. at the end of the General Meeting to be held to approve the financial statements for the fiscal year ending December 31, 2026. Nicolas Peter has worked for more than 30 years in the BMW Group, where he was Chief Financial Officer and member of the Management Committee from 2017 to 2023. He brings to the Board of Directors his extensive experience and expertise in the automotive sector.

(1) This calculation takes into account the seniority of Peugeot 1810, represented by its permanent representative Robert Peugeot since May 31, 2021 (and not the seniority of Robert Peugeot on the Board of Directors in his function as a Board member of the Company from May 29, 2007, until May 31, 2021).

3.1.2.6. Independence of members of the Board of Directors

In accordance with the AFEP-MEDEF Code, the Board of Directors, further to a recommendation from the Governance, Nominations and Sustainability Committee, examines the independence of each of its members at least once a year and whenever a new Board member is appointed.

The AFEP-MEDEF Code states that a Board member is independent when they have no relation of any kind whatsoever with the Company, its Group or its Management which might compromise the exercise of their free judgment.

In order to analyze the independence of its members, the Board of Directors applies the criteria provided for in the AFEP-MEDEF Code, as reflected in the internal rules of the Board of Directors, as follows:

- not be an employee or executive corporate officer of the Company; an employee, executive corporate officer or Board member of a company consolidated thereby; an employee, executive corporate officer or Board member of the parent company or of any company consolidated by this parent company, and, in each of the cases in question, has not been in the past five years (**Criterion 1**);
- not be an executive corporate officer of a company in which the Company directly or indirectly holds a corporate office as Board member or in which an employee appointed as such or an executive corporate officer of the Company (currently or who has held such an office less than five years ago) holds the corporate office of Board member (**Criterion 2**);
- not be a material client, supplier, corporate banker, investment banker, consultant of (i) the Company or its group with a significant importance; or (ii) for which the Company or its group represents a significant part of its business. This criterion is examined on the basis of a multi-criteria approach (**Criterion 3**);
- not have close family ties with a corporate officer (**Criterion 4**);
- not have been the Company's Statutory Auditor in the past five years (**Criterion 5**);
- not have been a Company Board member for more than 12 years (**Criterion 6**).

The Chairman of the Board of Directors may not be considered as independent if he receives variable compensation or compensation in shares or any compensation linked to the performance of the Company or of the FORVIA group (**Criterion 7**).

Board members representing significant shareholders of the Company or of its parent company may be considered as independent when these shareholders are not involved in the control of the Company. However, beyond a threshold of 10% of the share capital or voting rights, the Board, further to a report by the Governance, Nominations and Sustainability Committee, systematically questions independence, taking into account the composition of the Company's share capital and the existence of any potential conflicts of interest (**Criterion 8**).

Annual independence review

At its meeting of February 16, 2024, on the recommendation of the Governance, Nominations and Sustainability Committee, the Board of Directors reviewed the status of each of the Board members in office on December 31, 2023, with regard to the criteria set out above.

It is specified that the criterion of business relationship was examined using a multi-criteria approach including a quantitative and qualitative analysis intended to assess the significance thereof. The analysis includes a review of the relationships, contracts, and partnerships existing between FORVIA and the company or group in which the Board member holds an executive function or corporate office. This review was carried out with the Group's departments responsible for purchasing, sales, R&D, M&A and finance, and also on the basis of a specific questionnaire addressed to Board members including a section on conflicts of interest.

Regarding Board members who may be considered independent:

Quantitative analysis

It would appear, from a quantitative point of view, that if the FORVIA group could purchase products and take advantage of services from companies or groups in which certain of its Board members, who may potentially be considered independent, held roles during the 2023 fiscal year, the amounts paid were determined under ordinary and normal conditions and did not represent significant amounts for these groups/companies on the one hand, and for the FORVIA group on the other hand.

These quantitative elements are therefore not likely to call into question the independence of the Board members concerned.

Qualitative analysis

In the context of this analysis, the Board of Directors examined from a qualitative point of view the nature and intensity of the business relationship (potential economic dependence and exclusivity, distribution of negotiating power) as well as the organization of the relationship (position of the relevant Board member within the contracting group, direct or indirect decision-making powers or influence on the business relationship, level on which decisions are made within the Group, and shareholding structure).

Conclusion and summary

The Board of Directors, on the recommendation of the Governance, Nominations and Sustainability Committee, considered that ten of the Board members in office on February 16, 2024 are independent: Michel de Rosen, Michael Bolle, Judy Curran, Odile Desforges, Esther Gaide, Penelope Herscher, Valérie Landon, Jean-Bernard Lévy, Denis Mercier and Nicolas Peter, i.e. a rate of 83% (excluding Board members representing employees in accordance with the AFEP-MEDEF Code), which is significantly higher than the percentage set by the AFEP-MEDEF Code (50%).

It is specified that:

- none of the above-mentioned independent Board members have any significant business relationship with the Group;
- if a conflict of interest were to arise, the rules for managing such conflicts provided for in the internal rules would apply (for details of these rules, see Section 3.1.3.1. "Organization of the Board of Directors", paragraph "Board members' obligations" below).

The results of the independence review of the Board members in office as of February 16, 2024, are set out in the summary table below:

Criteria	Michael BOLLE	Judy CURRAN	Odile DESFORGES	Esther GAIDE	Penelope HERSCHER	Patrick KOLLER	Valérie LANDON	Jean-Bernard LÉVY	Denis MERCIER	Nicolas PETER	PEUGEOT 1810, with Robert PEUGEOT as permanent representative	Michel de ROSEN	Daniel BERNARDINO ⁽¹⁾	Emmanuel PIOCHE ⁽¹⁾
Criterion 1: employee and corporate officer over the course of the previous five years	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✗	✓	-	-
Criterion 2: cross-directorships	✓	✓	✓	✓	✓	✗ ⁽²⁾	✓	✓	✓	✓	✓	✓	-	-
Criterion 3: significant business relationship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	-	-
Criterion 4: family relationship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	-
Criterion 5: statutory auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	-
Criterion 6: term of office more than 12 years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗ ⁽³⁾	✓	-	-
Criterion 7: status of executive and non-executive corporate officer	✓	-	-	✓	-	-	-	-	-	✓	-	✓	-	-
Criterion 8: major shareholder status	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	-
Independence of the Board member	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	-	-

✓ means independence criterion met.

✗ means independence criterion not met.

(1) In accordance with the AFEP-MEDEF Code, Board members representing employees are not included in the calculation of the percentage of independent Board members.

(2) For the assessment of this criterion, the position of Patrick Koller as member of the Shareholder Committee of HELLA GmbH & Co KGaA was taken into account.

(3) For the assessment of this criterion, the seniority of Robert Peugeot, permanent representative of Peugeot 1810, who was a Board Member of FORVIA in his own name for 14 years, was taken into account.

3.1.3. Organization and functioning of the Board of Directors

The functioning of the Board of Directors is governed by the laws and regulations and by internal provisions, i.e., the bylaws and internal rules of the Board of Directors, most recently modified on October 19, 2023.

Internal rules of the Board of Directors:

- determine the mission of the Board and that of its committees;
- describe the role of the Chairman, the Chief Executive Officer and the Secretary of the Board;
- detail the rules and procedures for the Board's operation and the rights and duties of its members.

The internal rules are available on the governance page of the Company's website (www.forvia.com).

3.1.3.1. Organization of the Board of Directors

Onboarding of new members and training

The Board of Directors pays particular attention to the onboarding of new Board members. To provide the Board members with optimal conditions for the performance of their corporate office, an induction program has been put in place to present the Group, regarding organizational, functional, and governance matters. In particular, this program includes an operational section aimed at providing an understanding of the Group's business and products via visits to sites and plants in various parts of the world. These visits are completed by meetings with members of the Executive Committee, during which the organization of the Group, its business, and the challenges it faces are presented. The program also includes training provided by the Secretary of the Board of Directors on subjects related to the governance of listed companies, and more specifically on FORVIA's governance.

When appointed or at any time during their term of corporate office, Board members may also take advantage, if they consider it necessary, of additional training on specific aspects relating to the Group, its core businesses and business sector, and the challenges in terms of social and environmental responsibility.

The Board members representing employees also benefit from a training system adapted to the exercise of their corporate office representing at least 40 hours per year, the precise content of which is agreed with the Chairman of the Board of Directors.

Number of meetings and duration

The Chairman convenes the Board of Directors meetings and communicates their agendas.

The internal rules state that the Board of Directors must meet at least four times per year, as provided by the bylaws, to discuss the agenda items listed by the Chairman. The Board of Directors meets at least once per year without the Chief Executive Officer in attendance to assess the performance of the said officer and discuss governance issues (executive session).

In practice, executive sessions are held at the beginning of each regular Board of Directors meeting with all Board members present (including the Board members representing employees), with the exception of the Chief Executive Officer (also a Board member) and any members of the management team.

Sufficient time must be devoted during each Board meeting to usefully and thoroughly discuss the agenda items.

Information

The Chairman, assisted by the Secretary of the Board of Directors, is responsible for communicating the information and documents required for the Board meetings to the Board members in a timely manner. Outside their meetings, Board members receive from the Chairman important or urgent information relevant to the Company and the Group. They also receive press releases distributed by the Company.

Any additional information or document requested by a Board member is automatically communicated to all other Board members.

Such information and documents may be provided during a Board meeting should privacy or timeliness considerations so require.

Representation

In accordance with the law, a Board member may specifically designate another Board member to represent him/her at Board meetings.

The internal rules also state that attendance at Board meetings is also possible via videoconferencing or other means of telecommunication, in particular to allow for the actual participation of Board members who are unable to attend meetings in person. Board members using these methods are considered present for the purpose of the calculation of the quorum and the majority.

The foregoing provisions relating to representation by means of videoconferencing or telecommunication are not applicable for the adoption of decisions relating to the preparation of the annual parent company financial statement and consolidated financial statements as well as the management report of the Company and the Group.

Quorum and majority

The Board of Directors validly deliberates if at least half of its members attend the Meeting (in person or by videoconferencing or any other means of telecommunication) or is represented.

Decisions are adopted on the basis of a majority of those members in attendance (or deemed to be in attendance, as in the case of the use of videoconferencing or other means of telecommunication) or represented. In case of a tie, the Chairman of the Meeting has a casting vote.

Board members' obligations

The internal rules impose certain obligations on members of the Board with the aim to mainly ensure that they are familiar with the provisions that apply to them, avoid conflicts of interest, guarantee that they devote the time and attention needed to perform their duties and that they comply with the rules that apply to holding several corporate offices as well as related-party agreements.

To properly manage conflicts of interest, each Board member must inform the Board of Directors of any temporary, even if it is only potential, conflicts of interest and abstain from voting in the corresponding deliberation and attending the Board's meetings for the period during which the said Board member has a conflict of interest, or even resign from the position as a Board member. If these rules calling for the Board member to abstain or even withdraw are not followed, the said Board member could be held liable. In case of conflict of interest, the Board member concerned will not receive documentation relating to the Board meeting(s) in question.

Regarding information, Board members must request information that they believe is necessary to fulfill their assignments and to allow them to make informed decisions on the topics covered by the Board of Directors. Concerning non-public information obtained during the course of their work, they must act as though they are bound to a confidentiality obligation, which goes beyond the mere duty of discretion provided for by law, and not share this information with a third party outside the Board of Directors. In addition, European Regulation 2157/2001 on European Companies stipulates that even after the termination of their duties, Board members are required not to disclose any information they have about the Company, the disclosure of which could be prejudicial to the Company's interests, except in cases where such disclosure is required or permitted by the provisions of national law.

The internal rules also stipulate that Board members must act in the Company's best interest and participate in Board of Directors' meetings as well as the committee on which the Board member sits.

Finally, these obligations relate to the holding of a minimum number of Company shares (this obligation does not apply to Board members representing employees), their holding method and compliance with the rules applicable to securities transactions and shareholding (see Section 3.5 "Shareholding by corporate officers and transactions in the Company's securities" of this Universal Registration Document).

Specialized Committees

To optimize its discussions, the Board of Directors set up Specialized Committees which have a purely internal role in preparing some of the Board's deliberations. They issue proposals, opinions and recommendations within their field of competence. Each Specialized Committee has its own internal rules approved by the Board of Directors which sets its composition, membership rules and operating procedures, and specific roles.

The committees report on their work to the Board of Directors after each meeting and perform a self-assessment of their activities on an annual basis.

As of the date of this Universal Registration Document, the Board of Directors has three permanent Specialized Committees:

- the Audit Committee;
- the Governance, Nominations and Sustainability Committee;
- the Compensation Committee.

3.1.3.2. Number of meetings of the Board of Directors and of the Specialized Committees and attendance rates

The Board of Directors met seven times during the fiscal year ended December 31, 2023. Attendance at these meetings, by Board members and overall, is indicated in the table below.

In addition, five executive sessions (sessions without the presence of the management team including the Chief Executive Officer) were held in 2023.

The Audit Committee met five times, the Governance, Nominations and Sustainability Committee met six times and the Compensation Committee met five times in 2023, i.e., a total of 16 meetings.

The intervals and frequency of the meetings of the Board of Directors and Specialized (permanent and temporary) Committees allow for the submitted topics to be thoroughly discussed and examined.

The table below indicates, for each Board member, attendance during the 2023 fiscal year at meetings of the Board of Directors and of any Specialized Committees of which they are a member.

	Attendance at Board meetings	Attendance at meetings of the Audit Committee	Attendance at meetings of the Governance, Nominations and Sustainability Committee	Attendance at meetings of the Compensation Committee
Michel de ROSEN	100%	n/a	100%	n/a
Jürgen BEHREND	100%	n/a	n/a	n/a
Daniel BERNARDINO	100%	n/a	n/a	100%
Michael BOLLE	80%	n/a	n/a	100%
Judy CURRAN	100%	n/a	n/a	n/a
Odile DESFORGES	100%	100%	n/a	n/a
Esther GAIDE	100%	100%	n/a	n/a
Penelope HERSCHER	100%	n/a	100%	n/a
Patrick KOLLER	100%	n/a	n/a	n/a
Valérie LANDON	100%	100%	n/a	n/a
Jean-Bernard LÉVY	100%	n/a	100%	n/a
Yan MEI	100%	n/a	n/a	n/a
Denis MERCIER	100%	n/a	n/a	100%
Peter MERTENS	100%	n/a	n/a	100%
PEUGEOT 1810 / Robert PEUGEOT	100%	80%	n/a	n/a
Nicolas PETER	100%	n/a	n/a	n/a
Emmanuel PIOCHE	100%	100%	n/a	n/a
TOTAL	98⁽¹⁾%	96%	100%	100%

n/a: not applicable.

(1) Percentage rounded to the nearest integer.

3.1.3.3. Roles and responsibilities of the Board of Directors and report on its business

The Board of Directors is a collective body that determines FORVIA's business strategy and oversees its implementation, in accordance with the corporate purpose, taking the social and environmental challenges created by its business into consideration. Subject to the powers explicitly attributed to shareholder's meetings and within the limits of the business purpose, the Board considers any questions affecting the proper operation of the Company, and Board decisions settle matters concerning it. It is consulted on all Company and Group strategic decisions at the Chairman's initiative.

The main missions of the Board of Directors described in the internal rules, as well as the main points of its 2023 Activity report, are described in the table below. The activity of the Board of Directors in 2023 was strongly marked, on the one hand, by the refinancing of HELLA as well as the monitoring of governance and synergies, and on the other hand, by the consequences generated by macroeconomic events and their impact on the automotive sector (notably inflation and the war in Ukraine).

Topics	Missions	2023 Activity report
General/ Strategy	<ul style="list-style-type: none"> Determining strategic priorities: determining and monitoring the implementation of decisions regarding the Company's main strategic, economic, social, financial, technological and environmental priorities. The medium-term direction of the Group's activities is defined by a strategic plan. The draft plan is prepared and presented by the Chief Executive Officer before being adopted by the Board of Directors. Prior authorization to be granted to the Chief Executive Officer for (i) any proposed acquisition, disposal, or joint venture project representing a total asset value of over €100 million and/or with sales in excess of €300 million and (ii) any significant transaction that is not included in the Company's strategic plan. 	<ul style="list-style-type: none"> Regular monitoring of the management of the consequences related to the evolution of inflation and energy costs, the shortage of semiconductors, the situation of the Highland Park plant and the impact of the UAW strike in the United States and the management of HELLA's minority shareholders. Regular review of the Group's CSR strategy and approach, including (i) updating the roadmap outlining the Group's CSR objectives and its implementation, with a particular focus on the Group's CO₂ neutrality project and diversity and (ii) the Group's external CSR communication. Review of FORVIA's commercial and strategic priorities, with a day dedicated to the Group's long-term strategy. Update on the monitoring of synergies and the acquisition of control of HELLA and the terms of its refinancing. Update on M&A projects and the disposal plan. Change of the company name from Faurecia SE to FORVIA SE, thus marking a symbolic step in the Group's evolution following the acquisition of HELLA.
Financial statements and relations with Statutory Auditors	<ul style="list-style-type: none"> Settlement of annual parent company financial statements and interim consolidated financial statements and preparation of the Company management and Group management reports. Verification of the relevance, consistency and proper application of the accounting policies used to prepare the financial statements. Monitoring of the process for preparing the financial information. Selection of the Statutory Auditors whose appointment is submitted for shareholder approval at the General Meeting, and verification of compliance with the rules that guarantee their independence especially regarding the amount of their compensation. 	<ul style="list-style-type: none"> Review and approval of the 2022 annual (parent company and consolidated) and 2023 interim (consolidated) financial statements. Examination of and proposals for the dividend, proposal for non-payment with respect to the fiscal year ended December 31, 2022. Approval or review (where applicable) of press releases relating in particular to (i) the 2022 results and the 2023 annual guidance, (ii) the first half year 2023 results and (iii) the first and third quarter sales.
Budget and planning	<ul style="list-style-type: none"> Approval of the annual budget. Periodic review of the Group's business and of budget execution. Approval of management planning items and related reports. 	<ul style="list-style-type: none"> Review of the strategic plan and approval of the 2024 budget. Delegation of authority granted to the Chief Executive Officer to establish the provisional management documents. Regular review of the Company's figures and results in the current uncertain economic environment. Review of forecast results and annual guidance for 2023.
Financial position, financing and security issues	<ul style="list-style-type: none"> Quarterly review of the Group's financial and cash position as well as off balance sheet commitments. Decision to carry out bond and other complex security issues that are not likely to involve a capital increase. Carrying out transactions impacting the capital under the authority delegated by the Extraordinary General Meeting. Authorization of sureties, endorsements and guarantees, allocation of an annual amount of sureties to be issued by the Chief Executive Officer and determination of the terms and conditions thereof. 	<ul style="list-style-type: none"> Regular updates on financing, cash flow and fixed costs. Renewal of the authorization given to the Chief Executive Officer to grant sureties, endorsements, and guarantees. Authorization of a Samurai bond issue for a maximum amount of the equivalent of €250 million. Authorization of a bond buyback offer. Review of the performance of the FORVIA share price.

Topics	Missions	2023 Activity report
Internal control and risk management	<ul style="list-style-type: none"> Monitoring the effectiveness of the internal control and risk management systems and the regular review of opportunities and risks (financial, legal, operational, social and environmental). Supervising the implementation of a system to prevent and detect corruption and influence peddling. Review of risk monitoring and management at least annually following a presentation by the Audit Committee. 	<ul style="list-style-type: none"> Review of risks and opportunities; approval of the risk chapter of the Universal Registration Document. Review of the risk management process (with a focus on cybersecurity risk).
Compensation	<ul style="list-style-type: none"> Compensation for the Chairman, Chief Executive Officer and Board members. Implementation of stock subscription or purchase option plans, performance share plans and any other type of long-term compensation, and approval of lists of beneficiaries. 	<ul style="list-style-type: none"> Review of the achievement of the performance criteria for the Chief Executive Officer's 2022 annual variable compensation. Review of changes in the compensation policy for the Chief Executive Officer in respect of 2023. Approval of compensation policies for corporate officers and implementation (including target setting for the variable compensation of the Chief Executive Officer). <ul style="list-style-type: none"> Ex-post 2022. Assessment of the internal and external criteria for performance share plan no. 12. Adjustment of the criteria of the performance share plan no. 13 following the acquisition of HELLA. Approval of the performance share plan no. 15. Update on defined-benefit pension plans and in particular on PAPP 2 with review of performance criteria and proposed changes.
Governance	<ul style="list-style-type: none"> Review of the governance structure: determination of Faurecia's Executive Management procedures, creation of committees of the Board of Directors, appointment of their members, determination of their tasks and operating procedures. Co-option and proposals to appoint or reappoint Board members, appointment or reappointment of the Chairman and Chief Executive Officer. Preparation and regular monitoring of the succession plan for executive and non-executive corporate officers. Governance assessment: work of the Board and its committees; assessment of the independence of Board members. Authorization of "regulated" agreements and undertakings within the meaning of French law. Notice prior to the acceptance of a new term of office in a listed company by an executive corporate officer. Monitoring of the implementation of the policy on non-discrimination and diversity within the Company's management bodies in accordance with the AFEP-MEDEF Code and applicable regulations. 	<ul style="list-style-type: none"> Examination of the results of the internal assessment of the functioning of the Board and its Committees in respect of 2022 and preparation of the internal assessment for the 2023 fiscal year. <ul style="list-style-type: none"> Assessment of the Board members' independence status. Proposed renewal/co-option/appointment of Board members. Update on the composition of committees. Review of diversity within the Group and the actions implemented in this area. Approval of the 2022 Universal Registration Document and management reports. Update on the implementation of the procedure for the classification of current agreements. Approval of the renewal of a related-party agreement with HELLA. Monitoring of the succession plan for the Chairman of the Board of Directors. Update of the internal rules of the Board of Directors and its Committees.
General Meeting	<ul style="list-style-type: none"> Convening the General Meeting and setting the agenda and finalizing the draft resolutions. Response to written questions, with the option to delegate to a Board member, the Chief Executive Officer, or a Deputy Chief Executive Officer to respond thereto. 	<ul style="list-style-type: none"> Review of arrangements for holding General Meetings (voting procedures, handling of questions before and during the meeting, delegation to the Chief Executive Officer to finalize the arrangements for the meeting and to answer written questions). Convening the Combined General Meeting of May 30, 2023, agreeing the agenda and resolutions submitted to shareholders for approval and the explanatory notes.
Other points		<ul style="list-style-type: none"> Review of the performance of the liquidity contract and renewal thereof.

3.1.4. Specialized Committees of the Board of Directors

The Board of Directors has decided to set up three Specialized (permanent) Committees: the Audit Committee, the Governance, Nominations and Sustainability Committee and the Compensation Committee.

Each Committee has internal rules which define its composition, tasks and detailed operating methods. These internal rules are available on the governance page of the Company's website (www.forvia.com).

The Committees study and prepare some of the Board's deliberations. They issue proposals, opinions and recommendations within their field of competence. The committees have an advisory role only and act under the authority of the Board of Directors, to which they report whenever necessary and for which they cannot serve as a substitute.

The composition of the Committees is decided by the Board, and it can change the composition at any time. The term of office of committee members is the same as that of their term of office as Board members. The Committee member's term of office may be renewed at the same time as their term of office as Board member.

Each Committee is chaired by a Board member appointed to the Committee by the Board of Directors, it being specified that only independent Board members may chair the Compensation Committee and the Governance, Nominations and Sustainability Committee. It is specified that the appointment or reappointment of the Chairman of the Audit Committee, proposed by the Governance, Nominations and Sustainability Committee, is subject to special review by the Board of Directors.

The Committees meet when convened by the Chairman/ woman (and/or by the Secretary of the Committee).

The Committees may also call on external experts, as necessary, ensuring that they have the necessary skills and independence.

The Board of Directors may also set up ad hoc committees in charge of preparing the Board's work on certain specific subjects. For example, an ad hoc committee is responsible for the succession of the Chairman of the Board of Directors.

The composition and key figures of the Specialized Committees at December 31, 2023 (unless otherwise indicated), are as follows:

Audit Committee

5 members
80% independent⁽¹⁾
Odile Desforges^(C)
Esther Gaide
Valérie Landon
Robert Peugeot, permanent representative of Peugeot 1810, Board member
Emmanuel Pioche⁽²⁾

Note

By decision of the Board of Directors dated December 14, 2023:

- Robert Peugeot, permanent representative of Peugeot 1810, Board member, left the Audit Committee to join the Governance, Nominations and Sustainability Committee as of February 13, 2024.
- Judy Curran and Nicolas Peter joined the Audit Committee since February 14, 2024.

Key figures

5 meetings
Attendance rate of 96%

Governance, Nominations and Sustainability Committee

3 members
100% independent
Jean-Bernard Lévy^(C)
Penelope Herscher
Michel de Rosen

Note:

Robert Peugeot, permanent representative of Peugeot 1810, Board member, joined the Governance, Nominations and Sustainability Committee as of February 13, 2024.

Key figures

6 meetings
Attendance rate of 100%

Compensation Committee

3 members 100% independent⁽¹⁾
Denis Mercier^(C)
Daniel Bernardino⁽²⁾
Michael Bolle

Key figures

5 meetings
Attendance rate of 100%

(1) In accordance with the AFEF-MEDEF Code, Board members representing employees are not included in the calculation of the percentage of independent Board members.

(2) Board member representing employees.

(C) Chairman/Chairwoman.

3.1.4.1. The Audit Committee

3.1.4.1.1. COMPOSITION OF THE AUDIT COMMITTEE

The Committee is composed of at least three members and no more than five members and at least two thirds of its members must be independent Board members. The Committee may only be composed of members of the Company's Board of Directors who are not executives. It must also not include Board members with cross-directorships (within the meaning of Article 15.1 of the AFEP-MEDEF Code).

At December 31, 2023, the Audit Committee was composed of the following five members:

- Odile Desforges, independent Board member, Chairwoman;
- Esther Gaide, independent Board member;
- Valérie Landon, independent Board member;
- Robert Peugeot, as permanent representative of Peugeot 1810, Board member;
- Emmanuel Pioche, Board member representing employees.

The composition of the Audit Committee was changed by deliberation of the Board of Directors dated December 14, 2023, with effect at the date of the first Audit Committee on February 14, 2024. Since this date, the Audit Committee is composed of the following six ⁽¹⁾ members:

- Odile Desforges, independent Board member, Chairwoman;
- Judy Curran, Independent Board member;
- Esther Gaide, independent Board member;
- Valérie Landon, independent Board member;
- Nicolas Peter, independent Board member;
- Emmanuel Pioche, Board member representing employees.

All Board members appointed by the General Meeting who are members of the Audit Committee have expertise in financial and accounting matters, as can be seen from the biographies in section 3.1.2.2. "Board members' expertise, positions and corporate offices as of the date of this Universal Registration Document".

The composition of the Audit Committee, as described above, complies with the two-thirds threshold of independence recommended by the AFEP-MEDEF Code as reflected in the Committee's internal rules.

3.1.4.1.2. MISSIONS AND ACTIVITY REPORT OF THE AUDIT COMMITTEE IN 2023

In 2023, the Audit Committee met five times with an average attendance rate of 96% (see section 3.1.3.2. "Number of meetings of the Board of Directors and of the Specialized Committees and attendance rates" (which presents the attendance rate of each member of the Audit Committee at the meetings of this Committee). The Statutory Auditors were present and, where applicable, heard at five of these meetings.

The Audit Committee's duties are described in full in its internal rules. The table below describes the main tasks assigned to the Committee, as well as the main points of its 2023 Activity report:

Topics	Missions	2023 Activity report
Audit of financial statements	<ul style="list-style-type: none"> ■ The Committee is responsible for reviewing the parent company's financial statements and the annual and interim consolidated financial statements of the FORVIA group so as to report to the Board of Directors on the results of the statutory audit, the contribution of the audit to the integrity of the financial and non-financial information related to the statement of performance contained in the management report and the role the Committee played in this process. <p>The Committee's review of the financial statements must be supported by (i) a presentation by the management describing exposure to risks, including those of a social and environmental nature, and the Company's off-balance-sheet commitments and (ii) a presentation by the Statutory Auditors highlighting the main items in both the results of the statutory audit, particularly adjustments arising from the audit and significant internal control weaknesses identified during the work, and the accounting options selected.</p>	<ul style="list-style-type: none"> ■ Review of the 2022 annual (parent company and consolidated) and 2023 interim (consolidated) financial statements. ■ Examination of the dividend, proposal of non-payment for the fiscal year ended December 31, 2022. ■ Review of the Group's position (financial, commercial, etc.), sales and results, in the global economic context. ■ Review of press releases relating in particular to (i) 2022 results and the 2023 annual guidance, (ii) the first half year 2023 results and (iii) the first and third quarter sales.

(1) Temporary composition until the conclusion of the term of Odile Desforges at the 2024 AGM.

Topics	Missions	2023 Activity report
Relationship with Statutory Auditors	<ul style="list-style-type: none"> The Committee prepares, steers and oversees the Statutory Auditors selection process and submits to the Board of Directors recommendations on the Statutory Auditors to be appointed (or reappointed) by the General Meeting, in accordance with Article 16 of Regulation (EU) no. 537-2014 dated April 16, 2014. The Committee ensures that Statutory Auditors meet the independence criteria, in particular those defined in the French Commercial Code and Regulation (EU) no. 537-2014 dated April 16, 2014. The Committee approves the provision of non-audit services. 	<ul style="list-style-type: none"> Independence of the Statutory Auditors (disclosure of their declaration). Presentation of the additional report from the Statutory Auditors and their fees for the 2022 fiscal year. Statutory Auditors' presentation of the work carried out in 2023 and their work on closing the fiscal year. Information on other services provided by the Statutory Auditors in 2022 and 2023. Launch of a call for tenders for the renewal of a Statutory Auditor.
Internal control and risk management	<ul style="list-style-type: none"> The Committee must obtain an understanding of and assess the internal control procedures and systems and more specifically monitor the effectiveness of the systems for internal control and systems to manage risks, including those risks of a social and environmental nature, and, where appropriate, Internal Audit systems, concerning the procedures for the preparation and processing of accounting, financial and non-financial information related to the declaration of performance contained in the management report, without prejudice to its independence. In this context, the Committee is kept informed of the main findings of the Statutory Auditors and internal auditors. At least once per year, the Committee must make a presentation to the Board of Directors on risk monitoring and control. The Committee is also required to formulate recommendations to the Board of Directors to assist in the preparation of the Chairman's report on internal control and risk management procedures. 	<ul style="list-style-type: none"> Review of the Internal Audit operations. Review of the Internal Control operations. Review of the compliance program and FORVIA's action plan on the fight against corruption. Review of specific risks on a regular basis and review of FORVIA's risk management process. Review of the risk chapters and Non-Financial Performance Declaration of the 2022 Universal Registration Document.
Budget and planning	<ul style="list-style-type: none"> The Committee examines and makes recommendations to the Board of Directors for the annual budget and carries out periodic reviews of the Group's business and budget execution. It reviews planning documents and related reports. 	<ul style="list-style-type: none"> Review of the 2024 budget. Review of forecast results and annual guidance for 2023.
Financial position, financing and security issues	<ul style="list-style-type: none"> The Committee carries out periodic reviews of the Group's financial and cash position as well as its material off-balance sheet commitments. It examines and makes recommendations to the Board of Directors required for complex bond and other security issues not involving a capital increase, for share issues, or for carrying out transactions impacting the capital stock. 	<ul style="list-style-type: none"> Review of the performance of the FORVIA share price. Regular updates on financing, cash flow and fixed costs. Review of the conditions of a Samurai bond issue for a maximum amount of the equivalent of €250 million. Review of the terms and conditions of a bond buyback offer. Examination of the draft financial authorizations in view of the General Meeting of May 30, 2023.
Other		<ul style="list-style-type: none"> Review of the performance of the liquidity contract and proposal for its renewal. Review of the Power25 strategic plan. Update of the Committee's internal rules.

3.1.4.2. Governance, Nominations and Sustainability Committee

3.1.4.2.1. COMPOSITION OF THE GOVERNANCE, NOMINATIONS AND SUSTAINABILITY COMMITTEE

The Committee is composed of at least three members and no more than five members. Members are selected from among the Board members. The Committee should not include any executive corporate officer or Board members with cross-directorships (within the meaning of Article 15.1 of the AFEP-MEDEF Code) and must have a majority of independent Board members, including the Board's Chairman.

At December 31, 2023, the Governance, Nominations and Sustainability Committee was composed of the following three members:

- Jean-Bernard Lévy, independent Board member, Chairman;
- Penelope Herscher, independent Board member;
- Michel de Rosen, independent Board member.

As the Committee is comprised of three independent Board members, including its Chairman, its composition is compliant with the AFEP-MEDEF Code.

The composition of the Governance, Nominations and Sustainability Committee was changed by deliberation of the Board of Directors dated December 14, 2023, with effect at the date of the first Governance, Nominations and Sustainability Committee on February 13, 2024. Since this date, the Governance, Nominations and Sustainability Committee is composed of the following four members:

- Jean-Bernard Lévy, independent Board member, Chairman;
- Penelope Herscher, independent Board member;
- Robert Peugeot, as permanent representative of Peugeot 1810, Board member;
- Michel de Rosen, independent Board member.

As the Committee is comprised of three independent Board members, including its Chairman, its composition remains compliant with the AFEP-MEDEF Code.

3.1.4.2.2. MISSIONS AND ACTIVITY REPORT OF THE COMMITTEE IN 2023

In 2023, the Committee met six times with an attendance rate of 100% (see section 3.1.3.2. "Number of meetings of the Board of Directors and of the Specialized Committees and attendance rates" (which presents the attendance rate of each Committee member at its meetings)).

The duties assigned to the Governance, Nominations and Sustainability Committee are fully described in its internal rules. The table below describes the tasks assigned to the Committee, as well as the main points of its 2023 Activity report:

Topics	Missions	2023 Activity report
Governance structure	<ul style="list-style-type: none"> ■ Review of all matters related to the Company's governance structure and formulation of any recommendations to the Board of Directors. ■ Ensure the Company's compliance with the applicable laws and regulations on governance as well as the provisions of the AFEP-MEDEF Code. ■ Review of the issues related to the Company's governance structure submitted to it by the Chairman of the Board of Directors. ■ Formulating recommendations to the Board of Directors related to the creation, composition, tasks and operation of committees of the Board of Directors. ■ Carrying out an annual assessment of the functioning of the Board of Directors and its Committees and formulation of any related recommendations. ■ Assessment of the Board members' independence status. This review is also carried out when a Board member is appointed. 	<ul style="list-style-type: none"> ■ Examination of the results of the internal assessment of the functioning of the Board and its Committees in respect of 2022 and preparation of the internal assessment for 2023. ■ Assessment of the Board members' independence status. ■ Examination of the terms of office of Board members with regard to potential conflicts of interest that may arise following the acquisition of HELLA.
Selection, nomination, and succession of executive and non-executive corporate officers and Board members/ Selection and succession of members of the Executive Committee	<ul style="list-style-type: none"> ■ Formulation of recommendations to the Board of Directors regarding the appointment and reappointment of executive and non-executive corporate officers and Board members. ■ Preparation of a succession plan for executive and non-executive corporate officers and Board members. ■ Carrying out an annual review of the selection and succession plans for members of the Executive Committee. 	<ul style="list-style-type: none"> ■ Proposed renewal/co-option/appointment of Board members. ■ Examination of the representation of HELLA Family Pool within the Company's Board of Directors. ■ Review of the composition of Committees and proposed changes. ■ Examination of the evolution of the Executive Committee. ■ During this process, the Committee reviews the list of talented individuals identified within the Group, who could potentially succeed executive corporate officers and members of the Executive Committee within a given timeframe. The Committee also reviews the Group policy implemented to identify, support and train high-potential employees and create a talent pool. ■ Review and launch of the succession plan for the Chief Executive Officer.

Topics	Missions	2023 Activity report
Ethics and compliance	<ul style="list-style-type: none"> ■ Examining the Company's ethics and compliance policy with respect to best governance practices. 	<ul style="list-style-type: none"> ■ Review of the Group's ethics and compliance policy.
Social and environmental responsibility (CSR)	<ul style="list-style-type: none"> ■ Examine the guidelines related to the Group's CSR policy as well as the associated objectives. ■ Monitor the deployment of the CSR policy, commitments and initiatives taken by the Group. ■ Assessing the results recorded in terms of non-financial performance. ■ In conjunction with the Audit Committee, familiarizing itself with the risks connected to the challenges in terms of sustainable development featured in the Non-Financial Performance Declaration contained in the management report. ■ Obtaining information regarding the resources available to the Group for the implementation and continuation of its CSR strategy. 	<ul style="list-style-type: none"> ■ Regular review of the Group's CSR strategy and approach, including (i) updating the roadmap outlining the Group's CSR objectives and its implementation, with a particular focus on the Group's CO₂ neutrality project and diversity and (ii) the Group's external CSR communication. ■ Review of the chapter on the Non-Financial Performance Declaration of the 2022 Universal Registration Document.
Other		<ul style="list-style-type: none"> ■ Review of the governance section in the corporate governance chapter of the 2022 Universal Registration Document. ■ Examination of the draft resolutions relating to governance with a view to the General Meeting of May 30, 2023. ■ Update on the organizational arrangements for the General Meeting of May 30, 2023 (examination of voting procedures, process of managing questions before and at the meeting and the technical solutions available, delegations to be granted to the Chief Executive Officer). ■ Review of the black-out periods calendar for 2024. ■ Update of the internal rules of the Board of Directors and Committees. ■ Review of the internal procedure for related-party agreements. ■ Review of the authorization to renew a related-party agreement entered into with HELLA in December 2023.

3.1.4.3. The Compensation Committee

3.1.4.3.1. COMPOSITION OF THE COMPENSATION COMMITTEE

The Committee is composed of at least three members and no more than five members. Members are selected from among the Board members. The Committee should not include any executive corporate officer or Board members with cross-directorships (within the meaning of Article 15.1 of the AFEP-MEDEF Code) and must have a majority of independent Board members, including the Board's Chairman.

At December 31, 2023, the Compensation Committee was composed of the following three members:

- Denis Mercier, independent Board member, Chairman;
- Daniel Bernardino, Board member representing employees;
- Michael Bolle, independent Board member.

As the Committee is comprised of two independent Board members, including the Chairman, and a Board member representing employees, its composition is compliant with the AFEP-MEDEF Code.

3.1.4.3.2. MISSIONS AND ACTIVITY REPORT OF THE COMPENSATION COMMITTEE IN 2023

In 2023, the Compensation Committee met five times with an attendance rate of 100% (see section 3.1.3.2. "Number of meetings of the Board of Directors and of the Specialized Committees and attendance rates" (which presents the attendance rate of each member of the Compensation Committee at the meetings of this Committee)).

The duties assigned to the Compensation Committee are described in full in its internal rules. The table below describes the tasks assigned to the Committee, as well as the main points of its 2023 Activity report:

Topics	Missions	2023 Activity report
Compensation of executive and non-executive corporate officers	<ul style="list-style-type: none"> ■ Formulating, on an annual basis, recommendations to the Board of Directors related to the elements comprising the compensation paid to the non-executive corporate officer. ■ Formulating annual recommendations to the Board of Directors with regard to both the fixed portion and the criteria for the variable portion of the compensation of executive corporate officers. ■ Formulating recommendations to the Board of Directors on the achievement of the criteria for the variable component for executive corporate officers. ■ Formulating recommendations related to the other elements comprising the compensation paid to the executive corporate officers (pension and personal risk insurance policies, supplemental pensions, benefits in kind and other financial benefits, in particular, in the event of termination of duties). ■ Ensuring that the commitments falling under the related-party agreements procedure strictly comply with applicable regulations. 	<ul style="list-style-type: none"> ■ Review of the compensation of the Chairman of the Board of Directors (vote ex post 2022, compensation policy implemented for 2023 and proposed increase in fixed compensation for 2024). ■ Review of the achievement of the performance criteria for the Chief Executive Officer's 2022 annual variable compensation. ■ Review of changes in the compensation policy for the Chief Executive Officer in respect of 2023. ■ Initial review of the achievement of the objectives of the 2023 criteria attached to the variable compensation of the Chief Executive Officer, and initial review of the criteria and objectives of this compensation for 2024. ■ Review of the planned changes to the structure of the annual variable compensation for 2024.
Board members' compensation	<ul style="list-style-type: none"> ■ Formulating annual recommendations to the Board of Directors related to the compensation paid to Board members (total amount and allocation mechanism). Each year, it determines the amount of compensation due to the Board members. 	<ul style="list-style-type: none"> ■ Review of the compensation of Board members (compensation policy for 2023 and implementation for 2023). ■ Review of the expected overall compensation paid to Board members for the 2023 fiscal year. ■ Proposal to increase Board members' compensation for 2024.
Long-term compensation policy (long term incentive plans)	<ul style="list-style-type: none"> ■ Discussing the general policy for awarding stock subscription or purchase options, performance shares and any other type of long-term compensation. ■ Reviewing proposed stock subscription or purchase option plans, performance share plans and any other type of long-term compensation, as well as their allocation to beneficiaries. ■ Formulating recommendations to the Board of Directors related to the award of stock subscription or purchase options, performance shares and any other type of long-term compensation to executive corporate officers and issuing opinions on the lists of other prospective beneficiaries. 	<ul style="list-style-type: none"> ■ Review of the achievement of the criteria of the performance share plan no. 12. ■ Update on defined-benefit pension plans and in particular on the PAPP 2. ■ Review and implementation of performance share plan no. 15. ■ Proposal to adjust the criteria of performance share plan no. 13 following the acquisition of HELLA.
Performance and compensation of the Faurecia group's main senior executives (other than executive corporate officers)	<ul style="list-style-type: none"> ■ Being annually informed of the performance and of the compensation of the members of the Executive Committee. ■ Reviewing, on a regular basis, the evolution of the compensation policy applicable to the Group's main senior executives (Executive Committee and Group Leadership Committee). 	<ul style="list-style-type: none"> ■ Review of the compensation of the Company's main executives (members of the Executive Committee).
Other		<ul style="list-style-type: none"> ■ Review of the draft resolutions related to compensation in preparation for the General Meeting of May 30, 2023. ■ Review of the compensation section of the corporate governance chapter of the 2022 Universal Registration Document. ■ Update of the Committee's internal rules.

3.1.5. Assessment of the Board of Directors and the Specialized Committees

In order to assess its capacity to meet the expectations of the shareholders, the Board of Directors carries out each year a formalized assessment of its composition, organization and functioning of the Board of Directors and its Specialized Committees. Every three years, this assessment is carried out with the assistance of an external firm.

As the last external assessment was carried out in respect of the 2021 fiscal year, the assessment of the Board of Directors for the 2023 fiscal year was carried out internally on the basis of a detailed questionnaire prepared by the Secretary to the Board of Directors and reviewed by the Governance, Nominations and Sustainability Committee, then approved by the Board of Directors, on the recommendation of the said Committee.

This questionnaire deals in particular with the functioning, structure, governance, composition and missions of the Board and the Specialized Committees, as well as the methods of organization and conduct of meetings, information for Board members, topics dealt with, the contribution of the Board members, the quality of the discussions and the implementation of the recommendations of the previous assessment.

The questionnaire was sent to the Board members and their responses were summarized by the Secretary to the Board of Directors. The summary of the assessment was reviewed by the Governance, Nominations and Sustainability Committee at a meeting held on February 13, 2024, and then presented and discussed at the Board of Directors meeting held on February 16, 2024.

The main elements emerging from the internal evaluation are as follows:

Results:

It results from this assessment that Board members are, generally speaking, mostly very satisfied with the organization and operation of the Board of Directors and its Committees as well as their evolution, the dialogue existing within the Board and the composition and missions of the Committees.

The main findings of this exercise were as follows:

- the improvement measures identified by the Board of Directors during its last assessment which were implemented in 2023 are the following:
 - documentation presented more systematically with executive summaries but which could still be improved by highlighting the main points to be discussed or those needing decisions to be made by the Board of Directors;
 - generalization of the reporting and presentation to the Board of Directors of the works carried out by the Committees;
 - in depth presentation made to the Board of Directors on risks assessment (cybersecurity presentation as an example) and on Business Groups;
 - better integration of new Board Members which could be completed with implementation of informal and face-to-face meetings;
- in terms of organization of the work of the board of Directors, the improvement measures identified and to be continued are notably the following:
 - development of exchanges with Executive Committee Members (in particular Business Group Presidents), experts and high potentials;
 - reduction of presentation time to allow more in-depth discussions on strategy and competitions matters and to give more time for executive sessions;
 - in-depth examination of certain subjects at Board of Directors' meetings (in particular on strategy and competition);
 - reinforcement of the communication made by the Management to the Board of Directors between meetings.

3.2. Operational management of the Group

In addition to Executive Management, the information about which is given in Section 3.1.2.4 "Governance structure and shareholder dialog", the Group has an Executive Committee and is also supported by Group Leadership Committee (TOP 300). The diversity policy within the governing bodies is described in Chapter 4 "Environmental and social performance", Section 4.3.1.4. "Actions and assessment of their effectiveness" paragraph Diversity & Inclusion of this Universal Registration Document.

As mentioned in Section 4.3.1.4. paragraph Diversity & Inclusion of this Universal Registration Document, FORVIA has set itself the goal of boosting the recruitment and internal promotion of women in order to increase the presence of women among engineers and executives and in the Group top management with targets at 24% in 2025 and at 30% in 2030 of women in the Group Leadership Committee (TOP 300). As at December 31, 2023, the TOP 300 leaders comprised 27% women (compared to 23% in 2022) evidencing a strong feminization dynamic in the top management. The feminization of the Group Leadership Committee (TOP 300), in particular by the 2030 horizon, allows to build the necessary "reservoir", in order to accelerate the gender balance in the Executive Committee (given that the majority of the Executive Committee's members comes from the Group Leadership Committee (TOP 300).

In this context, FORVIA has notably implemented ambitious actions and initiatives described in Section 4.3.1.4. paragraph Diversity & Inclusion of this Universal Registration Document, in particular, in terms of hiring, training and promotion of female talents. In 2023, the Group will continue its efforts in terms of the promotion of female talent, notably by implementing a new program referred to as "RISE" in favor of about 40 identified female talents (who may occupy top leaders positions, including Executive Committee member). This nine-month program includes collective coaching sessions, co-development exercises and networking events. It is sponsored by four members of the Executive Committee, including the Chief Executive Officer. By developing female talent at the highest level, the Group wishes to develop a more inclusive management, allowing female potential to be developed in turn by these role models.

In addition, it is to be noted that recent performance share plans for the Group Leadership Committee (TOP 300) include an internal condition relating to gender balance, therefore supporting actions in favor of the feminization of top management.

On an annual basis, the Board of Directors carries out a review of the succession plan for the Executive Committee (with a special attention to the percentage of women in the succession plan) and a specific review of the Group diversity policy.

3.2.1. Executive Committee

FORVIA's Executive Management is provided, under the responsibility of the Chief Executive Officer, by an Executive Committee which meets at least once a month to review the Group's results and deliberate on general Group issues, or as often as the interests of the Company require.

The composition of the Executive Committee as of January 1, 2024, was as follows:

Composition of the Executive Committee

Patrick KOLLER

Chief Executive Officer

Victoria CHANIAL

Executive Vice President, Communication, Public Affairs and Sustainable Development

Olivier DURAND

Executive Vice President, Group Chief Financial Officer

Nik ENDRUD

Executive Vice President, Americas

Jill GREENE

Executive Vice President, Group General Counsel and Secretary to the Board of Directors

Olivier LEFEBVRE

Executive Vice-President, Group Operations and FORVIA Clean Mobility

Chuan MA

Executive Vice President, China

Jean-Paul MICHEL

Executive Vice-Chairman, FORVIA Interiors

Christopher MOKWA

Executive Vice President, Group Strategy & Digital Transformation

Thorsten MUSCHAL

Executive Vice-President, Sales and Program Management

Christophe SCHMITT

Executive Vice-President, FORVIA Seating

Jean-Pierre SOUNILLAC

Executive Vice President, Group Human Resources

François TARDIF

Executive Vice President, Asia and Faurecia Clarion Electronics

3 Corporate governance

Operational management of the Group

The table below presents key figures on the composition of the Executive Committee as of January 1, 2024:

46% French members	15% females	54 years average age
16 years average Group seniority	6 business and region EVPS	6 support functions EVPS

3.2.2. Group Leadership Committee

Each of the four Business Groups is organized into geographic divisions (Europe, North America or China) which manage operations in their region and also coordinate operations with customers headquartered in their region.

The four Business Groups also have a central staff that handles the main operational functions (sales and marketing, programs, manufacturing support, purchasing, quality, human resources and finance). These functions are also deployed within the geographic divisions by equivalent teams. Additionally, some businesses are organized in worldwide product lines within the four businesses, such as seat mechanisms.

Together with the Executive Committee and the main managers of quality experts as well as corporate functions (operations, finance, the human resources, etc.), the management teams described above form FORVIA's Group Leadership Committee (TOP 300).

On December 31, 2023, FORVIA's Group Leadership Committee had 267 members. This is FORVIA's operational management team, responsible for the Company's operations, growth and performance.

3.3. Compensation of corporate officers

3.3.1. Compensation of executive and non-executive corporate officers for the 2022 and 2023 fiscal years

The Board of Directors, further to a proposal from the Compensation Committee, sets the compensation for executive and non-executive corporate officers in accordance with the applicable legal provisions and the compensation policy.

3.3.1.1. Compensation of the Chairman of the Board of Directors

3.3.1.1.1. REMINDER OF THE PRINCIPLES OF THE 2023 COMPENSATION POLICY

The compensation policy setting the structure as well as the principles and criteria defined in order to determine the compensation and all benefits granted to the Chairman of the Board of Directors for the fiscal year ended December 31, 2023, which was 99.79% approved at the Company's General Meeting held on May 30, 2023 pursuant to the 12th resolution, is set out in the Company's 2022 Universal Registration Document, in Section 3.3.4.1 "Compensation policy for corporate officers", and more specifically in Section 3.3.4.1.2. "Compensation policy for the Chairman of the Board of Directors".

It should be noted that, in a summarized form, as in previous years, the 2023 compensation policy for the Chairman of the Board of Directors provided for fixed compensation, benefits in kind and social protection schemes.

The Chairman of the Board of Directors' compensation, for the 2022 and 2023 fiscal years, as described below, complies with the compensation policy approved by the shareholders.

3.3.1.1.2. COMPENSATION PAID DURING THE 2023 FISCAL YEAR OR GRANTED FOR THE SAME FISCAL YEAR

3.3.1.1.2.1. Fixed annual compensation

On February 17, 2023, the Board of Directors, on the recommendation of the Compensation Committee, decided, subject to the adoption of the 2023 compensation policy by the Company's General Meeting, to maintain the annual fixed compensation of the Chairman of the Board unchanged at €300,000. This has remained unchanged since 2017.

The fixed annual compensation of the Chairman of the Board of Directors, net of benefits in kind related to the provision of an assistant for his activities other than those relating to the chairmanship of FORVIA, amounted to €265,200 (excluding benefits in kind and social protection described thereafter). It was paid in full in 2023.

3.3.1.1.2.2. Benefits in kind and social protection

In addition to the provision of a personal assistant for activities other than those related to the chairmanship of FORVIA for an amount valued at €34,800 (which is included in the above mentioned €300,000), the Chairman of the Board of Directors was provided with a company car. This benefit is valued at €6,624.

The total amount of benefits in kind is valued at €41,424.

It is finally specified that the Company paid €4,765 in consideration of the supplementary health/life/disability pension scheme.

3.3.1.1.2.3. Other components of compensation

With the exception of the components described above, the Chairman of the Board of Directors did not receive any other compensation (including compensation for his duties as Board member), including by a company comprised in the scope of consolidation of the Company within the meaning of Article L.233-16 of the French Commercial Code.

3.3.1.1.3. COMPENSATION PAID DURING THE 2022 AND 2023 FISCAL YEARS OR GRANTED FOR THE SAME FISCAL YEARS

The tables below present the compensation and benefits paid during the 2022 and 2023 fiscal years or granted for these fiscal years to the Chairman of the Board of Directors.

It is stipulated that, since the Chairman of the Board of Directors receives only fixed compensation as well as benefits in kind and has social protection schemes, to the exclusion of any other compensation, tables No. 4 to No. 7 and No. 10 provided for by the AFEF-MEDEF Code and AMF recommendation No. 2021-02 are not applicable.

SUMMARY OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO MICHEL DE ROSEN

Table No. 1 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

<i>(in €)</i>	Full-year 2022	2023 fiscal year
Compensation granted for the fiscal year (see table No. 2)	311,316	311,189
Value of stock options granted during the fiscal year	-	
Value of performance shares granted during the fiscal year	-	
Value of other long-term compensation plans	-	
TOTAL	311,316	311,189

SUMMARY OF COMPENSATION PAYABLE TO MICHEL DE ROSEN

Table No. 2 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

<i>(gross in €)</i>	Full-year 2022		2023 fiscal year	
	Amount granted	Amount paid	Amount granted	Amount paid
Fixed compensation	265,200	265,200	265,200	265,200
Annual variable compensation	-	-		
Multi-annual variable compensation	-	-		
Exceptional compensation	-	-		
Compensation awarded as a Board member	-	-		
Benefits in kind ⁽¹⁾	46,116	46,116	46,189	46,189
TOTAL	311,316	311,316	311,189	311,189

(1) This figure includes the provision of an assistant, the provision of a vehicle (€6,624 for the 2022 fiscal year and €6,624 for the 2023 fiscal year) and also social protection (€4,692 for the 2022 fiscal year and €4,765 for the 2023 fiscal year).

Table No. 11 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

	Employment contract		Supplementary pension scheme		Compensation or benefits due or that may be due on termination or change in position		Compensation due under a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Name: Michel de ROSEN		No		No		No		No
Position: Chairman of the Board of Directors since May 30, 2017								
Corporate office end date: 2024 GM								

3.3.1.2. Compensation of the Chief Executive Officer

3.3.1.2.1. REMINDER OF THE PRINCIPLES OF THE 2023 COMPENSATION POLICY

The compensation policy setting the structure as well as the principles and criteria established to determine the compensation and all benefits granted to the Chief Executive Officer for the fiscal year ended on December 31, 2023, which was 92.66% approved by the Company's General Meeting of May 30, 2023 in the 13th resolution, appears in the Company's 2022 Universal Registration Document in Section 3.3.4.1 "Compensation policy for corporate officers", and more specifically in Section 3.3.4.1.3. "Compensation policy for the Chief Executive Officer".

The compensation policy for the Chief Executive Officer for 2023 therefore provided for the following:

- a fixed annual compensation;
- a variable annual compensation, subject to performance conditions and representing up to a maximum of 180% of the fixed annual compensation;
- a long-term compensation in the form of free share allocations subject to presence and performance conditions;
- termination payment;
- an indemnity in return for a non-compete commitment;
- a notice period and a non-poaching/non-solicitation commitment;
- additional defined contributions and benefits pension schemes;
- benefits in kind and social protection;
- a compensation for his duties in the Shareholder Committee of HELLA.

The Chief Executive Officer's compensation for the 2023 fiscal years, as described below, is compliant with the compensation policy as approved by the shareholders.

3.3.1.2.2. COMPENSATION PAID DURING THE 2023 FISCAL YEAR OR GRANTED FOR THE SAME FISCAL YEAR

Compensation of the Chief Executive Officer in 2023

Fixed annual compensation	Variable annual compensation	Long-term variable compensation	Other components
<p>Policy:</p> <p>€1,100,000</p> <p>Implementation:</p> <p>€1,100,000</p>	<p>Policy</p> <p>0-180% of fixed annual compensation</p> <p>Quantifiable Criteria from 0 to 142.5% of the fixed annual compensation (75% at target)</p> <p>Net-debt-to-EBITDA ratio and synergies in relation to HELLA integration (60% at target) + Carbon Neutrality (15% at target)</p> <p>Individual criteria from 0 to 37.5% of the fixed annual compensation (25% at target)</p> <p>Implementation: 1,782,921 € of which:</p> <ul style="list-style-type: none"> • Quantifiable: 1,443,750 € • Qualitative: 339,171 € 	<p>Policy</p> <p>0-250% of fixed annual compensation</p> <p>Performance shares subject to presence and performance conditions</p> <ul style="list-style-type: none"> • Internal conditions relating to operating income (20%) and net cash flow (25%) • Internal condition related to gender diversity (10%) • Internal condition relating to the reduction of CO₂ emissions (15%) • External condition related to growth in net EPS vs benchmark (30%) <p>Implementation:</p> <ul style="list-style-type: none"> • Performance share plan no. 15 • Allocation: 236.69% of fixed annual compensation⁽¹⁾ 	<ul style="list-style-type: none"> • Severance indemnity (24 months)* • 12-month non-compete covenant in case of resignation, with a 6-month indemnity* • 6-month notice period in case of resignation* • 12-month non-solicitation covenant* • Defined benefits pension of vesting rights (1.2% rights acquired in 2022) • Benefits in kind and social protection (€29 310 paid) • Compensation for his duties in the Shareholder Committee of HELLA <p>* No payments in 2023</p>
SHORT TERM		LONG TERM	

(1) Percentage calculated on the basis of valuation of the shares (allocated to Patrick Koller under plan no. 15) according to the method used for the consolidated financial statements (IFRS 2 expense)

The 2023 fiscal year was marked by the continuation of the transformation of the Group in a context which remained tense in the automotive sector. The Company has carried on the necessary actions in terms of deleveraging trajectory, improvement of the operating income, protection of cash and make fixed costs more flexible. The Group has thus executed its strategy related to the sale of assets as per the plan submitted to Shareholders and advanced the various synergy programs following the consolidation of HELLA. It has in addition pursued its ambitious carbon neutrality plan, which has produced effects in all the Group's sectors and geographies.

These achievements are reflected in the compensation of the Chief Executive Officer in 2023, a significant part of which is based on the Group's performance, in particular for the short-term and long-term variable aspects.

3.3.1.2.2.1. Fixed annual compensation

On February 17, 2023, the Board of Directors, on the recommendation of the Compensation Committee, decided, subject to the adoption of the 2023 compensation policy by the Company's General Meeting, to maintain the fixed annual compensation of the Chief Executive Officer unchanged.

As a result, the fixed annual compensation of the Chief Executive Officer amounted to €1,100,000 for the 2023 fiscal year. This amount was paid in full in 2023.

3.3.1.2.2.2. Variable annual compensation

On the recommendation of the Compensation Committee, the Board of Directors set the procedures for determining the variable compensation of the Chief Executive Officer for 2023, in accordance with the 2023 compensation policy approved by the shareholders.

The table below summarizes the results of the analysis carried out by the Board of Directors on February 16, 2024, on the recommendation of the Compensation Committee, and assesses the levels of achievement of the quantifiable and qualitative criteria targets set in respect of the variable annual compensation for the fiscal year ended December 31, 2023: (note on the basis of the pre-estimate presented in December)

Relative weight of each performance criterion	Minimum ⁽¹⁾	Target objective ⁽¹⁾	Maximum ⁽¹⁾	Achievement level	Amount in cash (€)	Assessment
Quantifiable (distribution of criteria on a 100% basis): from 0% to 142.50% of fixed annual compensation						
FORVIA Net-debt-to-EBITDA ratio (50%)	0%	100%	190%	167.50%	921,250	Exceeded targets for the execution of the deleveraging strategy over 2023, the deployment of the Faurecia/HELLA synergy plan with quantifiable impacts over 2023, and the achievement of the carbon neutrality path objectives.
FORVIA Synergies (10%)	0%	100%	190%	190%	209,000	
Quantifiable environmental criteria relating to carbon neutrality (15%)	0%	100%	190%	190%	313,500	
TOTAL QUANTIFIABLE	-	-	-	175%	1,443,750	
Individual (distribution of criteria on a 100% basis): 0% to 37.5% of fixed annual compensation						
Order intake at FORVIA level associated with operating income and reduction of fixed costs (25%)	0%	100%	150%	123.30%	339,171	Achievement of 2023 order intake targets, with associated margin and fixed costs reduction.
TOTAL INDIVIDUAL	-	-	-	123.30%	339,171	
TOTAL	-	-	-	162.08%	1,782,921	-

(1) The quantified amount of the objectives of the quantifiable criteria are not made public for confidentiality reasons.

Detailed explanations regarding the assessment of quantifiable and individual criteria:

■ quantifiable criteria:

- the criterion relating to the net debt to EBITDA ratio was defined by the Board of Directors with reference to the deleveraging trajectory following the acquisition of HELLA, and the targets were set in the Group's budget. Achievement was measured at June 30, 2023 and December 31, 2023, and the Board of Directors noted that the objectives had been reached at 167.50%.
- the criterion relating to synergies from the integration of HELLA was defined by the Board of Directors with reference to the HELLA integration plan and the expected financial synergies at the level of the consolidated Group, and the objectives were set in the Group budget. Achievement was measured at December 31, 2023, and the Board of Directors noted that the objectives had been reached to the maximum extent possible.
- the environmental criterion linked to carbon neutrality has been defined by the Board of Directors with reference to the trajectory for achieving the Group's commitments for 2025 and in line with the intermediate stage of 2023, as specified in the "sustainability-linked financing framework". Achievement was measured as of December 31, 2023 and the Board of Directors noted that the Group had reached its maximum target, with 27.3 tons of CO₂ issued per € million of revenue;

■ individual criterion: given the objectives set and the results obtained, 123.30% of the individual criterion was met. The elements taken into account are detailed below:

- the amount of new orders in € was overachieved at Forvia level; operating margins associated with these orders were higher than the Forvia budgets set by the Board of Directors.
- the amount of fixed costs reduction has been achieved in accordance with the budget objective set by the Board of Directors.

After examining the rate of achievement of the objectives of the criteria for the variable annual compensation for the 2023 fiscal year, the Board of Directors of February 16, 2024, noted that the total amount of the variable annual compensation for 2023 amounts to € 1,782,921, compared to €1,980,000 for the 2022 fiscal year (and €300,000 for the 2021 fiscal year). Taking into account the amount of variable annual compensation for fiscal year 2023 resulting from outperformance relative to the quantifiable criteria, the relative proportion of fixed and variable annual compensation for fiscal year 2023 is as follows: 38% for fixed annual compensation and 62% for variable annual compensation.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the variable compensation for the fiscal year ended December 31, 2023, shall be paid only after the shareholders, in a General Meeting to be held on May 30, 2024, have approved the components of compensation paid during the course of the 2023 fiscal year or awarded in respect of this fiscal year to Patrick Koller, Chief Executive Officer.

It is also acknowledged that the payment of Patrick Koller's variable annual compensation for the 2022 fiscal year, which amounted to €1,980,000 was, in accordance with the law, subject to a favorable vote at the General Meeting of May 30, 2023, on the components of compensation paid or awarded in respect of the 2022 fiscal year (10th resolution). Since the vote in favor of this resolution was 84.27%, the payment of Patrick Koller's variable annual compensation for the 2022 fiscal year was made after this General Meeting.

3.3.1.2.2.3. Performance shares

Introductory information: Plan delivered in 2023/Plan for which the performance assessment took place in 2023/Plan for which the performance conditions are set by reference to the 2023 fiscal year

Plan no. 11 awarded in 2019 – Total performance of 11.5% (assessed as at December 31, 2021)

The Board of Directors, at a meeting held on October 9, 2019, on a recommendation from the Compensation Committee, resolved to grant a maximum of 1,147,260 performance shares, including 56,220 to Patrick Koller (Chief Executive Officer). In addition to a condition of presence, this grant is subject to (i) an external condition of net earnings per share assessed between the 2018 fiscal year and the 2021 fiscal year, by comparison with a reference group of global automotive suppliers, weighting 30%, (ii) an internal condition related to the Group net income (after tax) at December 31, 2021, weighting 60% and (iii) a CSR internal condition related to gender diversity within the "Managers and Professionals" category (Group executives), weighting 10%.

At its meeting of February 18, 2022, the Board of Directors noted, on the recommendation of the Compensation Committee (i) the non-achievement of the quantified objectives of the internal condition related to the Group's net income (after tax) as assessed at December 31, 2021 (weighting of 60%) and (ii) the achievement of 115% of the internal CSR condition linked to gender balance within the "Managers and Professionals" category at December 31, 2021.

At its meeting of April 21, 2022, the Board of Directors noted, on the recommendation of the Compensation Committee, the non-achievement of the external condition linked to the net earnings per share of plan no. 11.

The total achievement is therefore at 11.5%.

As a consequence and given the decision made by the Board of Directors on July 22, 2022, to proceed to an adjustment of the number of unvested rights to free shares related to the Performance Share Plans (as a result of the capital increase carried out by the Company in June 2022), the number of performance shares that has therefore been delivered to the Chief Executive Officer on October 9, 2023 is 5,365 shares.

The conditions for the definitive vesting of these shares, set out in the summary table below, are described in more detail in chapter 5 "Capital stock and shareholding structure", section 5.2.2 of the 2022 Universal Registration Document. In accordance with the term of plan No. 11, 70,843 shares were delivered to the beneficiaries concerned on October 9, 2023, including 5,365 shares to the Chief Executive Officer.

Plan no. 12 awarded in 2020 – Assessment of performance at December 31, 2022, in 2023

The Board of Directors, at a meeting held on October 22, 2020, on a recommendation from the Compensation Committee, resolved to grant a maximum of 1,384,630 performance shares, including 61,140 to Patrick Koller (Chief Executive Officer).

In view of the decision of the Board of Directors on July 22, 2022, to adjust the rights to free shares subject to performance conditions not yet vested (as a result of the capital increase carried out by the Company in June 2022), the maximum number of performance shares now granted to Patrick Koller, under plan no. 12, has been adjusted to 65,958.

In addition to a condition of presence, this grant is subject to (i) an external condition of net earnings per share assessed between the 2019 fiscal year and the 2022 fiscal year, by comparison with a reference group of global automotive suppliers, weighting 30%, (ii) an internal condition related to the Group net income (after tax) as of December 31, 2022, weighting 60% and (iii) a CSR internal condition related to gender diversity within the "Managers and Professionals" category (Group executives), weighting 10%.

The impact of the integration of HELLA into FORVIA's accounts as from 2022, as well as exceptional events such as the war in Ukraine and the level of vehicle production, have been restated from the internal target criterion for net income after tax under plan no. 12 by decision of the Board of Directors on July 22, 2022, while maintaining the same trajectory curve.

At its meeting of April 13, 2023, the Board of Directors noted, on the recommendation of the Compensation Committee (i) the achievement of 94.7% of the quantified objectives of the internal condition related to the Group's net income (after tax) as assessed at December 31, 2022 (weighting of 60%), (ii) the achievement of 127.9% of the internal CSR condition linked to gender balance within the "Managers and Professionals" category at December 31, 2022 and (iii) the non-achievement of the external condition related to net earnings per share.

The total achievement is therefore at 69.6%

As a consequence and given the decision made by the Board of Directors on July 22, 2022, to proceed to an adjustment of the number of unvested rights to free shares related to the Performance Share Plans (as a result of the capital increase carried out by the Company in June 2022), the number of performance shares that will therefore be delivered to the Chief Executive Officer in October 2024 will be 35,312 shares.

Plan no. 13 awarded in 2021 – Assessment of performance at December 31, 2023, in 2024

The Board of Directors, at a meeting held on October 25, 2021, on a recommendation from the Compensation Committee, resolved to grant a maximum of 1,389,000 performance shares, including 96,150 to Patrick Koller.

In view of the decision of the Board of Directors on July 22, 2022, to adjust the rights to free shares subject to performance conditions not yet vested (as a result of the capital increase carried out by the Company in June 2022), the maximum number of performance shares now granted to Patrick Koller has been adjusted to 103,727 under plan no. 13.

On July 26, 2023, the Board of Directors decided to adjust the net income after tax objective of plan no. 13 while maintaining the same achievement curve, in order to take into account the exceptional circumstances related to the integration and financing of the acquisition of HELLA, inflation, the impact of the ecological transition, and restructurings.

At its meeting of February 16, 2024, the Board of Directors noted, on the recommendation of the Compensation Committee (i) the achievement of 58.3% of the quantified objectives of the internal condition related to the Group's net income (after tax) as assessed at December 31, 2023 (weighting of 60%), (ii) the achievement of 130% of the internal CSR condition linked to gender balance within the "Managers and Professionals" category at December 31, 2023.

The achievement of the external condition of net earnings per share of plan no. 13 will be assessed by the Board of Directors at its meeting reviewing the first quarter 2024 sales.

Executive Super Performance Initiative (ESPI) Plan awarded in 2021 – second tranche assessment in 2023

The Board of Directors, at a meeting held on July 23, 2021, on a recommendation from the Compensation Committee, resolved to grant a maximum of 673,549 performance shares, including 71,941 to Patrick Koller (Chief Executive Officer).

The definitive vesting of these free shares to Patrick Koller (Chief Executive Officer) is subject to the following two conditions:

- 50% of the rights subject to a condition of Annual Relative Total Shareholder Return (TSR), with a level of achievement noted each year, over a period of five years, giving rise to a maximum annual partial vesting of 20% of the tranche of the year in question. The total amount of the definitive grant under the Annual Relative TSR will be equal to the sum of the five years of partial vesting of the Annual Relative TSR;
- 50% of the rights subject to a condition of Average Relative Five-Year TSR, not giving rise to any partial vesting, the level of realization being calculated at the end of the five-year reference period and taking into account all the Relative Annual TSR of the period.

In view of the decision of the Board of Directors on July 22, 2022, to adjust the rights to free shares subject to performance conditions not yet vested (as a result of the capital increase carried out by the Company in June 2022), the maximum number of performance shares now granted to Patrick Koller, under the ESPI plan, has been adjusted to 77,610 .

At its meeting of July 26, 2023, the Board of Directors, on the recommendation of the Compensation Committee, noted the non-fulfillment of the second tranche of the annual relative Total Shareholder Return (TSR) condition. Consequently, the maximum number of shares remaining for Patrick Koller (Chief Executive Officer) is 62,088.

The conditions for the definitive vesting of these shares described above, as well as the consequence of the neutralization of the capital increase carried out by the Company in June 2022, are set out in Chapter 5 "Capital stock and shareholding structure", section 5.2.2 "Potential capital stock" of this Universal Registration Document.

The table below summarizes, for the three Plans No. 11 to 13, described above, the maximum number of shares to be allocated to the Chief Executive Officer, the rate of achievement of the performance conditions, the rate of vesting and the number of shares delivered (or to be delivered) to the Chief Executive Officer; The features of plan no. 14 (and the number of performance shares allocated to the Chief Executive Officer under this plan) are detailed in Chapter 5.

	Plan no. 11	Plan no. 12	Plan no. 13
Maximum number of shares initially allocated	56,220	61,140	96,150
Maximum number of shares after capital increase adjustment of June 2022	60,651	65,958	103,727
Achievement rate of performance conditions	Internal condition of net income: 0% Internal CSR gender equality condition: 115% External condition: 0%	Internal condition of net income: 94.7% Internal CSR gender equality condition: 127.9% External condition: 0%	Internal condition of net income: 58.3% Internal CSR gender equality condition: 130%
			External condition: assessed by the Board of Directors at its Q1 2024 sales meeting
Rate of allocation (vesting)	11.5%	69.6%	
Number of shares delivered (or to be delivered) to the Chief Executive Officer	4,973	32,732	-
Number of shares delivered (or to be delivered) to the Chief Executive Officer after adjustment related to the capital increase of June 2022	5,365	35,312	-

Plan awarded in 2023

Plan no. 15 awarded

At a meeting held on July 26, 2023, the Board of Directors, on a recommendation from the Compensation Committee, resolved, on the basis of the 22nd resolution of the General Meeting of May 30, 2023, to grant a maximum of 2,116,540 performance shares, of which 146,270 performance shares (i.e., 0.07% of the capital stock at December 31, 2023) to Patrick Koller (Chief Executive Officer).

The valuation of the maximum grant, according to the standards used for the consolidated financial statements, amounts to €2,603,606, i.e. 236.69% of the reference fixed compensation.

The internal and external conditions of plan no. 15 as well as the objectives are presented in the table below:

Relative weight of each performance criterion ⁽¹⁾	Minimum	Target objective	Maximum	Assessment
<u>Internal condition:</u> Group operating income (scope of consolidation) for the fiscal year ended December 31, 2025, as approved by the Board of Directors ("2025 Operating Income"), compared with the income forecast for the same fiscal year by the Group's strategic plan ("SP Operating Income"). <u>Weighting:</u> 20%	Operating Income 2025 = 90% of the SP Operating Income target	Operating Income 2025 = SP Operating Income target	Operating Income 2025 ≥ 110% of the SP Operating Income target	For all conditions: ■ between the thresholds, linear progression; ■ assessment of performance at the beginning of the 2026 fiscal year.
<u>Internal condition:</u> Group net cash flow (scope of consolidation) for the fiscal year ended December 31, 2025, as approved by the Board of Directors ("net cash flow for 2025"), compared with the result forecast for the same fiscal year by the Group's strategic plan ("SP net cash flow"). <u>Weighting:</u> 25%	Net cash flow 2025 = 90% of the net cash flow target	Net cash flow 2025 = net cash flow target	Net cash flow 2025 ≥ 110% of the net cash flow target	
<u>Internal condition:</u> Gender balance (% of women) in the Group's "Managers and Professionals" category of Faurecia Group at December 31, 2025 compared to the target set by the Board of Directors. <u>Weighting:</u> 10%	-1 point	100% of the target	≥ +2 points	
<u>Internal condition:</u> Reduction in CO ₂ emissions, measured in "tCO ₂ e" for "scopes 1 & 2" per € million of sales produced within the consolidated Group scope for the fiscal year ended December 31, 2025, compared to CO ₂ emissions in 2019 (adjusted for scope effects) <u>Weighting:</u> 15%	-5 point	100% of the target	≥ +5 points	
<u>External condition:</u> Level of growth in FORVIA's net earnings per share between the 2022 and 2025 fiscal years ("FORVIA EPS"), and assessed against the weighted growth of a reference group comprised of 12 comparable international automotive suppliers ⁽²⁾ ("Benchmark EPS"). <u>Weighting:</u> 30%	<u>Hypothesis 1:</u> Benchmark EPS ≤ -20% (therefore negative) FORVIA EPS = 125% Benchmark EPS <u>Hypothesis 2:</u> -20% < Benchmark EPS < +20% FORVIA EPS = Benchmark EPS - 5% <u>Hypothesis 3:</u> Benchmark EPS ≥ +20% FORVIA EPS = 75% Benchmark EPS	<u>Hypothesis 1:</u> Benchmark EPS ≤ -20% (therefore negative) / <u>Hypothesis 2:</u> -20% < Benchmark EPS < +20% / <u>Hypothesis 3:</u> Benchmark EPS ≥ +20% FORVIA EPS = Benchmark EPS	<u>Hypothesis 1:</u> Benchmark EPS ≤ -20% (therefore negative) FORVIA EPS ≥ 75% Benchmark EPS <u>Hypothesis 2:</u> -20% < Benchmark EPS < +20% FORVIA EPS ≥ Benchmark EPS + 5% <u>Hypothesis 3:</u> Benchmark EPS ≥ +20% FORVIA EPS ≥ 125% Benchmark EPS	

(1) The numerical targets of the internal conditions (and more specifically those of the internal condition linked to operating income and net cash flow) are not made public for confidentiality reasons.

(2) The reference group consists (to date) of the following European and North American automotive suppliers: Adient, Aptiv (formerly Delphi), Autoliv, Autoneum, Borg Warner, Continental, Dana Incorporated, Lear, Magna, Plastic Omnium, Schaeffler, Valeo.

In case of deviation in the volumes of the worldwide automobile production compared to the Company's strategic plan figures for the year in question, the Board of Directors shall have the possibility to adjust mechanically the objectives of the internal financial criteria. This possibility is detailed in Chapter 5 "Capital stock and shareholding structure".

An attendance condition (subject to standard exceptions) applies to all beneficiaries including the Chief Executive Officer. The vesting is completed after a four-year vesting period, it being stipulated that no holding period is stipulated by the plan.

General provisions

The Chief Executive Officer must retain, in registered form and while he continues to hold office, at least 30% of all shares actually acquired under each plan. This percentage threshold requirement ceases to apply when the Chief Executive Officer holds a number of shares corresponding to three years of base gross compensation, factoring in all the previously established plans, and becomes applicable again if the Chief Executive Officer no longer holds the

number of target shares corresponding to this level of base gross compensation. As of the date of this Universal Registration Document, the Chief Executive Officer holds 154,751 shares.

In accordance with the AFEP-MEDEF Code, Patrick Koller (Chief Executive Officer) has made a formal commitment not to use any risk hedging transactions on the performance shares granted to him.

3.3.1.2.2.4. Pension plans

The Chief Executive Officer benefits from the same pension scheme as the one provided for the other members of the Group's Executive Committee with a French contract. This plan includes a supplementary defined contributions pension scheme and a supplementary defined benefits pension scheme.

The main features of these schemes are described in the summary table below, being reminded that following the freezing of past potential rights under defined benefits

pension schemes governed by Article L.137-11 of the French Social Security Code, complying with Law No. 2019-486 of May 22, 2019 and Order No. 2019-687 of July 3, 2019 transposing the directive on pension rights' portability, the Group implemented two vested rights supplementary pension schemes for rights relating to periods of employment after January 1, 2020 that comply with the new legal requirements set out in Article L. 137-11-2 of the French Social Security Code.

	Defined contribution pension scheme	Defined benefit plan (frozen – all tranche C executives)	Specific supplementary pension scheme (frozen – members of the Executive Committee France)	Specific supplementary Defined benefit plan of vesting rights subject to performance conditions (members of the Executive Committee France)	Defined benefit plan of vesting rights and under performance conditions (all tranche C executives)
Applicable law	Article 83 of the French General Tax Code	Articles 39 of the French General Tax Code and L.137-11 of the French Social Security Code	Articles 39 of the French General Tax Code and L.137-11 of the French Social Security Code	Article L. 137-11-2 of the French Social Security Code	Article L. 137-11-2 of the French Social Security Code
Authorization of the benefits	BoD of July 25, 2016 GM of May 30, 2017	BoD of July 25, 2016 GM of May 30, 2017	BoD of July 25, 2016 GM of May 30, 2017	BoD of April 17, 2020 GM of June 26, 2020 (as part of the ex-ante vote on the compensation policy for the Chief Executive Officer) – Pending implementation with retroactive effect as of January 1, 2020	Board meeting of February 19, 2021 GM of May 31, 2021
Scheme entry conditions and other conditions giving entitlement to benefit from it	One year's seniority in the Group at the time of retirement	<ul style="list-style-type: none"> ■ Having an employment contract or a position as a corporate officer and a five years' seniority in the Group at the time of retirement ■ Ending a career within the Group 	<ul style="list-style-type: none"> ■ Having an employment contract (active or suspended) or a position as a corporate officer in France ■ Three-year's seniority within FORVIA's Executive Committee as from January 1, 2015 ■ Ending a career within the Group 	<ul style="list-style-type: none"> ■ Being a member of FORVIA's Executive Committee ■ Having an employment contract (active or suspended) or a position as a corporate officer in France ■ Three years seniority within FORVIA's Executive Committee 	<ul style="list-style-type: none"> ■ Having an employment contract (active or suspended) or a position as a corporate officer in France ■ Have a gross annual remuneration of more than four times the PASS ■ Minimum contribution period of two years for the definitive acquisition of rights

3 Corporate governance

Compensation of corporate officers

	Defined contribution pension scheme	Defined benefit plan (frozen – all tranche C executives)	Specific supplementary pension scheme (frozen – members of the Executive Committee France)	Specific supplementary Defined benefit plan of vesting rights subject to performance conditions (members of the Executive Committee France)	Defined benefit plan of vesting rights and under performance conditions (all tranche C executives)
Method for determining the reference compensation used to calculate entitlements	Contributions to tranche A and tranche B of the current year (amount of contributions paid by the Company in 2023: €8,358.48)	Average over the three years preceding the liquidation of the rights of compensation in tranche C, which, in 2023, corresponds to €175,968	Average over the three years preceding the liquidation of the rights of the total compensation (basic and variable) excluding exceptional items	Gross salary within the meaning of Article L. 242-1 of the French Social Security Code (basic and variable, excluding exceptional items) received during the year of Executive Committee membership	Portion of gross annual compensation (gross annual base compensation, gross annual variable compensation, benefits in kind and hardship allowance paid to the beneficiary during the year in question) between four and eight times the PASS
Vesting formula	1% of the compensation in tranche A and 6% of the compensation in tranche B	1% of the compensation in tranche C and performance conditions linked to the degree of the achievement of variable compensation targets ⁽¹⁾	Depending on Faurecia's performance, from 1 to 3% of total compensation (base + variable), excluding special compensation ⁽²⁾	From 0 to 3% of the annual reference compensation depending on the achievement of performance conditions ⁽³⁾	For beneficiaries whose compensation exceeds eight times the PASS and for corporate officers, the vesting percentage is between 0 and 0.50% depending on the achievement of performance conditions ⁽⁴⁾ . This percentage may be as high as 0.75% for beneficiaries of this plan who are also potential beneficiaries of the former "Article 39" plan and whose rights have been frozen ⁽⁷⁾
Ceiling, amount or terms and conditions for determining it	Not applicable	<ul style="list-style-type: none"> ■ According to the leaving age, between 65-70% of the average salary of the last three years 	<ul style="list-style-type: none"> ■ Eight times the annual French social security ceiling ■ The total retirement amounts paid by FORVIA must be less than 25% of the reference compensation ■ In addition, the replacement rate across all pension schemes (mandatory and specific) must also be less than 45% 	<ul style="list-style-type: none"> ■ Yearly ceiling rights: 3% ■ Vesting rights ceiling: 30 points ■ The amount of retirement pensions paid by the Group is capped at eight annual social security ceilings ■ The sum of the rights vested under the supplementary plans provided by the Group must be less than 25% of the average annual reference compensation received over the last three calendar years 	<ul style="list-style-type: none"> ■ Yearly ceiling rights: 3% ■ Vesting rights ceiling: 30 points ■ Ceiling of 70% of the average annual gross remuneration received during the three calendar years preceding retirement for beneficiaries of the Article L. 137-11 regime of the Social Security Code

	Defined contribution pension scheme	Defined benefit plan (frozen – all tranche C executives)	Specific supplementary pension scheme (frozen – members of the Executive Committee France)	Specific supplementary Defined benefit plan of vesting rights subject to performance conditions (members of the Executive Committee France)	Defined benefit plan of vesting rights and under performance conditions (all tranche C executives)
Ceiling, amount or terms and conditions for determining it				<ul style="list-style-type: none"> The annual amount of retirement pensions paid under the Group's mandatory plans and specific plans must be less than 45% of the average annual gross reference compensation received during the three calendar years preceding the date of termination of employment or the departure from the Executive Committee 	
Funding of rights	Outsourced	Outsourced	Outsourced	Outsourced	Outsourced
Estimated amount of the pension for the Chief Executive Officer at the end of the fiscal year	€5,024 annual ⁽⁸⁾	€24,266 annual ⁽⁴⁾	€169,007 annual ⁽⁵⁾	€109,200 annual ⁽⁸⁾	€1,955 annual ⁽⁸⁾
Associated tax and payroll expenses	Not applicable	Tax on annuity	Tax on contribution	Contribution of 29.7%	Contribution of 29.7%

- (1) For the Chief Executive Officer, if the annual variable compensation targets are achieved: (i) up to 80% or more, a 1% increase in potential rights (limited to tranche C of the compensation) will be vested for the period in question and (ii) less than 80%, the increase in rights will be reduced in proportion to the achievement of the objectives (e.g.: a target achieved at 30% will result in a 0.30% increase in potential rights).
- (2) For the Chief Executive Officer and members of the Executive Committee (France), the level of annual pension is determined according to the Company's operating income, in relation to the budget, as approved by the Board of Directors on the basis of the following formula: $\sum Xi \times R$ where R = annual reference compensation and Xi = rights granted for each year of seniority, i being equal to (i) 3% if the operating income for the year is greater than 105% of the budgeted operating margin, (ii) 2% if the operating margin for the year is between 95 and 105% of the budgeted operating margin, and (iii) 1% if the operating margin for the year is lower than 95% of the budgeted operating margin.
- (3) For the Chief Executive Officer and the members of the Executive Committee (France), the level of annual pension is calculated according to the following formula: $\sum Xi \times R$ where R = annual reference compensation and Xi = annual entitlement granted on the basis of an annual annuity for each year of service in the plan, i being equal to the sum of the rights granted on the basis of the following criteria:
- based on the Group net debt to EBITDA ratio:
 - 1.5% if the net debt to EBITDA ratio for the year is strictly greater than 100% of the set objective;
 - 1.0% if the net debt to EBITDA ratio for the year is between 90% and 100% of the set objective;
 - 0.5% if the net debt to EBITDA ratio for the year is between 75% and 90% of the set objective;
 - 0% if the net debt to EBITDA ratio for the year is strictly lower than 75% of the set objective.
 - based on the synergies in relation to HELLA integration:
 - 0.3% if the amount of synergies in relation to HELLA integration is strictly greater than 100% of the set objective;
 - 0.2% if the amount of synergies in relation to HELLA integration is between 90% and 100% of the set objective;
 - 0.1% if the amount of synergies in relation to HELLA integration is between 75% and 90% of the set objective;
 - 0% if the amount of synergies in relation to HELLA integration is strictly lower than 75% of the set objective.
 - based on the CO₂ Carbon neutrality:
 - 0.45% if the reduction of CO₂ emissions is strictly greater than 100% of the set objective;
 - 0.3% if the reduction of CO₂ emissions is between 90% and 100% of the set objective;
 - 0.15% if the reduction of CO₂ emissions is between 75% and 90% of the set objective;
 - 0% if the reduction of CO₂ emissions is strictly lower than 75% of the set objective.
 - based on the level of achievement of individual objectives composing the individual part of annual variable compensation (FVC) targets:
 - 0.75% if the achievement of the individual objectives is strictly greater than 100%;
 - 0.5% if the achievement of the individual objectives is between 90% and 100%;
 - 0.25% if the achievement of the individual objectives is between 75% and 90%;
 - 0% if the achievement of the individual objectives is strictly lower than 75%.
- The vesting of rights is the sum of the achievement of each of the criteria
- At its meeting of February 16, 2024, the Board of Directors, on the recommendation of the Compensation Committee, assessed the levels of achievement in relation to the objectives set and noted the maximum achievement of the four criteria, representing an acquisition of rights of 3.0% for the year ended December 31, 2023.
- (4) Seniority starting from December 18, 2006.
- (5) Seniority starting from January 1, 2015.
- (6) Based on the level of achievement of annual variable compensation (FVC) targets:
 - 0.50% if the level of achievement of the annual variable compensation targets is strictly higher than 100%;
 - 0.30% if the level of achievement of the variable annual compensation targets is between 95% (strictly higher than 95% and 100% of the objective);
 - 0.10% if the level of achievement of the variable annual compensation targets is between 75% and 95% of the objective;
 - 0% if the level of achievement of the annual variable compensation targets is lower than 75% of the objective.
- (7) Based on the level of achievement of annual variable compensation (FVC) targets:
 - 0.75% if the level of achievement of the annual variable compensation targets is strictly higher than 100%;
 - 0.55% if the level of achievement of the variable annual compensation targets is between 95% (strictly higher than 95% and 100% of the target);
 - 0.35% if the level of achievement of the annual variable compensation targets is between 75% and 95% of the objective;
 - 0% if the level of achievement of the annual variable compensation targets is lower than 75% of the objective.
- (8) Vested rights December 31, 2023

Further information on these pension schemes can be found in Note 25-2 to the consolidated financial statements.

3.3.1.2.2.5. Termination payment

Patrick Koller (Chief Executive Officer) benefits from a termination payment of up to 24 months of compensation which was authorized by the Board of Directors on July 25, 2016, pursuant to the procedure of Article L. 225-42-1 of the French Commercial Code (now repealed and reproduced in Articles L. 22-10-4 and L. 22-10-8 of the French Commercial Code) and approved by the General Meeting of May 30, 2017, in respect of its 5th resolution. This payment was adjusted during the review of the Chief Executive Officer's package by the Board of Directors on February 14, 2020, in order to align the calculation methods for the reference compensation with those of the non-competition clause, and approved in accordance with the law by the General Meeting of June 26, 2020, as part of the vote on the compensation policy for the Chief Executive Officer for 2020 (16th resolution). The conditions of this compensation have remained unchanged since that date.

The terms and conditions of the termination payment granted to the Chief Executive Officer are described in the compensation policy for the Chief Executive Officer for 2023 and 2024, which appear respectively in Sections 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of the 2022 Universal Registration Document and this Universal Registration Document.

This payment was not triggered during the 2023 fiscal year.

3.3.1.2.2.6. Non-competition indemnity

Since the decision of the Board of Directors of February 14, 2020, Patrick Koller (Chief Executive Officer) is subject to a non-compete commitment for a period of 12 months applicable in the event of his resignation, it being specified that the obligation to pay the compensation due in return for this commitment became effective following the approval, in accordance with the law, by the General Meeting of June 26, 2020 of the 2020 compensation policy for the Chief Executive Officer in respect of the 16th resolution. The conditions of this non-compete commitment remained unchanged in 2023.

The terms of the non-compete commitment, and the related indemnity, to which the Chief Executive Officer is entitled, are described in the compensation policy for the Chief Executive Officer for 2023 and 2024 which appear respectively in Sections 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of the 2022 Universal Registration Document and this Universal Registration Document.

This payment was not triggered during the 2023 fiscal year.

3.3.1.2.2.7. Notice and non-solicitation

Patrick Koller is subject to six months' notice in the event of his resignation and has a non-solicitation commitment of 12 months. These provisions were decided by the Board of Directors on February 14, 2020, and became effective following the approval, by the General Meeting of June 26, 2020, of the 2020 compensation policy for the Chief Executive Officer in respect of the 16th resolution. The terms of the notice period and the non-solicitation commitment remained unchanged in 2023.

The terms of the notice period and the non-solicitation commitment are described in the compensation policy for the Chief Executive Officer for 2023 and for 2024 which appear respectively in Sections 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of the 2022 Universal Registration Document and this Universal Registration Document.

These measures were not triggered during the 2023 fiscal year.

3.3.1.2.2.8. Benefits in kind and social protection

Patrick Koller has been provided with a company car. The total amount of the benefits in kind is €21,850.

It is also specified that the Company paid, in respect of the supplementary medical/life/disability insurance plan, €7,460.

3.3.1.2.2.9. Other components of compensation

With the exception of the items described above, Patrick Koller did not receive any other compensation or benefits (including for his duties as a Company Board member).

For information, Patrick Koller receives compensation for his term of office on the HELLA Shareholders' Committee (for more information, please refer to the HELLA annual report). Such approach is in line with German corporate standard (notably for listed companies controlled by another listed company).

3.3.1.2.2.10. Taking into account the vote of the last General Meeting

FORVIA has an active engagement policy with its investors and proxy advisory firms during the financial roadshows to discuss governance as well as developments in governance and compensation-related best practices. Numerous meetings were held during the first quarter of 2023, until the General Meeting of 2023, on compensation topics (see section 3.1.2.4. "Governance structure and shareholder dialog" of this Universal Registration Document).

The Board of Directors took their comments into account, in particular with regard to the stability of the compensation structure and the level of the fixed compensation of the Chief Executive Officer (following the increase granted by the General Meeting in 2022). Thus, the fixed compensation of the Chief Executive Officer remained unchanged between 2022 and 2023. Also, for the sake of continuity, the structure of the compensation policy proposed by the Board of Directors for the 2024 financial year remains unchanged (see below the compensation policy for the Chief Executive Officer for 2024).

FORVIA has also taken into account the expectations of its shareholders and voting advisory agencies with regard to the growing importance of Environmental, Social and Governance (ESG) criteria in the assessment of executive performance. A criterion linked to the carbon neutrality trajectory has been integrated into the elements of the short-term variable compensation of the Chief Executive Officer (as well as those of all the beneficiaries of a variable compensation system in the Group) from year 2022, as presented in the 2022 Compensation Policy. FORVIA has also included in its performance share plan no. 11 granted in 2019, an objective related to gender diversity and

added a second ESG objective linked to carbon neutrality among the performance conditions applicable to the Performance Share Plan awarded to the Chief Executive Officer in 2023.

3.3.1.2.2.11. Compliance of compensation paid with the compensation policy

The elements of compensation awarded or paid to the Chief Executive Officer are in accordance with the provisions adopted by the Board of Directors, upon recommendation of the Compensation Committee and voted by the General Meeting held on May 30, 2023 (13th resolution adopted with 92.66% of the votes).

The compensation paid contributes to the long-term performance of the Company insofar as the criteria for variable compensation are consistent with the long-term strategy of the Group.

3.3.1.2.3. COMPENSATION PAID DURING THE 2022 AND 2023 FISCAL YEARS OR GRANTED FOR THE SAME FISCAL YEARS

The tables below set out the compensation and benefits paid during fiscal years 2022 and 2023 or awarded in respect of these fiscal years to Patrick Koller, the Chief Executive Officer.

To the extent that all stock subscription options ceased to be in force, tables No. 4, No. 5 and No. 8 on options awarded or exercised during the fiscal year as defined by the AFEP-MEDEF Code and AMF recommendation No. 2021-02 are not applicable. This is also the case with regard to table No. 10 of the AFEP-MEDEF Code given that Patrick Koller does not receive multi-annual variable compensation in cash.

Lastly, the tables setting out the past granting of performance shares (table No. 9 of the AFEP-MEDEF Code and table No. 10 of AMF recommendation No. 2021-02) are set out in Chapter 5 "Capital stock and shareholding structure," Section 5.2.2 "Potential capital stock".

SUMMARY OF COMPENSATION AND OPTIONS AND SHARES GRANTED TO PATRICK KOLLER

Table No. 1 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

(in €)	Full-year 2022	2023 fiscal year
Compensation granted for the fiscal year (see table No. 2)	3,102,342	2,912,231
Value of stock options granted during the fiscal year	-	-
Value of performance shares granted during the fiscal year (set out in table 6)	2,228,170	2,603,606
Value of other long-term compensation plans	-	-
TOTAL	5,330,512	5,515,837

SUMMARY OF PATRICK KOLLER'S COMPENSATION

Table No. 2 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

(gross in €)	Full-year 2022		2023 fiscal year	
	Amount granted	Amount paid	Amount granted	Amount paid
Fixed compensation	1,100,000	1,100,000	1,100,000	1,100,000
Annual variable compensation	1,980,000 ⁽³⁾	300,000 ⁽¹⁾	1,782,921 ⁽²⁾	1,980,000 ⁽³⁾
Multi-annual variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Compensation as Board member	-	-	-	-
Benefits in kind	22,342 ⁽⁴⁾	22,342 ⁽⁴⁾	29,310 ⁽⁴⁾	29,310 ⁽⁴⁾
TOTAL	3,102,342	1,422,342	2,912,231	3,109,310

(1) Amount paid in 2022 in respect of the 2021 fiscal year.

(2) Amount granted in respect of the 2023 fiscal year, which will be paid subject to a favorable 2023 ex post vote for the Chief Executive Officer at the General Meeting of May 30, 2024.

(3) Amount paid in 2023 in respect of the 2022 fiscal year further to the approval of the 9th resolution in relation to ex post vote for the Chief Executive Officer at the General Meeting of May 30, 2023.

(4) Provision of a company car. This figure also includes social protection schemes (€6,964 in respect of the 2022 fiscal year and €7,460 in respect of the 2023 fiscal year).

PERFORMANCE SHARES GRANTED TO PATRICK KOLLER DURING THE FISCAL YEAR

Table No. 6 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

Number and date of plan	Maximum number of shares granted during the relevant fiscal year ⁽¹⁾	Valuation of shares according to the method used for the consolidated financial statements (in €)	Vesting date	Availability date	Performance conditions ⁽¹⁾
Plan no. 15 of July 26, 2023	146,270	2,603,606	July 26, 2023	July 26, 2027	Internal condition, linked to the Group net operating income (weighting of 20%) Internal condition linked to the Group's net cash flow (weighting of 25%) Internal condition linked to gender diversity (% of women) within the Group's "Managers and Professionals" category (weighting of 10%) Internal condition relating to the reduction of CO ₂ emissions (weighting of 15%) External condition linked to weighted growth in FORVIA's net earnings per share (weighting of 30%)
TOTAL	146,270	2,603,606			

(1) Details on the performance conditions as well as the targets set can be found in Section 3.3.1.2.2.3 "Performance shares".

PERFORMANCE SHARES THAT BECAME AVAILABLE TO PATRICK KOLLER DURING THE FISCAL YEAR

Table No. 7 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

Number and date of plan	Number of shares that became available during the fiscal year ⁽¹⁾	Vesting conditions
Plan no. 11 of October 9, 2019	5,365	Patrick Koller must retain, in registered form and while he continues to hold office, at least 30% of all shares actually acquired under each plan. This percentage threshold obligation for each plan ceases to apply once Patrick Koller owns a number of shares that corresponds to three years' gross base compensation, factoring in all the plans already vested, and will again become applicable in the event that Patrick Koller no longer holds 5,365 the target number of shares corresponding to this level of base gross compensation.
TOTAL	5,365	

(1) It should be noted that the initial allocation concerned a maximum number of 56,220 shares, increased to 60,651 after adjustment related to the capital increase of June 2022. As a result of the non-fulfillment of the external condition related to net earnings per share compared to the reference group, the non-fulfillment of the internal condition related to the Group's earnings (before tax), and the achievement of 115% of the internal condition linked to gender equality, the overall vesting rate is 11.5%.

The total maximum number of performance shares outstanding at December 31, 2023, which may vest to Patrick Koller (minus the number of shares already vested) represents a total of 517,227 shares, i.e., 0.26% of FORVIA's capital at that date. This number is obtained after adjustment related to the capital increase of June 2022.

Table No. 11 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

	Employment contract	Supplementary pension scheme	Compensation or benefits due or that may be due on termination or change in position	Compensation due under a non-competition clause
Name: Patrick Koller Position: Chief Executive Officer since July 1, 2016 Date of end of corporate office: undetermined, Patrick Koller's appointment as Chief Executive Officer being without a specified term	No	Yes ⁽¹⁾	Yes ⁽²⁾	Yes ⁽³⁾

(1) The key aspects of the supplementary pension scheme are described in Section 3.3.1.2.2.4 "Pension schemes" of this Universal Registration Document.

(2) The terms and conditions of the severance payment are described in Section 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of this Universal Registration Document.

(3) The terms of the non-compete payment are described in Section 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of this Universal Registration Document.

3.3.1.3. Information on compensation for executive corporate officers and changes during the last five fiscal years

This paragraph relates specifically to multiples of compensation between the level of compensation of executive corporate officers and the level of average and median compensation of Group employees in France. It also deals with the annual evolution of compensation for executive and non-executive corporate officers and Group employees in France, as well as Group performances' evolution. Information is presented, for the 2019-2023 period, in accordance with the AFEP guidelines on compensation multiples updated in February 2021. It is also the case for the table on data.

The Group's governance structure has been composed of a Chairman of the Board of Directors and a Chief Executive Officer.

The corporate office of Chairman of the Board of Directors has been held by Michel de Rosen since May 30, 2017. The corporate office of Chief Executive Officer has been held by Patrick Koller since July 1, 2016.

As for the employees' scope to be taken into account, FORVIA SE, as the holding company of the Group, and having only seven employees for a total France headcount of 8,824 employees, as of December 31, 2023 it has been decided to take into consideration a more representative scope for the Business Group in France, and to take into account all French legal entities integrated into the Group (HELLA perimeter excluded) from January 1 to December 31 ⁽¹⁾, according to AFEP-MEDEF Code (§26-2) and AFEP guidelines on compensation multiples, updated in February 2021.

It is specified that the Group's French headcount only represents, at the end of 2023, 7% of the Group's total headcount and includes nearly 60% of non-executive employees.

The compensations taken into account in calculations are those French employees of the Group (HELLA perimeter excluded) who were present throughout the entire year in question. The compensation for part-time employees has been recalculated to the full-time equivalent. The components of the compensation used for these ratios have been calculated on the basis of the fixed and variable compensation paid over the course of the fiscal years in question, including incentive plans and profit-sharing, as well as the performance shares granted, to the target, over the same fiscal years and recorded at fair value ⁽²⁾. Short-time working allowances were also taken into account. Only additional pension schemes that represent a posterior benefit to the contract and corporate offices were not taken into account.

The increase of the Chief Executive Officer's compensation in 2023, for the purpose of the equity ratio, is mainly linked to the amount of his annual variable compensation for 2022 paid in 2023, in comparison to previous financial year (2022). This increase is linked to the very good results in terms of transformation of the Group, implementation of the strategy and preservation of financial results as mentioned in sections 3.3.1.2.2. and 3.3.1.2.2.2. of the 2022 Universal Registration Document.

In addition, the performance criterion used to assess Group performance is the operating income. This criterion is established on a consolidated basis.

(1) Taking into account acquisition or sale transactions impacting the Group perimeter (HELLA perimeter excluded) in France for the concerned years, it is noted that:

- were only taken into account in 2019 and 2020: companies FAI (634 employees), FIM (93 employees) and FISQ (117 employees), exiting the Group on October 31, 2021 ;
- were only taken into account in 2021 and 2022 : the three French companies of SAS (SAS Automotive France, SAS Logistics France et Cockpit Automotive Systems Rennes) for 225 employees, as they were integrated in the Group in 2020 and were sold in 2023;
- were taken into account as of 2021 : Faurecia Clarion Electronics Europe (357 employees) integrated to the Group during 2018 and Clarion Europe (56 employees) integrated in 2019.

(2) It should be noted that the value of the performance shares at grant is not necessarily representative of the value at delivery.

3 Corporate governance

Compensation of corporate officers

Table of ratios for I. 6° and 7° of Article L. 22-10-9 of the French Commercial Code

(Table in accordance with AFEP guidelines on compensation multiples updated on February 2021)

Compensation paid during the fiscal year under review includes variable compensation due for the previous fiscal year

	2019 fiscal year	2020 fiscal year	2021 fiscal year	2022 fiscal year	2023 fiscal year
Change (in %) of the compensation ⁽¹⁾ for the Chairman of the Board of Directors ⁽²⁾	0.0%	- 4.3%	4.7%	0.4%	0.0%
Change (in %) in the compensation of the Chief Executive Officer ⁽³⁾	8.6%	4.7%	24.7%	- 33.8%	63.10%

INFORMATION ON THE SCOPE OF THE LISTED COMPANY

Change (in %) of employees' average compensation					
Employee's average compensation ratio					
Change in ratio (in %) versus previous fiscal year					
Employees' median compensation ratio					
Change in ratio (in %) versus previous fiscal year					

The scope of the listed company is not relevant since it only comprises six employees, excluding the Chief Executive Officer. It was deemed more representative to include all of the Group's French legal entities in the enlarged scope, with the exception of companies that joined or left the Group during the five years in question. On average, over the five years studied, the scope represents nearly 95% of French employees.

ADDITIONAL INFORMATION ON A BROADER SCOPE (FRENCH LEGAL ENTITIES)

Change (in %) of employees' average compensation in French legal entities	3.1%	0.2%	6.1%	0.5%	8.6%
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Chairman of the Board of Directors

Employee's average compensation ratio	5.8	5.6	5.5	5.5	5.1
Change in ratio (in %) versus previous fiscal year	- 3.0%	- 4.0%	- 1.4%	- 0.1%	- 7.9%
Employees' median compensation ratio	7.9	7.5	7.7	7.6	7.1
Change in ratio (in %) versus previous fiscal year	- 4.2%	- 4.9%	0.03%	- 2.5%	- 6.6%

Chief Executive Officer (CEO)

Employee's average compensation ratio	70.0	72.4	85 ⁽⁴⁾	56	84.1
Change in ratio (in %) versus previous fiscal year	5.3%	4.5%	17.4% ⁽⁴⁾	- 34.1%	50.2%
Employees' median compensation ratio	94.6	97.9	120.0 ⁽⁴⁾	77.1	117.5
Change in ratio (in %) versus previous fiscal year	7.3%	4.6%	22.6% ⁽⁴⁾	- 35.7%	52.3%

GROUP PERFORMANCES

Operating margin (in € millions) ⁽⁵⁾					
Change (in %) versus previous fiscal year	0.7%	- 67.4%	106.2%	23.1%	35.7%

(1) Total compensation paid or granted for the fiscal year.

(2) Michel de Rosen since June 1, 2017.

(3) Patrick Koller since July 1, 2016.

(4) Due to the exceptional nature of the single ESPI plan of 2021 and to facilitate comparison with previous years, it is specified that the ratios and changes would have been respectively 67.2; - 7.2%; 94.0; and - 4.0% if the value of the ESPI is not taken into account in the Chief Executive Officer's compensation in 2021.

(5) Operating income – annual values: 2018: €1,273.9 million; 2019: €1,283.3 million; 2020: €418 million; 2021: €862 millions. 2022: €1,061 million (Faurecia + 11 consolidated months with HELLA; 2023: €1,439 million.

3.3.1.4. Tables summarizing the components of the compensation paid or awarded for the fiscal year just ended to executive corporate officers

The tables below present a summary of the compensation and benefits paid during the 2021 fiscal year or awarded in respect of this same fiscal year to the executive and non-executive corporate officers.

3.3.1.4.1. SUMMARY OF THE COMPONENTS OF COMPENSATION PAID TO THE CHAIRMAN OF THE BOARD OF DIRECTORS DURING THE 2022 PERIOD OR AWARDED IN RESPECT OF THIS SAME PERIOD

Components of compensation	Amounts granted in respect of the fiscal year just ended or accounting valuation	Amounts paid during the fiscal year just ended	Presentation
Fixed compensation	€265,200	€265,200	The principles for determining the compensation of Michel de Rosen as Chairman of the Board of Directors, as well as the methods for implementing it (the " 2023 Compensation "), are respectively described (i) in the compensation policy for the Chairman of the Board of Directors set out in Section 3.3.4.1.2 "Compensation policy for the Chairman of the Board of Directors" of the 2022 Universal Registration Document and of this Universal Registration Document (the " 2023 and 2024 Compensation Policies ") and (ii) in Section 3.3.1.1.2.1 "Fixed annual compensation" of this Universal Registration Document. The amount of the 2023 fixed annual compensation was set at €300,000 (cap integrating the benefit in kind linked to the provision of a personal assistant).
Annual variable compensation	Not applicable	Not applicable	No annual variable compensation.
Multi-annual variable compensation	Not applicable	Not applicable	No multi-annual variable compensation.
Exceptional compensation	Not applicable	Not applicable	No exceptional compensation.
Stock options, performance shares or any other long-term benefit	Not applicable	Not applicable	No stock subscription or purchase options grant, performance shares, or any other long-term benefits.
Compensation as Board member	Not applicable	Not applicable	No compensation awarded as Board member
All benefits (including social protection)	€46,189 (including accounting valuation of €41,424)	€46,189 (including accounting valuation of €41,424)	The 2023 Compensation is respectively described in (i) the 2022 and 2023 Compensation Policies and (ii) Section 3.3.1.1.2.2 "Benefits in kind and social protection" of this Universal Registration Document.
Termination payment	Not applicable	Not applicable	No termination payment.
Non-competition indemnity	Not applicable	Not applicable	No non-competition indemnity.
Supplementary pension schemes	Not applicable	Not applicable	No supplementary pension scheme benefit.

3.3.1.4.2. SUMMARY OF THE COMPONENTS OF THE COMPENSATION OF THE CHIEF EXECUTIVE OFFICER PAID DURING THE 2023 FISCAL YEAR OR AWARDED FOR THE SAME FISCAL YEAR (1)

Components of compensation	Amounts granted in respect of the fiscal year just ended or accounting valuation	Amounts paid during the fiscal year just ended	Presentation
Fixed compensation	€1,100,000	€1,100,000	The principles for determining the compensation of Patrick Koller as Chief Executive Officer, as well as its implementation methods (the "2023 Compensation") are respectively described (i) in the compensation policy for the Chief Executive Officer in Section 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of the 2022 Universal Registration Document (the "2022 Compensation Policy") and this Universal Registration Document (the "2023 and 2024 Compensation Policies") and (ii) in Section 3.3.1.2.2.1 "Fixed annual compensation" of this Universal Registration Document.
Annual variable compensation	€1,782,921 (amount to be paid in 2024 subject to a favorable vote by the General Meeting)	€1,980,000 (compensation for the 2022 fiscal year, paid in 2023 following a favorable vote 84.27% by the General Meeting of May 30, 2023, on the components of the compensation paid or awarded for the 2022 fiscal year [10 th resolution]).	<p>The 2023 Compensation is respectively described in (i) the 2023 Compensation Policies and (ii) Section 3.3.1.2.2.2 "Variable annual compensation" of this Universal Registration Document.</p> <p>At a meeting held on February 16, 2024, the Board of Directors, on the recommendation of the Compensation Committee, determined and finalized the total annual variable compensation to be awarded to Patrick Koller (Chief Executive Officer) for the fiscal year ended on December 31, 2023, as follows:</p> <ul style="list-style-type: none"> ■ quantifiable criteria (ratio Net debt/EBITDA, synergies related to the integration of HELLA and environmental criterion): 175%, which gives entitlement to €1,443,750; ■ individual criteria (order intake associated with the operating income): 123.30%, which gives entitlement to €339,171; ■ total amount: €1,782,921 (compared to €1,980,000 for the 2022 fiscal year and €300,000 for the 2021 fiscal year). <p>In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, the variable compensation for the fiscal year ended December 31, 2023, shall be paid only after the shareholders have approved the components of compensation paid during the course of the 2023 fiscal year or awarded in respect of the same fiscal year to Patrick Koller, Chief Executive Officer.</p>
Multi-annual variable compensation	Not applicable	Not applicable	No multi-annual variable compensation.
Exceptional compensation	Not applicable	Not applicable	No exceptional compensation.

(1) As the prior notice and the non-solicitation covenant do not give rise to specific compensation, they are not mentioned in this table. For information, these mechanisms have not been implemented in 2023.

Components of compensation	Amounts granted in respect of the fiscal year just ended or accounting valuation	Amounts paid during the fiscal year just ended	Presentation
Stock options, performance shares or any other long-term benefit	Options = not applicable Performance shares = €2,603,606 calculated on the maximum number of shares granted under plan no. 15.	Options = not applicable Performance shares = not applicable	No stock subscription or purchase options grant. The compensation for 2023 is respectively described (i) in the 2022 and 2023 Compensation Policies and (ii) in Section 3.3.1.2.2.3 "Performance Shares" of this Universal Registration Document. <i>Introductory information: Plan delivered in 2023 / Plan for which the performance assessment took place in 2023 / Plan for which the performance conditions are set by reference to the 2023 fiscal year:</i> <ul style="list-style-type: none"> ■ <u>plan no. 11 awarded in 2019 (assessment of the performance conditions at December 31, 2021):</u> 5,365 shares were made available out of a maximum number of 60,651 after adjustment related to the capital increase of June 2022 and were delivered to the during the 2023 fiscal year; ■ <u>plan no. 12 awarded in 2020 (assessment of performance conditions at December 31, 2022):</u> <ul style="list-style-type: none"> ■ the internal condition, linked to the Group net income after tax (weighting of 60%) was achieved at 94.70%. ■ the internal condition related to gender balance within the category of "managers and professionals" was achieved at 127.9% (weighting of 10%). ■ the external condition linked to earnings per share (weighting of 30%) was not met. The total achievement is therefore at 69.6%. ■ <u>one-off ESPI plan:</u> the Annual Relative Total Shareholder Return (TSR) condition, corresponding to half of the total allocation of the Chief Executive Officer, was not met for the second annual tranche. <i>Plan awarded in 2023:</i> <ul style="list-style-type: none"> ■ <u>plan no. 15:</u> the Board of Directors meeting held on July 26, 2023, on the basis of the authorization from the General Meeting of May 30, 2023 (22nd resolution), resolved to grant a maximum of 146,270 shares to Patrick Koller (Chief Executive Officer) subject to performance conditions (it being stipulated that, in the event of the achievement of the targets set, the number of shares to be delivered will be 112,520). These 146,270 shares correspond to 0.07% of the Company's capital stock at December 31, 2023.
	Other long-term benefits = not applicable	Other long-term benefits = not applicable	No other long-term benefits grant.
Compensation as Board member	Not applicable	Not applicable	No compensation awarded as Board member.
All benefits (including social protection)	€29,310 (of which €21,850 in accounting valuation)	€29,310 (of which €21,850 in accounting valuation)	The 2023 compensation is respectively described (i) in the 2022 and 2023 Compensation Policies and (ii) in Section 3.3.1.2.2.8 "Benefits in kind and social protection" of this Universal Registration Document.

3 Corporate governance

Compensation of corporate officers

Components of compensation	Amounts granted in respect of the fiscal year just ended or accounting valuation	Amounts paid during the fiscal year just ended	Presentation
Termination payment	Not applicable	No payments during the fiscal year	<p>The 2023 compensation is respectively described (i) in the 2022 and 2023 Compensation Policies and (ii) in Section 3.3.1.2.2.5 "Termination payment" of this Universal Registration Document.</p> <p>Patrick Koller benefits from a termination payment since July 25, 2016. This scheme, which was authorized for Patrick Koller, Chief Executive Officer, by the Board of Directors' decision of July 25, 2016, under the conditions set forth under Article L.225-42-1 of the French Commercial Code (now repealed and reproduced in Articles L.22-10-4 and L.22-10-8 of the French Commercial Code), was approved by the General Meeting of May 30, 2017 (fifth resolution). It was then adjusted by the Board of Directors on February 14, 2020, solely in order to align the calculation methods for the reference compensation with that of the non-compete clause, and approved in accordance with the law by the General Meeting of June 26, 2020, in the context of the 2020 vote on the compensation policy for the Chief Executive Officer (16th resolution). It has not been modified since that date.</p>
Non-competition indemnity	Not applicable	No payments during the fiscal year	<p>The 2023 compensation is respectively described (i) in the 2022 and 2023 Compensation Policies and (ii) in Section 3.3.1.2.2.6 "Non-competition indemnity" of this Universal Registration Document.</p> <p>Patrick Koller (Chief Executive Officer) has been bound by a non-compete covenant since February 14, 2020, and benefits from a related indemnity since June 26, 2020. The decision was taken by the Board of Directors on February 14, 2020, and approved in accordance with the law by the General Meeting of June 26, 2020, as part of the 2020 vote on the Chief Executive Officer's compensation policy (16th resolution). The terms of this commitment remained unchanged in 2022.</p>
<p>Supplementary defined contribution pension scheme (Article 83 of the French General Tax Code) and supplementary defined benefits pension scheme (Article 39 of the French General Tax Code)</p> <p>Frozen supplementary pension schemes: Defined benefits pension scheme and specific pension scheme (Article 39 of the French General Tax Code)</p>	Not applicable	No payments during the fiscal year	<p>The 2023 compensation is respectively described (i) in the 2022 Compensation Policies described in the 2021 Universal Registration Document and (ii) in Section 3.3.1.2.2.4 "Pension schemes" of this Universal Registration Document.</p> <ul style="list-style-type: none"> ■ <u>Defined-contribution pension scheme</u>: the amount of the pension is €5,024. ■ <u>Frozen defined benefits pension scheme</u>: in accordance with the provisions of the order of July 3, 2019, the potential rights acquired by Patrick Koller (Chief Executive officer) under the defined benefits pension scheme (Tranche C) which he had continued to benefit from after his appointment as Chief Executive Officer on July 1, 2016, were frozen (as a percentage) in the existing plan at December 31, 2019. The amount of the pension at December 31, 2023, was €24,266. The same applies to the additional defined benefits pension scheme (PAPP). The amount of the pension under this additional scheme was, at December 31, 2023, €169,007. These plans were authorized by a decision of the Board of Directors of July 25, 2016, and approved by the General Meeting of May 30, 2017 (5th resolution). <p><u>Defined benefit plans of vesting rights</u>: the Chief Executive Officer benefits from a defined-benefit pension plan (Tranche C2) and an additional defined-benefit pension plan (PAPP2). The vesting of rights under these two plans is subject to the achievement of performance conditions. The performance conditions related to the rate of achievement of the annual variable compensation for the C2 Tranche pension plan, the net debt to EBITDA ratio, the synergies related to the integration of HELLA, the reduction of CO₂ emissions and the level of achievement of the individual annual variable compensation targets for the PAPP2 pension plan have been achieved. As a result, rights will vest for the fiscal year ended December 31, 2023. The amount of the pension under these schemes is therefore €111,155.</p>

3.3.2. Board members' compensation for the 2022 and 2023 fiscal years

The principles for determining the compensation of Board members for 2023 are described in the compensation policy for Board members in Sections 3.3.4.1.1 "Compensation policy for Board members" of the 2022 Universal Registration Document.

It is recalled, in summary, that according to this compensation policy, the Board members receive as compensation for their activity a sum composed of:

- a fixed part;
- a predominantly variable part linked to the effective attendance;
- for Board members not residing in France, one additional allowance to take into account geographical remoteness for any physical participation in a Board meeting.

In addition, the Chairman of the Board of Directors and the Chief Executive Officer of FORVIA do not receive compensation for their office as Board members.

The General Meeting of June 26, 2020 (10th resolution) set the maximum amount of compensation that may be paid to Board members at €900,000, this maximum amount has remained unchanged since that date. Concerning the numerical distribution rules for 2022/2023, the Board of Directors decided, at its meeting of February 18, 2022, to maintain the compensation scale as adjusted at the meeting of February 15, 2018. This scale is as follows:

	Fixed compensation ⁽¹⁾	Variable compensation per session	Compensation for Board members not residing in France
Board of Directors	€12,000	€3,000	€3,000 per Board meeting attendance
Committees			
■ Member	€10,000	€2,500	-
■ Chairman	€15,000	€3,500	-

(1) Prorated portion for members of the Board (or a Committee) who joined or left the Board (or a Committee) during the year. The amount is then divided by the number of Board and committee meetings (giving the right to compensation) organized during the year.

In accordance with the rules described above, the table shows the gross amounts paid during/awarded in respect of fiscal years 2022 and 2023 to the Board members (non-executive corporate officers).

The components of compensation of the Board members are in accordance with the provisions adopted by the Board of Directors upon the recommendation of the Compensation Committee, constituting the compensation policy for the Company's corporate officers as voted by the General Meeting held on May 30, 2023 (11th resolution adopted by 98.95% of the votes).

Table No. 3 (AFEP-MEDEF Code and AMF recommendation No. 2021-02)

Board members (non-executive corporate officers) (gross amounts in €)	2022 fiscal year ⁽¹⁾		2023 fiscal year ⁽¹⁾	
	Amount granted	Amount paid ⁽²⁾	Amount granted	Amount paid ⁽³⁾
Jürgen BEHREND	25,636	-	9,429	25,636
% fixed part	30%	-	36%	-
% variable part	70%	-	64%	-
Daniel BERNARDINO	87,500	79,500	70,500	87,500
% fixed part	25%	-	31%	-
% variable part	75%	-	69%	-
Michael BOLLE	-	-	43,071	-
% fixed part	-	-	34%	-
% variable part	-	-	66%	-
Judy CURRAN	55,909	-	48,000	55,909
% fixed part	20%	-	25%	-
% variable part	80%	-	75%	-
Odile DESFORGES	93,000	112,000	65,500	93,000
% fixed part	29%	-	41%	-
% variable part	71%	-	59%	-
Esther GAIDE	-	-	37,071	-
% fixed part	-	-	39%	-
% variable part	-	-	61%	-
Penelope HERSCHER	87,500	79,500	67,000	87,500
% fixed part	25%	-	33%	-
% variable part	75%	-	67%	-
Valérie LANDON	75,000	76,000	58,000	75,000
% fixed part	29%	-	38%	-
% variable part	71%	-	62%	-
Jean-Bernard LÉVY	77,500	86,500	71,500	77,500
% fixed part	35%	-	38%	-
% variable part	65%	-	62%	-
Yan MEI	57,000	48,000	15,429	57,000
% fixed part	21%	-	22%	-
% variable part	79%	-	78%	-
Denis MERCIER	89,500	77,500	65,500	89,500
% fixed part	30%	-	41%	-
% variable part	70%	-	59%	-
Peter MERTENS	84,500	73,500	21,429	84,500
% fixed part	26%	-	35%	-
% variable part	74%	-	65%	-
Nicolas PETER	-	-	20,143	-
% fixed part	-	-	25%	-
% variable part	-	-	75%	-
Robert PEUGEOT/Peugeot 1810 ⁽⁴⁾	77,000	99,167	55,500	77,000
% fixed part	29%	-	40%	-
% variable part	71%	-	60%	-
Emmanuel PIOCHE	75,000	76,000	55,500	75,000
% fixed part	29%	-	40%	-
% variable part	71%	-	60%	-
TOTAL	885,045	864,629	703,571	885,045
% fixed part	28%	-	36%	-
% variable part	72%	-	64%	-

(1) The amount of the variable part includes, for Board members not residing in France, the additional allowance intended to take into account geographic distance for any physical attendance at a meeting of the Board of Directors.

(2) Amount paid in respect of the 2021 fiscal year.

(3) Amount paid in respect of the 2022 fiscal year.

(4) Robert Peugeot was an individual Board member until May 31, 2021, then became, from that date, permanent representative of PEUGEOT 1810, a Board member. On demand of PEUGEOT 1810, the compensation for the functions of Board member due to PEUGEOT 1810 was paid to Robert Peugeot.

The compensation granted to the Board members for the 2023 fiscal year is stable, with the number of meetings of the Board of Directors and its Committees organized in 2023 remaining high, in particular given the refinancing of the acquisition of HELLA and the difficult economic environment.

The relative proportion between the fixed and variable portion of compensation allocated to Board members in respect of the 2023 fiscal year is as follows: 36% for the fixed part and 64% for the variable part.

Board members (non-executive corporate officers) received no other compensation from the Company or any company within the consolidation scope as per Article L. 233-16 of the French Commercial Code.

Finally, it is stipulated that as the Board of Directors is composed in accordance with the provisions of the first paragraph of Article L. 225-18-1 of the French Commercial Code, the payment of the compensation allocated to the Board members has not been suspended.

3.3.3. Compensation of the Group's operational management for the 2023 fiscal year

3.3.3.1. Executive Committee

The total amount of compensation paid during the 2023 fiscal year to the Executive Committee members in office as of December 31, 2023 (including the Chief Executive Officer), amounts to €16,679,288.

The compensation of the Executive Committee members, excluding the Chief Executive Officer, includes a variable bonus. Performing on target can result in a bonus worth 65% of the base salary. Should targets be exceeded, this percentage can rise to 118.63% of the base salary.

Since 2022, at target level, the variable compensation system is composed of a part based on financial performance criteria, accounting for 50%, a part based on the reduction of CO₂ emissions for 15%, and a part based on individual performance criteria, accounting for 35%. The financial performance criteria (50%) relate to net debt/EBITDA for the Group criterion, and operating income and cash flow assessed (i) for the Business Groups or regions at direct scope of responsibility for 80%, and (ii) at Group level for 20%. For the functional departments, these criteria are assessed in full at Group level.

If the employment contract of an Executive Committee member (excluding the Chief Executive Officer) is terminated by the employer, he or she may receive contractual termination payment of up to 12 months' compensation, in addition to legal and collective bargaining agreement indemnities, depending on the position held. This amount is not payable in the event of gross or serious misconduct.

Members of the Executive Committee also benefit from the performance share plans granted by the Board of Directors. At December 31, 2023, plans nos. 12, ESPI, 13, 14 and 15, were granted and not yet vested. They were granted by decision of the Board of Directors of October 22, 2020, July 23, 2021, October 25, 2021, July 28, 2022, and July 26, 2023. The Board of Directors' meeting of October 12, 2017, decided that starting with plan no. 6 and for all plans established subsequently, all Executive Committee

members must retain at least 20% of the shares acquired under each plan. This requirement of a percentage threshold for each plan cease to apply once the Executive Committee member in question holds a number of shares that corresponds to one year of base gross compensation, factoring in all the shares owned including shares resulting from plans already established, and it will again become applicable in the event that the member no longer holds the target number of shares corresponding to one year of base gross compensation. In any event, this ownership requirement will no longer apply when the Executive Committee member in question steps down from the Committee (the provisions applicable to the Chief Executive Officer are described in Section 3.3.1.2.2.3 "Performance shares" of this Universal Registration Document).

3.3.3.2. Group Leadership Committee

The members of Faurecia's Group Leadership Committee have an interest in the short-term results, through a variable system of target bonuses.

Since 2022, at target level, the variable compensation system is composed of a part based on financial performance criteria, accounting for 50%, a part based on the reduction of CO₂ emissions for 15%, and a part based on individual performance criteria, accounting for 35%.

The financial performance criteria (50%) relate to the operating margin and cash flow (i) at direct scope of responsibility (Business Groups or regions) for 80% and (ii) at the scope of responsibility immediately above for 20%. For the functional departments, these criteria are assessed in full at Group level, the financial criterion for the Group level being the ratio of net debt to EBITDA.

The members of the Group Leadership Committee also benefit from the performance share plan instituted by the Board of Directors, according to the same terms and conditions as the members of the Executive Committee (see Section 3.3.3.1 "Executive Committee" above).

3.3.4. Compensation policy for corporate officers and implementation for 2024

3.3.4.1. Compensation policy for corporate officers

The compensation policy described below is established in accordance with the provisions of Article L.22-10-8 of the French Commercial Code and takes into account the principles of the AFEF-MEDEF Code in its revised version of December 20, 2022.

The compensation policy for corporate officers is set by the Board of Directors, on the recommendation of the Compensation Committee, which at the date of this Universal Registration Document is composed solely of independent directors (excluding the Board member representing employees).

In the context of a competitive and globalized market, the Board of Directors ensures the competitiveness of the compensation offered and relies for this purpose on the performance of comparative studies, notably conducted by specialized external consultants. The Board of Directors seeks, as far as possible, to align the structure of the Chief Executive Officer's compensation with that of the Executive Committee members and of the Group Leadership Committee members.

Finally, the Board of Directors pays close attention to the transparency of information relating to the structure and description of the rules provided in the compensation policy.

3.3.4.1.1. COMPENSATION POLICY FOR BOARD MEMBERS

The General Meeting sets the maximum total annual amount that may be allocated to Board members on the proposal of the Board of Directors.

To determine the level of the annual fixed amount requested at the General Meeting, the Board of Directors performs market analysis and benchmarks on the compensation of Board members in comparable companies in France and Europe and takes into account the compensation forecast, anticipated changes in the composition of the Board of Directors and any special events (establishment of an ad hoc Committee, etc.). The benchmark assessment also applies to the determination of the distribution methods and its implementation.

The Board of Directors ensures that the amount of compensation proposed to the General Meeting reflects the level of responsibility assumed by the Board members and the time they need to devote to their duties.

The Board of Directors, on the proposal of the Compensation Committee and in accordance with the principles below, allocates the amount of this maximum annual budget among the Board members as follows:

- a fixed portion, in consideration of their duties as a Board member and, where applicable, as a member or Chairman of a Committee, it being specified that this portion is prorated for the members who joined or left the Board of Directors during the year; and
- a predominant variable part based on their actual attendance at meetings of the Board and, where applicable, of the Committee(s) of which they are members.

Board members not residing in France receive an additional amount intended to take into account geographic distance for any physical attendance at a meeting of the Board of Directors (it being specified that this amount may be exceptionally awarded to Board members residing in France when a meeting takes place abroad). When the Board members attend a meeting of the Board of Directors by videoconference or conference call, this additional amount is not paid.

The rules for the distribution of Board members' compensation may also apply to any ad hoc committee of Board members that may be established to respond to any subject that the Board of Directors considers useful or necessary to follow up on or develop further in the exercise of its missions. The same applies to any seminar which would be organized by the Board of Directors.

Board members representing employees receive compensation under the same conditions and according to the same terms as any other Board member, it being specified that they also receive compensation under their employment contract within the FORVIA group.

In accordance with best governance practices, executive and non-executive corporate officers do not receive compensation for their duties of Board member of FORVIA.

In the event that the maximum amount of the annual fixed amount allocated by the General Meeting is exceeded, provision has been made to apply a reduction coefficient to the amount received by the Board members calculated as follows: (compensation owed to a Board member/total amount of compensation owed) x maximum amount of the fixed annual amount approved by the General Meeting.

In the event of a decision by the Board of Directors to entrust any Board member with a specific task or assignment, he may receive exceptional compensation whose amount will be proportionate to this task or assignment and in accordance with market practices.

Finally, each Board member is entitled to reimbursement, upon presentation of supporting documentation, for traveling expenses incurred by him in the exercise of his duties, within the limits of the ceilings stated by the applicable company policy.

3.3.4.1.2. COMPENSATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Board of Directors ensures that the compensation of the Chairman of the Board of Directors is adapted to the missions entrusted to him, consistent with best market practices and aligned with the interests of all stakeholders in the Company's business.

The compensation of the Chairman of the Board of Directors is made up of fixed compensation and benefits in kind, to the exclusion of any other compensation components.

Fixed compensation

The fixed annual compensation is the only component of compensation of the Chairman of the Board of Directors, excluding any other compensation (except for benefits in kind and social protection).

The fixed compensation of the Chairman of the Board of Directors is intended to compensate for the responsibilities and duties attached to this corporate office. The determination of the amount of that compensation also takes into account the skills and experiences of the beneficiary and is based on a comparative study issued by an external consultant on the basis of a sample of French listed companies with a separate governance structure.

The Board of Directors has not set any rules regarding the frequency at which the fixed compensation of the Chairman of the Board of Directors is reviewed; however, it is understood that in practice the Board of Directors reviews this compensation regularly. A review may take place during the term of the corporate office in the event of evolution in the range of responsibilities of that function or of the Company or even in relation to market practices.

Other components of compensation

The Chairman of the Board of Directors receives certain benefits in kind, as well as the medical/life/disability insurance plan set up within the Company.

3.3.4.1.3. COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER

Pursuant to the recommendations of the AFEP-MEDEF Code, the principles and rules applicable to the determination of the Chief Executive Officer's compensation are approved by the Board of Directors on the proposal of the Compensation Committee.

The Board of Directors ensures that the compensation policy is adapted to the Company's strategy and the context in which it operates while ensuring that the compensation of the Chief Executive Officer takes into account social responsibility and environmental (CSR) issues, in particular those relating to carbon neutrality, a strategic priority for the Group.

It also ensures it is in accordance with its corporate interest and that its objective is to contribute to the business strategy and sustainability of the Company and to promote its performance and competitiveness over the medium and long terms.

These objectives are reflected in the determination of stable and long-term compensation structures adapted to the relevant corporate officers in accordance with market practices and, for the Chief Executive Officer, with a major portion of his compensation based on performance criteria related to the implementation of strategy the achievement of which benefits all stakeholders. These elements must also make it possible to attract, retain and retain the Chief Executive Officer.

Fixed annual compensation

The purpose of the fixed compensation of the Chief Executive Officer is to compensate his or her responsibilities and duties. The amount of compensation is also set taking into account the beneficiary's skills and experience.

The Board of Directors has not set any rules regarding the frequency at which the fixed compensation of the Chief Executive Officer is reviewed; however, it is understood that in practice the Board of Directors reviews this compensation regularly.

The fixed compensation acts as a reference in determining the variable annual compensation percentage and for the valuation of performance shares.

Variable annual compensation

The variable annual compensation is based on quantifiable criteria, which are predominant, and qualitative criteria, it being understood that the award of variable compensation subject to performance criteria is not reserved solely for the Chief Executive Officer. The choice of performance criteria, whether quantifiable or qualitative, is notably led by (i) the search for continuous improvement in the Company's financial and operational performance and (ii) the consideration of strategic aspects and corporate and social responsibility issues. In this way, they contribute to the compensation policy objectives. These criteria are regularly reviewed and may be modified from time to time in order to continue to fully meet the objectives of the compensation policy.

The Chief Executive Officer's variable compensation may range from 0% to 180% of his fixed annual compensation depending on the achievement of quantifiable criteria for 75% and individual criteria for 25%.

The Board of Directors sets every year one or several qualitative criteria, which number generally ranges from one to four. They cover strategic, business development and managerial objectives and/or objectives in line with the Group's values. A weighting is assigned to each, and they are related, where possible, to quantifiable indicators. Qualitative criteria may sometimes not be made public for confidentiality reasons. The achievement of the targets for these criteria are assessed annually by the Board of Directors, on the recommendation of the Compensation Committee, on the basis of objective information mainly stemming from internal and external documents evidencing the potential achievement of these targets.

Long-term compensation in the form of performance shares

The maximum amount of performance share grants can represent no more than 250% of the fixed annual compensation of the Chief Executive Officer at the grant date.

The Company's performance share granting policy is based on long-term, simple and transparent principles. Therefore:

- performance share grants are subject to internal and external performance conditions as well as a presence condition applicable to all French and foreign plan beneficiaries (1);
- the vesting period applicable to the plans is four years as from their grant date for all French and foreign plan beneficiaries; the plans include no holding period. It is, however, stated that the Chief Executive Officer must hold a minimum of 30% of the shares acquired from each plan. This threshold requirement ceases to apply when the Chief Executive Officer holds a number of shares corresponding to three years of base gross compensation, factoring in all the previously established plans, and becomes applicable again if the Chief Executive Officer no longer holds the number of target shares corresponding to this level of base gross compensation;
- the number of shares attributable under each plan is determined using an external benchmark. In any event, the final grant is dependent on the achievement of performance and attendance conditions.

The fulfillment of these conditions is assessed by the Board of Directors, on the proposal of the Compensation Committee.

The Chief Executive Officer makes a formal commitment not to hedge risks on performance shares granted to him.

Share-based compensation, which is based on both internal and external performance conditions, enables to strengthen the Chief Executive Officer's loyalty and to focus his actions on the long term while at the same time aligning his interests with the interests of the Company and its shareholders. It thus contributes to the compensation policy objectives.

The Company's long-term compensation practices are reexamined on a regular basis to ensure their compliance with best market practices.

Pension schemes

The Chief Executive Officer benefits from the same pension scheme as the one provided for the other members of the Group's Executive Committee with a French contract.

This plan includes a supplementary defined contributions pension scheme, which benefits to all Group's executives in France, and a supplementary defined benefits pension scheme.

Supplementary defined-contribution pension scheme

The Chief Executive Officer is a beneficiary of the defined contribution pension scheme (Article 83 of the French General Tax Code), open to all Group executives in France with at least one year's seniority at the time of retirement.

Supplementary defined-benefits pension scheme (Article L. 137-11-2 of the French Social Security Code) subject to performance conditions

The Group has set up a grandfathering pension plan that complies with the new legal requirements set out in Article L. 137-11-2 of the French Social Security Code that has the following characteristics:

1/ "Performance Additive Pension Plan 2" (PAPP 2):

- eligibility conditions and other conditions for entitlement:
 - being a member of FORVIA's Executive Committee,
 - with a current or suspended employment contract or a corporate office in France,
 - rights definitively vested after three years on FORVIA's Executive Committee;
- reference salary equal to the gross salary (base and variable, excluding exceptional items) received during the year of membership of the Executive Committee;
- rate of vesting: 0% to 3% of the annual reference salary depending on the achievement of performance conditions;
- enhanced performance conditions conditioning the vesting of rights and under which, below a minimum target, no vested rights may be granted;
- cap on rights acquired under the plan covered by Article L. 137-11-2: 30 points;
- furthermore, given that the current Chief Executive Officer may be the beneficiary of rights provided by other supplementary plans offered by the Group (including the defined-benefit pension scheme and the PAPP 1), the aggregate amount of rights under these plans and the plans governed by Article L. 137-11-2 of the French Social Security Code in force are capped as follows:
 - the sum of pensions under the new scheme and other supplementary plans offered by the Group (including the PAPP) is limited to eight times the Annual Social Security ceilings (€370,944 in 2024),
 - the sum of the rights acquired under the new scheme and the other supplementary schemes provided by the Group (including the PAPP), may not exceed 25% of the average annual reference compensation received during the last three calendar years preceding the date of cessation of activity or the departure from the Executive Committee if this is earlier,

(1) Presence condition with the usual exceptions.

- the annual amount of the total retirement pensions paid under the compulsory plans (basic state plan and supplementary AGIRC-ARRCO plan) and Faurecia group's specific plans may not exceed 45% of the average annual gross reference salary received during the last three calendar years preceding the date of the cessation of activity or the departure from the Executive Committee, whichever occurs earlier.

If one of these ceilings is exceeded, rights under the conditional pension scheme PAPP 1 will be reduced by the same amount so that the cumulative amount of pensions does not exceed one of the ceilings described above. However, the application of these ceilings may not, under any circumstances, reduce the rights vested after January 1, 2020, under the PAPP 2 plan;

- financing outsourced to an insurance company, to which contributions will be paid annually.

2/ The Chief Executive Officer is also eligible for the defined-benefit plan applicable to all employees contributing to tranche C with a cash compensation greater than or equal to €185,472 (Tranche C) in 2024, the main characteristics of which are as follows: future entitlements are acquired immediately, on the basis of the annual reference salary, which is equal to the portion of the gross annual compensation between four and eight multiples of PASS.

It is specified that for the Chief Executive Officer and in accordance with the provisions of Article L. 137-11-2 of the French Social Security Code, the annual vesting of rights is subject to the achievement of a performance condition linked to the level of achievement of the variable annual compensation (FVC) targets.

Termination payment

The Board of Directors may decide to grant the Chief Executive Officer a termination payment subject to performance conditions and dependent on conditions compliant with the AFEP-MEDEF Code.

Non-compete, non-solicitation, non-poaching and prior notice covenants

Given the nature of the Chief Executive Officer's duties and the responsibilities entrusted to him and for the sole purpose of protecting the Company's legitimate interests, a non-compete covenant may be put in place for the Chief Executive Officer in the following conditions.

Benefits in kind, social protection and other compensation items

The Chief Executive Officer is eligible for a company car.

It is also stipulated that he benefits from the medical/life/disability insurance scheme established within the Company.

He does not receive any compensation for his office as a member of the Board of Directors of FORVIA.

3.3.4.1.4. POTENTIAL CHANGE IN GOVERNANCE AND CIRCUMSTANCES

Change of governance

To the extent a new Chairman of the Board of Directors (separate from the CEO) or a new Board member is appointed, the compensation policies for the Chairman of the Board of Directors and the Board members, respectively, described above would apply to them (unless the General Meeting decides otherwise).

To the extent a new Chief Executive Officer or one or more Deputy Chief Executive Officers would be appointed, the compensation policy for the Chief Executive Officer as described above would apply to them (unless the General Meeting decides otherwise). The Board of Directors, on the recommendation of the Compensation Committee, would then, by adapting them to the parties concerned, set the amount of the fixed annual compensation, as well as the other components of the compensation, in particular the objectives, performance levels, parameters, structure and maximum percentages, in relation to their fixed annual compensation.

Exceptional exemption from the compensation policy

In accordance with Article L. 22-10-8 III paragraph 2 of the French Commercial Code, in the event of exceptional circumstances, the Board of Directors may waive the application of the compensation policy if this exemption is temporary, in accordance with the Company's interest and necessary to guarantee the sustainability or viability of the Company.

This option can only be used by the Board of Directors, upon proposal from the Compensation Committee, in the event of exceptional circumstances resulting from an unexpected change in the competitive environment, a significant change in the Group's scope following a merger or sale, the acquisition or creation of a significant new business activity or the suppression of a significant business activity, a change in accounting method or a major event affecting the markets and/or the Group's business sector.

This exemption makes it possible to adjust the variable compensation (annual and long-term) (as well as the performance conditions relating to the supplementary defined-benefit pension) of the Chief Executive Officer. Exceptionally, this adjustment may affect, both upward and downward, one or several criteria (including adding or substituting new criteria) and/or their respective weighting and/or objectives of the criteria of the Chief Executive Officer's variable compensation (annual and long-term) so as to make sure this compensation reflects both the Chief Executive Officer's and the Group's performance.

Any decision on derogation must be temporary and duly motivated. It will necessarily have to maintain the alignment of the interests of shareholders and of the management.

Resolutions submitted to the General Meeting

The resolutions relating to the compensation policy for corporate officers that will be submitted to the General Meeting of May 30, 2024, will be included in the prior notice, which will be published in the *Bulletin des Annonces Légales Obligatoires* and which will also be available on the Company's website.

3.3.4.2. Implementation in 2024

3.3.4.2.1. IMPLEMENTATION OF THE 2024 COMPENSATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS

On the recommendation of the Compensation Committee, the Board of Directors, at its meeting of February 13, 2024, decided that the Chairman of the Board of Directors would benefit, for 2024, from all the compensation components provided for in the compensation policy.

Fixed annual compensation

It is reminded that since 2017, the Chairman of the Board of Directors' fixed annual compensation has remained unchanged at 300,000 euros.

The Board of the Directors, following the Compensation Committee's recommendation, considered a potential revision of the annual fixed compensation of the Board of Directors' chairman, in particular on the basis of the following criteria:

- The increasingly dense work program of the Board of Directors, and thus, of its Chairman;
- The benefit of all stakeholders in a strong implication of the Chairman of the Board of Directors in the Group's governance, alongside the Executive Director;
- The importance of maintaining competitiveness and comparability of compensation levels of the Chairman of the Board of Directors, in comparison to market practices, in particular on the basis of the analysis carried out by an external first-rate firm's analysis.

In this context, the Board of Directors, on the recommendation of the Compensation Committee, decided to increase the Chairman of the Board of Director's annual fixed compensation, from 300,000 euros (current amount) to 400,000 euros (i.e., a 33.33 % increase).

This increase is submitted to a favorable vote of the Annual General Meeting set on May 30, 2024, on the chairman of the Board of Directors' compensation policy. If approved, it will only become effective as of January 1st, 2024.

It is reminded that the Board of Directors' internal regulation also provides that the Chairman of the Board of Directors must own a certain number of shares, corresponding to one year of compensation and that he must do so at the latest at the end of the 2 years following his Chairman's nomination.

Benefits in kind and social protection

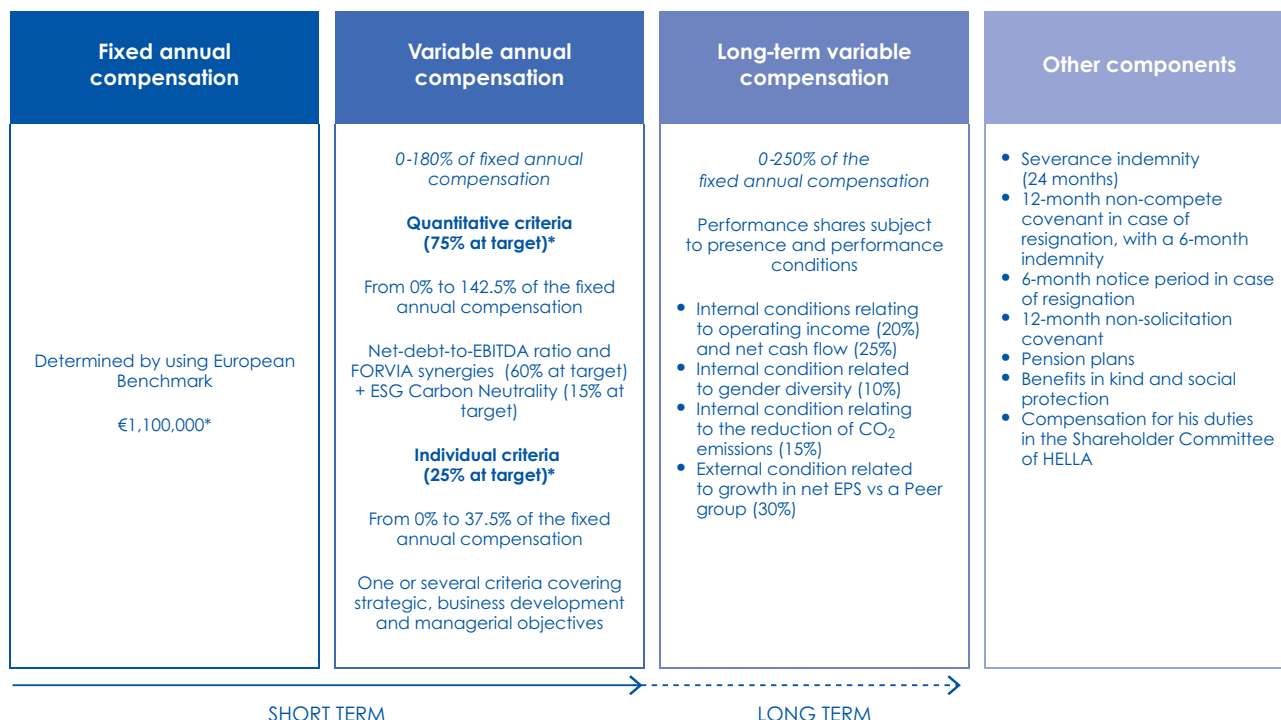
The Chairman of the Board of Directors receives benefits in kind (the provision of a personal assistant for his activities other than those relating to the Chairmanship of FORVIA and the provision of a vehicle) as well as social protection according to the terms set out in the compensation policy.

3.3.4.2.2. IMPLEMENTATION OF THE 2024 COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER

On the recommendation of the Compensation Committee, the Board of Directors, in its meeting held on February 16, 2024, decided that the Chief Executive Officer would receive, for 2024, the compensation items provided for in the compensation policy.

The level of fixed annual compensation, as well as the maximum levels of annual variable compensation and long-term variable compensation achievable and applicable in 2024 would remain unchanged compared to 2023.

The system adopted for 2024 by the Board of Directors in application of the compensation policy is summarized in the graph below. Details for each type of compensation are shown at the end of this graph.



* Subject to approval by our 2024 AGM.

- Compared to the companies in the reference group of the European comparative study conducted for the Board of Directors in 2024, the total compensation of the Chief Executive Officer for 2024 would be, if the objectives/conditions ("targets achieved") are met, 7% above the median and 4% below the 75th percentile of the companies in the reference group. In the current volatile economic context (in particular, in the automotive industry), the total compensation of the Chief Executive Officer, being largely performance-related, is therefore competitive.

Fixed annual compensation

The Chief Executive Officer benefits from a fixed annual compensation under the terms set out in the compensation policy. This fixed annual compensation was set at €1,100,000 for 2024. It remains unchanged compared to 2023.

Variable annual compensation

The Board of Directors, on the recommendation of the Compensation Committee, has set, in accordance with the terms of the compensation policy, the ceiling for the annual variable compensation for 2024 at 180% of the annual fixed compensation of the Chief Executive Officer, which remains unchanged compared to 2023.

The table below sets out the quantifiable and qualitative criteria for the variable annual compensation for the 2024 fiscal year:

Performance criteria	Percentage of the annual fixed compensation at target	Percentage of the annual fixed compensation at maximum
	75%	142.5% ⁽¹⁾
Financial quantifiable criteria including: FORVIA net-debt-to-EBITDA ratio FORVIA synergies	60% 50% 10%	114% 95% 19%
Quantifiable environmental criterion related to the reduction of CO ₂ emissions	15%	28.5%
Individual criteria	25%	37.5% ⁽²⁾
TOTAL	100%	180%

(1) The quantifiable criteria represent 75% of the fixed annual compensation at target and up to 142.5% at maximum, as performance overachievement is capped at 190% of the target value of the quantifiable criteria.

(2) The individual criteria represent 25% of the fixed annual compensation at target and up to 37.5% at maximum, as performance overachievement is capped at 150% of the target value of the individual criteria.

Among quantifiable criteria for 2024 fiscal year:

- the financial quantifiable criteria relate to the net-debt-to-EBITDA ratio and to the FORVIA synergies relating to HELLA integration. The objectives are set by the Board of Directors in relation to the Group's deleveraging trajectory post-acquisition of HELLA and the integration plan for HELLA (it being specified that the numerical objectives may be updated by the Board of Directors to take into account any major event affecting the markets and/or the Group's business sector);
- given the strategic importance of contributing to the reduction of greenhouse gas emissions, the Board of Directors has incorporated a quantifiable environmental criterion relating to carbon neutrality (the objectives of which are in line with the Group's trajectory in this area), measured at the level of the consolidated Group, in the variable annual compensation of the CEO. This criterion is relating to a CO₂ emission reduction (measured in terms of "tCO₂e" for "scopes 1&2" per € million of product sales on the Group perimeter). Since 2022, this criterion has been also added to the annual variable compensation of all eligible Group employees, i.e., 4,800 employees, in order to mobilize all the Group's resources towards the achievement of the objectives set.

The expected levels of achievement of these criteria are determined by the Board of Directors but are not made public for confidentiality reasons. The expected levels of achievement of the environmental criterion relating to carbon neutrality for 2024 will be communicated a posteriori in 2025, at the same time as the actual achievement rate.

The achievement of the objectives of the criteria is assessed annually by the Board of Directors, after review by the Compensation Committee, (i) on the basis of the 2024 consolidated financial statements approved by the Board of Directors and synergies achieved in the context of the HELLA integration for the financial criteria, and (ii) on the basis of a calculation made by a leading international audit firm, based on data collected by the Group, and verified by an independent third-party verifier, for the environmental criteria relating to carbon neutrality.

Performance share grant

The Chief Executive Officer will benefit from a grant of performance shares according to the terms provided for in the compensation policy.

It is proposed that the Chief Executive Officer benefits for the 2024 financial year from an allocation of performance shares according to the performance conditions aligned with those of the other beneficiaries, which are as follows for 2024:

- for a relative weight of 20% based on an internal condition linked to the Group's operating income. This internal condition will be measured after the third fiscal year ended after the grant date of the performance shares (i.e., 2026 fiscal year) compared with the objectives set by the Board of Directors;
- for a relative weight of 25% based on an internal condition linked to the Group's net cash flow. This internal condition will be measured after the third fiscal year ended after the grant date of the performance shares (i.e., 2026 fiscal year) compared with the objectives set by the Board of Directors;
- for a relative weight of 10% based on an internal performance condition related to the gender diversity within the Group's "Managers and Professionals" category. This internal condition is assessed by comparing the effective percentage of women in the "Managers and Professionals" category in the third fiscal year after the grant date of the performance shares (i.e., 2026 fiscal year) with the target percentage set by the Board of Directors;
- for a relative weight of 15% based on an internal condition linked to the reduction of CO₂ emissions. This internal condition will be measured in "tCO₂e" per € million of sales produced within the consolidated Group scope compared to CO₂ emissions in 2019 (adjusted for scope effects);
- for a relative weight of 30% based on an external performance condition, i.e., growth of the Company's net earnings per share assessed between the last fiscal year before the grant date of the performance shares (i.e., 2023 fiscal year) and the third fiscal year ended after the grant date of the performance shares (i.e. 2026 fiscal year). This condition is assessed against the weighted growth of a reference group made up of comparable international automotive suppliers over the same fiscal year.

The reference group is composed of the following European and North American automotive suppliers: Adient (Ireland/USA), Aptiv (formerly Delphi) (USA), Autoliv (Sweden), Autoneum (Switzerland), Borg Warner (USA), Continental (Germany), Dana Incorporated (USA), Lear (USA), Magna (Canada), Plastic Omnium (France), Schaeffler (Germany) and Valeo (France).

This group is intended to be stable over time and may be modified only in the event of significant evolution concerning one of its constituents, in particular in the event of a takeover, merger, de-merger, absorption, dissolution, disappearance or change in business, subject to maintaining the overall consistency of the reference group and enabling an external performance condition consistent with the external performance objective set for the grant to be applied.

The achievement of these conditions will be assessed by the Board of Directors, on the recommendation of the Compensation Committee, on the basis of (i) the consolidated financial statements approved by the Board of Directors (and after necessary restatements) for internal conditions related to operating income and the Group's net cash flow, (ii) the Group's human resources reporting for the internal condition related to gender diversity, (iii) a calculation carried out by a leading international audit firm, based on data collected by the Group, and verified by an independent third party, for the internal environmental condition relating to the reduction of CO₂ emissions, and (iv) a calculation carried out by an external service provider specializing in compensation based on the consolidated financial statements approved by the competent bodies of the Group reference companies and by FORVIA, for the external condition relating to net income per share.

The architecture of the performance share plans is further detailed in Chapter 5 "Capital stock and shareholding structure", Section 5.2.2 "Potential capital" of this Universal Registration Document.

An equivalent adjustment mechanism to the one implemented from plan no. 14 in case of deviation in the global automobile production volumes may be included in the future plan.

Pension schemes

The Chief Executive Officer benefits from defined-contribution and defined-benefits pension schemes provided for by the compensation policy.

The performance conditions related to the acquisition of pension rights in the frame of the PAPP2 pension scheme have been aligned, for all beneficiaries, on the annual criteria applicable to the annual variable remuneration of the Chief Executive Officer from 2023 onwards.

The vesting conditions for pension rights under PAPP 2 are as follows for 2024:

- based on the Group net debt to EBITDA ratio:
 - 1.5% if the net debt to EBITDA ratio for the year is strictly greater than 100% of the set objective,
 - 1.0% if the net debt to EBITDA ratio for the year is strictly greater than 90% and less than or equal to 100% of the set objective,
 - 0.5% if the net debt to EBITDA ratio for the year is strictly greater than or equal to 75% and strictly lower than 90% of the set objective,
 - 0% if the net debt to EBITDA ratio for the year is strictly lower than 75% of the set objective;
- based on the FORVIA synergies:
 - 0.3% if the amount of FORVIA synergies is strictly greater than 100% of the set objective,
 - 0.2% if the amount of FORVIA synergies is strictly greater than 90% and less than or equal to 100% of the set objective,
 - 0.1% if the amount of FORVIA synergies is greater than or equal to 75% and strictly lower than 90% of the set objective,
 - 0% if the amount of FORVIA synergies is strictly lower than 75% of the set objective;

- based on the environmental criterion related to the reduction in CO₂ emissions:
 - 0.45% if the reduction of CO₂ emissions is strictly greater than 100% of the set objective,
 - 0.3% if the reduction of CO₂ emissions is strictly greater than 90% and less than or equal to 100% of the set objective,
 - 0.15% if the reduction of CO₂ emissions is greater than or equal to 75% and strictly lower than 90% of the set objective,
 - 0% if the reduction of CO₂ emissions is strictly lower than 75% of the set objective;
- based on the level of achievement of the individual objectives composing the variable annual compensation:
 - 0.75% if the achievement of the individual objectives is strictly greater than 100%,
 - 0.5% if the achievement of the individual objectives is strictly greater than 90% and less than or equal to 100%,
 - 0.25% if the achievement of the individual objectives is greater than or equal to 75% and strictly lower than 90%,
 - 0% if the achievement of the individual objectives is strictly lower than 75%.

Since January 1, 2021, the conditions for the acquisition of pension rights for the Chief Executive Officer under the defined-benefit pension scheme applicable to all employees contributing in tranche C are as follows:

- 0.75% of vesting of pension rights if the level of achievement of the variable annual compensation targets (FVC) for the year is strictly greater than 100%;
- 0.55% of vesting of pension rights if the level of achievement of the variable annual compensation targets (FVC) for the year is strictly greater than 95% and strictly lower than 100%;
- 0.35% of vesting of pension rights if the level of achievement of the variable annual compensation targets (FVC) for the year is strictly greater than 75% and strictly less than 95%;
- no pension rights are acquired if the level of achievement of the variable annual compensation targets (FVC) for the year is strictly less than 75%.

The maximum yearly rights may not exceed €1,391 (i.e., 0.75% of the difference between €370,944 and €185,472).

In any case, the sum of the vested rights stipulated under tranche C2 and PAPP 2 will not exceed 3% of annual compensation, in line with French regulations.

The financing of the regime will be external, with an insurance company to which yearly contributions will be paid by FORVIA.

Non-competition indemnity, prior notice and non-solicitation/non-poaching

Since June 26, 2020, the Chief Executive Officer is subject to a non-compete covenant in the event of his resignation with an indemnity, prior notice in case of resignation and a non-solicitation/non-poaching obligation in accordance with the terms set out in the compensation policy.

As a reminder, the characteristics of these commitments are as follows:

- in case of resignation, the Chief Executive Officer is bound by a non-compete covenant prohibiting him, for a period of 12 months following the termination date of his office, (i) from soliciting the Group's customers or convincing such persons to terminate their business relationship with the Group, (ii) from exercising management, executive, administrative or supervisory duties as an employee or officer of a competitor company and (iii) from acquiring or holding shares (or other securities) representing more than 5% in the share capital of a competitor company;
- in consideration for this undertaking, the Chief Executive Officer may receive throughout the period of this undertaking, a monthly payment equal to half of the reference compensation (annual fixed and variable) paid with respect to the 12 months preceding the resignation;
- the Board of Directors may unilaterally waive the implementation of this undertaking, within 30 calendar days at the latest, upon the departure of the Chief Executive Officer (in which case the payment will not be due);
- the maximum overall payment amount that the Chief Executive Officer will be eligible to receive with respect to the non-competition and/or severance payment may not exceed 24 months of his Reference Compensation;
- in addition, in the event of the resignation of the Chief Executive Officer, the Board of Directors may decide that the latter must give six months' notice. In this case, the resignation shall become effective at the expiration of the six-month notice period (starting from the date of notification of the resignation). The Board of Directors may waive or reduce such six-month notice period. In such a case, the notice period indemnity will be reduced accordingly to the effectively worked period;
- lastly, the Chief Executive Officer is bound by a non-solicitation/non-poaching obligation for a period of 12 months from his departure date from the Group.

Termination payment

The Chief Executive Officer is entitled to a termination payment which was authorized by the Board of Directors on July 25, 2016 and approved by the General Meeting of May 30, 2017. It is specified that this was adjusted during the review of the Chief Executive Officer's package by the Board of Directors on February 14, 2020 solely in order to align the methods for calculating the reference compensation with that of the non-compete clause, and approved in accordance with the law by the General Meeting of June 26, 2020. The terms of the termination payment have not changed since this last General Meeting.

As a reminder, the conditions for obtaining this compensation, which comply with the AFEP-MEDEF Code, are as follows:

- the payment is due in case of termination of the Chief Executive Officer's term of office on the Company's initiative, subject to his not being terminated due to serious or gross misconduct;
- the payment is not due in case of resignation or retirement;
- the payment is subject to the achievement of the following performance conditions:
 - achievement of a positive operating income during each of the three fiscal years closed-out preceding the termination of the Chief Executive Officer's term of office,
 - achievement of a positive net cash flow during each of the three fiscal years closed-out preceding the termination of the Chief Executive Officer's term of office;
- the payment is equal to 24 months of the reference compensation calculated on a total compensation basis (annual fixed and variable) paid with respect to the 12 months preceding the termination of his corporate office (the "Reference Compensation"). This payment is due if the two conditions described above are fulfilled in each of the three fiscal years concerned, which in practice amounts to the fulfillment of six criteria;
- should one of the six criteria not be met, the termination payment is reduced proportionally by 1/6 and may equal 0 should none of these six criteria be fulfilled;
- should the Chief Executive Officer's term of office be shorter than three years, the method of calculating the termination payment is identical, but the number of criteria is adjusted to take into account the actual length of the term of office.

Benefits in kind, social protection and other compensation items

The Chief Executive Officer receives benefits in kind and social protection according to the terms set out in the compensation policy.

For information, it is indicated that Patrick Koller, Chief Executive Officer of the Company, receives compensation for his term of office on the HELLA Shareholders' Committee (for more information, please refer to the HELLA annual report). Such approach is in line with German corporate standard (notably for listed companies controlled by another listed company).

3.3.4.2.3. IMPLEMENTATION OF THE 2024 COMPENSATION POLICY FOR THE BOARD MEMBERS

The General Meeting of June 26, 2020 (10th resolution) set the maximum total annual amount that may be paid by the Board of Directors to its members at €900,000. This amount has remained unchanged since that date.

On the recommendation of the Compensation Committee, the Board of Directors reviewed the Board members' compensation in order to maintain the competitiveness and comparability of the Board members' compensation with the companies of the main stock market indices in France (CAC40, CACNext 20, CACLARGE60, SB120, CACMid60).

On this basis, the Board of Directors, at its meeting of December 14, 2023, decided that it was desirable to modify the structure and level of the Board members' compensation, in order to continue to attract the best profiles.

In particular, the Board of Directors noted that the average annual fixed compensation of FORVIA's Board members is currently lower than the average annual fixed compensation offered by the companies in the stock market indices studied (CAC40, CACNext 20, CACLARGE60, SB120, CACMid60).

In this context, the Board of Directors, on the recommendation of the Compensation Committee, decided to:

- propose to the General Meeting of May 30, 2024, an increase in the total annual compensation package for Board members from €900,000 to €1,200,000;
- subject to approval by the General Meeting of May 30, 2024, of the increase in the overall maximum annual compensation package for Board members referred to above, to revise certain rules for allocating this package as follows:
 - the fixed part (annual fixed amount for participation in the work of the Board of Directors) would be set at €25,000 (compared to €12,000 currently),
 - the variable part (amount per meeting of the Board of Directors – actual attendance) would be set at €5,000 (compared to €3,000 currently),
 - the fixed part and the variable part for participation in, or chairmanship of, committees would remain unchanged,
 - Board members who are members of an ad hoc Committee would receive variable compensation in the amount of €2,500 per meeting (actual attendance); there is no fixed portion for participation in an ad hoc committee.

The other principles used to determine the Board members' compensation, as described in section 3.3.2. "Compensation policy for Board members for the 2022 and 2023 fiscal years" and Section 3.3.4.1.1. "Compensation policy for Board members" of this Universal Registration Document would remain unchanged.

The new scale would therefore be as follows:

	Fixed compensation ⁽¹⁾	Variable compensation per session	Compensation for Board members not residing in France
Board of Directors	€25,000	€5,000	€3,000 per Board meeting attendance
Committees			
■ Member	€10,000	€2,500	-
■ Chairman	€15,000	€3,500	-
Ad hoc Committees	N/A	€2,500	-

(1) Prorated portion for members of the Board (or a Committee) who joined or left the Board (or a Committee) during the year. The amount is then divided by the number of Board and committee meetings (giving the right to compensation) organized during the year.

This new scale would be applicable with effect from January 1, 2024, subject to the approval at the General Meeting of May 30, 2024, of the increase in the overall annual compensation package for Board members and the compensation policy for Board members; in the absence of such approval, the scale would remain unchanged.

3.4. Summary of compliance with the recommendations of the AFEP-MEDEF Code

The AFEP-MEDEF Code requires detailed reporting on the application of its recommendations and explanations to be provided, if applicable, as to why a company may not have implemented some of them. As of the end of the 2023 fiscal year, FORVIA did not entirely comply with the recommendations contained in the AFEP-MEDEF Code on the following issues.

AFEP-MEDEF Code recommendations

25.4 Conclusion of a non-competition agreement with an executive corporate officer

"The Board also provides that the payment of the non-competition indemnity is excluded when the executive exercises their retirement rights. In any event, no indemnity may be paid beyond the age of 65."

Explanations – Practice followed by the Company

The Board of Directors, on the recommendation of the Compensation Committee, carried out an in-depth review of the structure and components of the Chief Executive Officer's compensation in 2020 as part of the development of the compensation policy, and decided in particular to submit the Chief Executive Officer to a non-competition undertaking. This mechanism was approved, as part of the compensation policy for the Chief Executive Officer, by the General Meeting of June 26, 2020, under Resolution No. 16.

The non-competition undertaking, which lasts 12 months, will apply in the event of the resignation of the Chief Executive Officer. In consideration for this undertaking, the Chief Executive Officer may receive throughout the period of this undertaking, a monthly payment equal to half of the reference compensation (annual fixed and variable) paid with respect to the 12 months preceding the resignation.

The non-competition agreement does not expressly provide for a restriction on the payment of the indemnity when the person concerned claims his pension rights, as this principle is now provided for by law.

In addition, the non-competition agreement does not provide for an age limit for the payment of the non-competition indemnity. The Board of Directors considers that this recommendation of an age limit is not compatible with the objective of protecting the Group's interests, as the implementation of a non-competition undertaking is intended to protect the Group's governance on a permanent basis against a departure of its executive to a competitor. Compensation for such an undertaking is customary and eliminating it beyond the age of 65, when many former executive directors continue to work after that age, does not seem to be in line with the objective of protection sought.

The payment of this indemnity is not, however, automatic, as the Board of Directors reserves the right, in light of the circumstances that it will assess and on a discretionary basis, to apply or not apply the non-competition undertaking. If the Board of Directors waives the application of the non-competition undertaking, the non-competition indemnity will not be due to the Chief Executive Officer for the period waived by the Company.

3.5. Shareholding by corporate officers and transactions in the Company's securities

3.5.1. Shares held by corporate officers

Pursuant to the Company's bylaws, each Board member must hold at least 20 shares throughout the term of office.

Furthermore, the internal rules of the Board of Directors provide that each Board member must hold 500 shares in the Company, including 20 shares provided for in the bylaws, during the entire term of their corporate office. However, Board members who do not receive compensation in respect of their directorship are only required to hold 20 shares provided for in the bylaws and, in accordance with the law, Board members representing employees are not required to hold a minimum number of shares.

The internal rules of the Board of Directors' also state that the Chairman of the Board of Directors must hold shares corresponding to one year's compensation (including the 500 shares held as a Board member) and must comply with this obligation within two years of being appointed as Chairman.

At December 31, 2023, the corporate officers held approximately 3.2% of the Company's capital stock and 5.3% of the voting rights (including 3.1% of the capital stock and 5.1% of the voting rights held by Peugeot 1810).

Details of the number of shares held by each corporate officer are provided in the summary table in section 3.1.2.1. "General information on the composition of the Board of Directors" and in the biographies of the Board members in section 3.1.2.2. "Board members' expertise, positions and corporate offices as of the date of this Universal Registration Document". It is apparent from this information that, as at December 31, 2023, the Board members comply with the holding obligations laid down in the bylaws and internal rules.

3.5.2. Transactions in the Company's securities by corporate officers

Code of Conduct

Since April 14, 2010, the Company has a Code of Conduct for Group employees and executives who have access to insider information by virtue of their positions and offices, with provisions on the management, ownership and disclosure of such information. This Code was amended, for the last time, by the Board of Directors during its meeting held on December 18, 2019. It is available on the governance page of the Company's website (www.forvia.com).

Under the measures to prevent insider trading within the Group, the Code provides, among others, for blackout periods that require corporate officers as well as persons who have regular or occasional access to accounting or financial information before publication to refrain from trading in FORVIA shares during certain periods surrounding the publication of interim results, annual results and quarterly sales. These periods are as follows:

- 30 calendar days prior to the publication of the press release on annual or interim results, this period includes the date of publication;

- 15 calendar days prior to the publication of the quarterly sales, this period includes the date of publication.

The Code also describes the disclosure requirements for securities transactions, which apply to persons with managerial responsibilities within the meaning of the EU Regulation on market abuse and to persons closely associated with them, and lists the transactions to be disclosed since the regulation entered into force. In accordance with the applicable regulations, corporate officers were informed of disclosure requirements for securities transactions applicable to them as well as to their close associates.

The Code also states that when there is any doubt relating to the information held, the persons concerned must inform the Group's Chief Financial Officer who, in their capacity as compliance officer, will have 24 hours to offer an opinion on the planned transaction.

Lastly, the Code notes the obligation that corporate officers hold shares in registered form and, more generally, the sanctions for insider trading or disclosure of insider information.

3 Corporate governance

Shareholding by corporate officers and transactions in the Company's securities

Insider Information Committee

The Company has set up an Insider Information Committee whose role is to identify and qualify insider information on a case-by-case basis, and then to decide whether or not to defer the publication of this information with regard to the applicable regulations, the positions and recommendations of the *Autorité des Marchés Financiers* (AMF) and the guidelines of the European Securities and Markets Authority.

Transactions in securities

Transactions carried out during the fiscal year ended December 31, 2023, by corporate officers and persons closely related to them and which have been notified to the *Autorité des Marchés Financiers* (AMF) and to the Company, in application of the provisions applicable regulations, are presented in the table below:

Declarant	References of the AMF decision/notice	Financial instrument	Number	Transaction type	Date of transaction	Date of receipt of the declaration	Transaction venue	Unit price	Amount of transaction
Patrick KOLLER	2023DD937019	Shares	5,365	Delivery of performance shares	October 9, 2023	November 7, 2023	Outside a trading venue	N.A.	N.A.

3.6. Declarations of the members of the Board of Directors and Executive Management

Within the framework of an active conflict of interests management policy and to collect the information required under Annex 1 item 12 of European Regulation No. 2019/980, each year the Company provides its Board members with a detailed questionnaire allowing them to obtain the information required and thus make the necessary declarations.

To the Company's knowledge and on the date this Universal Registration Document was drawn up, there is no family relationship between FORVIA's corporate officers.

Moreover, to the Company's knowledge and on the date this Universal Registration Document was drawn up, none of the members of the Board of Directors and Executive Management have, within the last five years:

- been found guilty of fraud;
- been incriminated by a statutory or regulatory authority (including designated professional bodies);
- been publicly sanctioned by a statutory or regulatory authority (including designated professional bodies);
- been banned by a tribunal from serving as a member of an administrative, management or supervisory body or from being involved in the management of an issuer;
- been involved in a bankruptcy, receivership, liquidation, or receivership of companies having served as a member of an administrative, management or supervisory body.

To the Company's knowledge and on the date this Universal Registration Document was drawn up, no potential conflicts of interest have been identified between the duties of each of the members of the Board of Directors and the Executive Management with regard to the Company and their private interests and/or other duties. It is specified that one Board member, Peter Mertens, whose mandate expired at the end of the annual general meeting dated May 30, 2023, has a minority interest in a start-up in which the Group has made a very small investment (less than 0.03% of the Group's sales of the period during which the investment was made (2019) and was appointed, in November 2019, as a Board member of this Company. It is noted that this investment was made prior to the effective appointment of Peter Mertens as a Board member of the Company, that the investment conditions are similar for all minority investors (including the Company), that the Company does not have voting rights on the Board of Directors of this start-up and that the decisions on this investment are not made at the level of the Board of Directors of the Company. In addition, if a conflict of interest were to arise, the provisions of the

internal rules on this subject would apply (for details of these rules, see Section 3.1.3.1. "Organization of the Board of Directors", paragraph "Board members' obligations").

As part of the HELLA acquisition, the Company made a commitment for representation of the HELLA family pool on the Company's Board of Directors. This commitment continues as long as the HELLA Family Pool holds at least 5% of the Company's capital stock.

In accordance with the Investment Agreement of August 14, 2021, as subsequently amended, the HELLA family pool has undertaken not to sell:

- for a period of 18 months from the date of completion of the acquisition, i.e., until July 31, 2023, their shares held in the Company;
- during a period of 12 months as from the expiry of the preceding period described above, i.e., until July 31, 2024, more than 5% of the Company's capital stock (as outstanding on July 31, 2023).

These lock-up commitments are subject to the usual exceptions in this respect, formalized in a contract under German law entered into between Faurecia and the members of the HELLA family pool on January 27, 2022, entitled the "Blocking Agreement". Moreover, the Company has been informed of the execution by the HELLA family pool of a shareholders' agreement constituting a concert action vis-à-vis Faurecia. This shareholders' agreement also provides for preemptive rights to the benefit of the other members of the HELLA family pool on shares held by a member excluded from the shareholders' agreement.

Lastly, to the Company's knowledge and as of the date of this Universal Registration Document, there are no other restrictions accepted by the members of the Board of Directors and Executive Management concerning the sale, within a certain time period, of the Company's shares they hold, with the exception of (i) the provisions of the bylaws and the internal rules on shareholding (see section 3.5.2. "Transactions in the Company's securities by corporate officers" of this Universal Registration Document) and (ii) the holding obligation related to the allocation of performance shares to the Chief Executive Officer under the terms of which he must retain at least 30% of the shares effectively vested under each plan. This percentage threshold requirement ceases to apply when the Chief Executive Officer holds a number of shares corresponding to three years of base gross compensation, factoring in all the previously established plans, and becomes applicable again if the Chief Executive Officer no longer holds the number of target shares corresponding to this level of base gross compensation.

3.7. Authorizations relating to sureties, endorsements and guarantees

In accordance with the law and bylaws, the Board of Directors can, within the limit of a total amount which it fixes, authorize the Chief Executive Officer to issue sureties, endorsements and guarantees on behalf of the Company.

In its meeting held on July 26, 2023, the Board of Directors authorized the Chief Executive Officer to issue sureties, endorsements and guarantees within the limits of a global amount of €50 million, up to a limit of €10 million per transaction, for a one-year period. If the Group is required to provide advance payment guarantees or performance bonds for contracts with successive partial deliveries, the Chief Executive Officer is authorized to provide guarantees representing a maximum of €5 million per transaction. It is specified that sureties, endorsements and guarantees provided to tax and customs regimes may be given without any limit on the amount.

3.8. Agreements

3.8.1. Related-party agreements

The Statutory Auditors' special report on related-party agreements is included in Section 3.8.4 of this Universal Registration Document. It mentions two related-party agreements, signed in 2022, still in force, one of which was renewed twice in 2023. As a reminder, no related-party agreement was entered into during previous fiscal years.

3.8.2. Procedure for assessing ordinary and normal agreements

In accordance with the applicable provisions, the Board of Directors of April 17, 2020, adopted, on the recommendation of the Governance and Nominations Committee (from now on named Governance, Nominations and Sustainability Committee), a procedure to assess ordinary agreements entered into under normal conditions (unregulated agreements) and regulated agreements.

This internal document formalized the procedure applicable to the identification and qualification of agreements prior to their conclusion or amendment. It sets out the role of the Legal department in this assessment

process as well as the rules to be taken into account when examining these agreements. The methods used by the Governance, Nominations and Sustainability Committee and the Board of Directors to assess the procedure are also described. It is specified that, as far as possible, the person directly or indirectly affiliated with one of these agreements may not take part in its assessment.

The implementation during the 2023 fiscal year was reviewed by the Governance, Nominations and Sustainability Committee at its meeting of December 12, 2023, and presented to the Board of Directors at its meeting of December 14, 2023.

3.8.3. Service contracts

To the Company's knowledge and on the date this Universal Registration Document was drawn up, there is no service contract linking a Board member with FORVIA or any of its subsidiaries.

3.8.4. Statutory auditors' report on related party agreements

Annual General Meeting held to approve the financial statements for the year ended December 31st, 2023

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Annual General Meeting of Forvia,

In our capacity as statutory auditors of Forvia, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

Where applicable, it is also our responsibility to provide you with the information required by Article R. 225-31 of the French Commercial Code (*Code de commerce*) in relation to the implementation during the year of agreements already approved by the General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents from which it is derived.

Agreements submitted for approval to the Annual General Meeting

In accordance with Article R. 225-40 of the French Commercial Code (*Code de commerce*), we have been notified of the following related party agreements which received prior authorization from your Board of Directors.

With HELLA GmbH & CO. KgaA (hereinafter "HELLA"), subsidiary of your entity

Licence agreement

Nature and purpose

Under this license agreement, your company authorizes the company HELLA and its affiliates to use the name/brand "Forvia", the slogan "Inspiring mobility" and the related intellectual property rights.

Conditions

Your Board of Directors has, by deliberation on February 17th, 2023, authorized the renewal of the letter of agreement dated April 1st, 2022 free of charge for a period of nine months.

Your Board of Directors has, by deliberation on December 14th, 2023, authorized the renewal of the letter of agreement dated April 1, 2022, free of charge for a period of six months.

Reasons justifying why the Company benefits from this agreement

Your Board of Directors has justified this agreement as follows: this new name will help to create a common identity within the group and strengthen the feeling for employees to belong to one and the same group.

Agreements previously approved by the Annual General Meeting

In accordance with Article R. 225-30 of the French Commercial Code (*Code de commerce*), we have been notified that the following agreements, which were approved by the Annual General Meeting in prior years, remained in force during the year ended December 31st, 2023.

With HELLA GmbH & CO. KgaA (hereinafter "HELLA"), subsidiary of your entity

Coordination agreement

Nature and purpose

Under the coordination agreement, your company and HELLA have established a legal framework for their future cooperation in the following areas:

- accounting, financial, tax and legal reporting;
- risk management;
- financial communication;
- Forvia and HELLA Group policies;
- information sharing;
- creation of joint committees; and
- establishment of a mechanism for resolving potential conflicts regarding the Coordination Agreement and alignment on certain other relevant aspects.

Conditions

The coordination agreement was authorized by your board of directors on February 18th, 2022, and concluded on September 14th, 2022. The agreement does not provide for any payments between the parties. However, if any of the measures relating to the proposed cooperation between the Faurecia Group and the HELLA Group were to result in costs or other charges at the company HELLA level, such costs would be included in the "dependency ratio" of the company HELLA and would be compensated by your company.

The coordination agreement has a fixed term of five years from the date of its conclusion and will be automatically renewed for consecutive two-year periods, unless terminated by any party no later than twelve months prior to the expiration of the relevant term. It will automatically terminate six months after the date on which your company ceases to hold, directly or indirectly, at least forty percent of the shares of the company HELLA.

Paris-La Défense, February 19th, 2024

The Statutory Auditors

French original signed by

MAZARS

Anne-Laure Rousselou

Gregory Derouet

ERNST & YOUNG Audit

Guillaume Brunet-Moret

3.9. Other Information

The table summarizing the current delegations of authority granted by the General Meeting in the area of capital increases and showing the use made of these delegations during the period is presented in Chapter 5, Section 5.2.1 "Authorized capital stock" of this Universal Registration Document.

The specific conditions governing shareholders' participation in the General Meeting or the provisions of the bylaws which outline these conditions are included in Chapter 6, Section 6.1 "Legal information".

Lastly, factors likely to affect a public takeover bid or exchange are described in Chapter 6, Section 6.1 "Legal information".

4

Environmental and social performance

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4.1. General information

4.1.1. General preparation basis

4.1.1.1. General basis for preparing the sustainable performance declaration

This chapter on sustainable performance answers:

- the requirements of Order No. 2017-1180 of July 19, 2017 and Decree No. 2017-1265 of August 9, 2017 creating a Non-Financial Performance Declaration, described in more detail in Articles L. 225-102-1 and R. 225-105 et seq. of the French Commercial Code;
- the requirements of law No. 2017-399 of March 27, 2017 on the duty of care.

Non-financial information covers the same scope as that used for the financial statements, i.e. the entire scope of consolidation of the Group excluding equity-accounted companies (see Chapter 1).

FORVIA takes into account its upstream and downstream value chain on all environmental issues (see 4.2.), particularly on the climate (see 4.2.2). The Group includes the stakeholders of its value chain in the reporting: suppliers (see 4.3.2), affected communities (see 4.3.3), consumers and end-users (see 4.3.4). The methodology is detailed in Section 4.5.2.

4.1.1.2. Disclosure of information relating to specific circumstances

This year, the structure of the chapter on environmental and social performance was reworked in order to anticipate the expectations of the Corporate Sustainability Reporting Directive (CSRD). This chapter is structured according to the architecture of the European Sustainability Reporting Standards (ESRS), in four main sections: general information (see 4.1), Environment (see 4.2), Social (see 4.3) and Governance (see 4.4). It already meets the requirements for some of the information that will need to be published in the 2024 fiscal year.

For FORVIA's carbon footprint, the Group uses estimates for value chain data. Sources of uncertainty associated with greenhouse gas (GHG) emissions estimates, results and calculation methodology are published in Note 4.5.2. Specificities relating to the reporting scope and the methodologies for calculating GHG emissions, volatile organic compounds (VOCs), and environmental indicators are presented in the same methodological note.

- End of May 2023, the company Faurecia SE (European company) became FORVIA SE

At the date of publication of this report, Faurecia owns more than 80% of HELLA, and the two companies form the FORVIA group. The consolidation of FORVIA group data is underway for certain topics. To ensure a better understanding, it is important to note the following points:

- When the term "FORVIA SE" is used, it refers to the scope of the former Faurecia SE entity.
- When the term "FORVIA" is used, it refers to the combined scope of Faurecia SE and HELLA.

The Group's vigilance plan is presented in Section 4.3.2.4. and its response to the European Taxonomy in Chapter 4.2.2.



GRI 102-12, GRI 102-13, GRI 102-46

FORVIA ensures compliance with best environmental, social and societal practices and adheres to recognized international norms and standards. The Group also relies on recognized CSR partners and methodologies to monitor and support its supply chain, develop its climate strategy and protect biodiversity, as well as international reporting frameworks to ensure transparency.

FORVIA's CSR strategy participates in the United Nations Sustainable Development Goals (SDG): adopted in 2015 by 193 countries at the United Nations, the 17 Sustainable Development Goals constitute an action plan for a fair transition towards sustainable development by 2030. FORVIA supports these goals and contributes to them through its CSR strategy.



FORVIA CSR COMMITMENTS BASED ON INTERNATIONALLY RECOGNIZED STANDARDS, PRINCIPLES AND FRAMEWORKS



PLANET



SCIENCE-BASED TARGET INITIATIVE (SBTi)

Defines and promotes best practices for setting science-based emission reduction targets aligned with the goals of the Paris Agreement.



World's first automotive company to be certified under the new Net-Zero standard
CO₂ neutrality goal set by 2045

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE

International initiative aimed at enhancing transparency regarding climate-related risks and opportunities through a reporting framework.



Recommendations implemented since 2019



HYDROGEN COUNCIL

A global initiative of leading energy, transport, and industrial companies sharing a long-term ambition for hydrogen to drive the energy transition.



Executive member of the Hydrogen Council and the French Hydrogen Council



MOVIN'ON LAB

Innovative and collaborative Think and Do Tank established by Michelin, to promoting a better life through sustainable mobility.



Board member for over 6 years



WE MEAN BUSINESS COALITION

A coalition led by seven NGOs (BSR, CDP, CERES, CLG Europe, Climate Group, The B Team, and WBCSD), aiming to catalyse business leadership and drive policy goals towards a Net-Zero economy.



Member since 2021



BUSINESS



ENTREPRISES POUR L'ENVIRONNEMENT (EPE)

A French organisation bringing together 50 large French and international companies committed to better integrating environmental stakes into their strategic decisions and daily management.



Member



ISO 14001

International standard for the analysis and control of local environmental risks.



88% of production sites certified in 2023



ISO 9001 & IATF 16949

International standard for quality management systems in the automotive industry.



100% of sites certified in 2023



PEOPLE



UN GLOBAL WOMEN'S EMPOWERMENT PRINCIPLES

Initiative established by the United Nations Global Compact and UN Women to promote gender equality and women's empowerment in the workplace.



Signatory since 2020



HAPPY INDEX TRAINEES

Certification recognizing companies' approach to the onboarding, support, and management of their interns, apprentices, and VIEs (volunteers for international experience).



Certified

TRANSVERSAL



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

17 global goals aimed at eradicating poverty, protecting the planet, and ensuring prosperity for all by 2030.

Support through CSR strategy:
SDGs integrated into the Group's materiality analysis



10 PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

Initiative launched in 2000 by the United Nations to promote respect for human rights, international labor standards, environmental preservation, and the fight against corruption.

Signatory
since 2004



GLOBAL REPORTING INITIATIVE (GRI)

Non-financial performance disclosure and reporting prepared following GRI standards, Core option



SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

Analysis of non-financial challenges:

- In comparison with a risk universe for automotive sector peers
- Based on recommendations made by SASB



ECOVADIS

Annual in-depth assessment of the Group's suppliers since 2017

ESG RATING BY FORVIA

 <p>CLIMAT A</p> <hr/> <p>WATER B</p> <hr/> <p>SUPPLIER A</p> <p>Scale A to D</p>	 <p>Risk category "LOW RISK"</p>	 <p>A</p> <p>Scale AAA to CCC</p>	 <p>62/100</p>
	 <p>FORVIA SE : 74/100</p>	 <p>4/5</p> <p>Listed in the index series</p>	 <p>C</p> <p>Scale A+ to D-</p>

4.1.2. Governance of Social and Environmental Responsibility (CSR)

4.1.2.1. CSR governance bodies

The sustainable development strategy is subject to regular strategic and operational monitoring by the Executive Committee through a dedicated working group and by the Board of Directors through a specific Committee.

■ **The Governance, Nominations and Sustainability Committee of FORVIA SE's Board of Directors notably reviews the Group's sustainable development performance through:**

- the analysis of non-financial risks;
- the review of sustainable development performance;
- discussions on the areas of focus of the sustainable development strategy.

At December 31, 2023, this Committee was composed of three independent members: Jean-Bernard LÉVY (Chairman), Penelope Herscher and Michel de Rosen. They met six times in 2023. Its members include the Chairman of the Board of Directors and two members of the Board of Directors with specific expertise in CSR matters (see 3.1.2.2).

■ **FORVIA SE Executive Committee's Sustainable Development Steering Committee defines and guides the sustainable transformation strategy, through:**

- the definition of the sustainable development roadmap and its associated action plans;
- discussions on the integration of sustainable development into the Group's strategy;
- the management of sustainable development performance and the vigilance plan.

This working group is composed of 12 people, including six women and six men. The group members were chosen according to their scope of responsibility in relation to sustainability issues.

the Group meets every quarter. Since 2022, the HELLA representative in charge of sustainable development has been one of the members of this Committee.

■ **The operational Sustainable Development Committee monitors the performance and implements the associated action plans.** The Committee is composed of climate coordinators and CSR sponsors at the level of each key Group function and in the Business Groups. They ensure the integration of CSR into the Group's policies and processes and the implementation of CSR in the functions and Business Groups. They discuss and share annually:

- the new guidelines of the sustainable development strategy;
- the results of the action plans;
- the mapping of non-financial risks;
- the review of the annual non-financial audit.

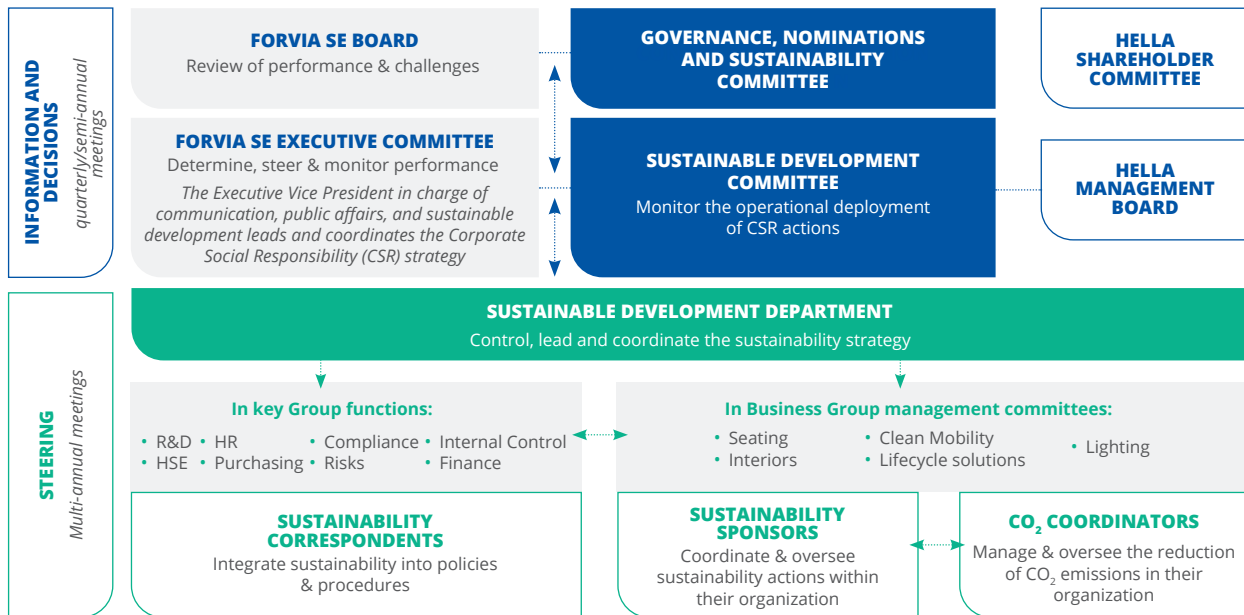
4.1.2.2. Information provided to the CSR governance bodies

The Group's Business Groups present their three-year strategic plan to the Executive Committee. This plan incorporates both the business roadmap (planning, budget, resources, KPIs, etc.) and sustainable development issues, particularly climate-related issues (energy consumption and CO₂ emissions).

FORVIA SE's Sustainable Development department manages and coordinates the Group's sustainable development strategy. The department reports on the analysis of CSR risks and opportunities, as well as the progress of the "Inspired to care" roadmap to the Executive Vice President in charge of communications, public affairs and sustainable development.

Lastly, the CSR strategy is shared by everyone internally, and externally via the Group's annual publication, an annual publication dedicated to sustainable development, a dedicated space on the website and during investor presentations or the Sustainability Day, a physical event that takes place every two years, which is recorded and posted online, for all Group stakeholders.

SUSTAINABILITY GOVERNANCE



4.1.2.3. CSR criteria in variable compensation

The variable compensation systems integrate the Group's strategic objectives and incorporate social and environmental responsibility criteria. They are approved every six months and updated every year.

Target	Short-term variable compensation	Long-term variable compensation
Chief Executive Officer of FORVIA SE	<ul style="list-style-type: none"> 15% of the variable compensation linked to the CO₂ neutrality results for scopes 1 & 2 Qualitative objective linked to the deployment of the sustainable development convictions and the implementation of the sustainability roadmap 	<ul style="list-style-type: none"> 10% of performance shares linked to gender diversity objectives 15% of the allocation of performance shares is linked to CO₂ neutrality results objectives of scopes 1 & 2
FORVIA SE Top 300 leaders	<ul style="list-style-type: none"> 15% of the variable compensation linked to CO₂ neutrality results for scopes 1 & 2 	<ul style="list-style-type: none"> 10% of performance shares linked to gender diversity objectives 15% of the allocation of performance shares is linked to CO₂ neutrality results objectives of scopes 1 & 2
4,800 FORVIA SE managers	<ul style="list-style-type: none"> 15% of the variable compensation linked to CO₂ neutrality results for scopes 1 & 2 	
HELLA Management Board	<ul style="list-style-type: none"> 7.5% of the 2023 variable compensation linked to the accidents rate and the CO₂ intensity scopes 1 & 2 	<ul style="list-style-type: none"> 25% of compensation targets are linked to CO₂ and gender diversity targets

CO₂ targets are included in the criteria for the variable compensation of the Chief Executive Officer, FORVIA SE's Top 300 leaders and FORVIA SE's 4,800 managers.

4.1.2.4. Due diligence statement

The various elements of due diligence, presented below, are covered throughout this sustainability statement.

Essential elements of due diligence	Paragraphs in the sustainability statement
Identify and assess adverse impacts	Materiality analysis and link with the Group's strategy and business model (see 4.1.3.3.) Vigilance plan (see Section 4.3.2.4)
Take action to address these adverse impacts	Vigilance plan (see Section 4.3.2.4)
Monitor the effectiveness of these efforts and communicate	Vigilance plan (see Section 4.3.2.4)
Integrate due diligence into governance, strategy and the business model	Presentation of governance (see Chapter 2) Vigilance plan (see Section 4.3.2.4)
Collaborate with relevant stakeholders at all stages of due diligence	Stakeholders' interests and points of view (cf 4.1.3.2.)

4.1.2.5. Group risk management and CSR materiality

Information on risk management and internal control is provided in Chapter 2.

The Group's risk mapping is carried out each year, according to the following three stages:

1. definition of the Group's context and associated objectives;
2. assessment of the risk of which the Group is aware;
3. risk management through four levers: terminate or avoid, treat or reduce, transfer or share, tolerate residual risk.

It is supplemented by analyzes at the level of functions, Business Groups or regions.

The main CSR risks for 2023 are:

- climate transition and its impact on the economy;
- environmental impact of operations ;

- business ethic ;
- talent acquisition and retention ;
- Product Quality and Safety ;
- workplace safety ;
- responsible supply chain.

To mitigate them, the Group has implemented appropriate mitigation strategies. These conclusions, drawn from the 2023 mapping, were sent internally to the departments concerned.

The risks identified are reviewed quarterly by the Risk Committee, in which the Executive Vice Presidents in charge of Legal and Finance participate. The information is communicated to the Board of Directors once a year.

4.1.3. Strategy

4.1.3.1. Sustainable development strategy

FORVIA offers lighting and interior technologies, spare parts and accessories, solutions to enhance Clean Mobility, seats and on-board electronics (see introductory chapter). The Group also offers diagnostic services. These goods and services are intended for the automotive industry and its customers.

FORVIA SE's business model and value chain are presented in the introductory chapter.

FORVIA is committed and mobilized to create a positive impact on society and the planet through its activity and its value chain.

In particular, the Group is committed to:

- reducing its CO₂ footprint and offering Sustainable Mobility solutions;
- investing in technology and new business models;
- engaging in an open, responsible and balanced dialogue with its stakeholders;

- contributing to economic development and the creation of social value through local hiring;
- encouraging the greatest possible diversity in its recruitment and career management processes, while promoting working conditions adapted to individual needs;
- ensuring the training and career development of its employees.

Guided by the United Nations Sustainable Development Goals, FORVIA's sustainable development strategy "Inspired to care" is structured around three pillars: Planet, Business, People. It is deployed using a roadmap.

Updated annually, this roadmap presents FORVIA's commitments and associated action plans, objectives and performance indicators. It is deployed internally by the teams, and the results are measured against the Group's expectations and commitments to its stakeholders.

SUSTAINABLE DEVELOPMENT PERFORMANCE INDICATORS FOR FORVIA

FORVIA

FORVIA Figures

FORVIA SE

FORVIA SE Figures

✓ Key performance indicators audited by the Independent Third party Organization



PLANET

ENVIRONMENTAL FOOTPRINT OF OPERATIONS (SCOPES 1 & 2)



FORVIA OBJECTIVES

		2019	2022	2023	2025	2027	2030
CO₂ Emissions Scopes 1 and 2 (Mt CO ₂ eq)	FORVIA	1.17	0.81	0.69 ✓	Neutrality		
	FORVIA SE	0.82	0.58	0.45 ✓			
CO₂ Intensity (tCO ₂ eq scopes 1 & 2/ € millions of sales)	FORVIA	49	34	26 ✓			
	FORVIA SE	47	34	23 ✓			
Energy Intensity of sites (MWh scopes 1 & 2/€ millions of sales)	FORVIA	125	104	92 ✓			
	FORVIA SE	122	99	88 ✓			
Waste Intensity (metric tons/€ millions of sales)	FORVIA		8.9	8.9 ✓	-28%	-34%	
	FORVIA SE	14.7	10.6	10.7 ✓			
Water Intensity (m ³ /€ millions of sales)	FORVIA	174.9	126.3	120.3			
	FORVIA SE	176	122.3	122	-10%*		-30%*

*Represents 88% of the FORVIA scope, including HELLA

CIRCULAR ECONOMY OF PRODUCTS (SCOPE 3)



FORVIA OBJECTIVES

		2019	2022	2023	2025	2027	2030
CO₂ Emissions scope 3 (Mt CO ₂ eq) (excluding the use phase of sold products)	FORVIA	12.8	12.9	13.5 ✓			-45%
	FORVIA SE	9.9	10.2	10.5 ✓			

INVESTMENTS FOR SUSTAINABLE TECHNOLOGIES



FORVIA OBJECTIVES

		2019	2022	2023	2025	2027	2030
Share of revenue aligned with taxonomy	FORVIA		21.6%	24,9%			
	FORVIA SE						

BUSINESS

BUSINESS ETHICS		FORVIA OBJECTIVES					
		2019	2022	2023	2025	2027	2030
Percentage of targeted employees trained on the Code of Ethics	FORVIA			97% ✓	100%		
	FORVIA SE	93%	96.7%	98.1% ✓			

SAFETY		FORVIA OBJECTIVES					
		2019	2022	2023	2025	2027	2030
Number of accidents with and without lost time per million hours worked (FR1t indicator)	FORVIA		2.06	2.70 ✓		1.5	
	FORVIA SE	2.05	1.44	1.14 ✓			

RESPONSIBLE VALUE CHAIN		FORVIA OBJECTIVES					
		2019	2022	2023	2025	2027	2030
Percentage of direct purchasing volume assessed for CSR performance (representing about 2,000 direct suppliers)	FORVIA			84%* ✓	85%**		
	FORVIA SE	80%	93%				
Minimum Ecovadis score of the suppliers in the panel	FORVIA			45/100	55/100		
	FORVIA SE	30/100	40/100				

* FORVIA scope including the top 200 suppliers in HELLA's panel
 ** FORVIA scope including all suppliers in HELLA's panel

PEOPLE

LEARNING ORGANIZATION		FORVIA OBJECTIVES					
		2019	2022	2023	2025	2027	2030
Number of training hours per employee per year	FORVIA						25h
	FORVIA SE	21.6h	22.9h	26.9h			

DIVERSITY AND INCLUSION		FORVIA OBJECTIVES					
		2019	2022	2023	2025	2027	2030
Percentage of women among the top 300 leaders	FORVIA					25%	30%
	FORVIA SE	15%	23%	27%			
Percentage of women among managers and professionals recruited externally	FORVIA			34.1%			
	FORVIA SE	30%	35.4%	38.5%			
Percentage of women among managers and professionals	FORVIA			28.6%		30%	35%
	FORVIA SE	24.4%	28.9%	30.8%			
Percentage of non-European employees among the top 300 leaders	FORVIA						
	FORVIA SE	34%	35%	33%		39%	
Employee engagement index based on the annual survey conducted with all employees	FORVIA			75% ✓			
	FORVIA SE	64%	73%	75% ✓			

LOCAL AND SOLIDARITY ACTIONS		FORVIA OBJECTIVES					
		2019	2022	2023	2025	2027	2030
Percentage of employees involved in local societal actions	FORVIA						
	FORVIA SE	10%	15%	15%			20%

4.1.3.2. Stakeholders' interests and points of view



GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-48, GRI 102-49, GRI 102-50, GRI 102-51

Dialogue with stakeholders is a driver of FORVIA's commitment and is a key factor of its local presence. It aims to establish relationships of trust and cooperation. It involves the Group's different business lines and functions, which contribute to a proactive and constructive approach. Listening and dialogue are therefore key elements in providing relevant and appropriate solutions to all the stakeholders with whom the Group interacts in the course of its business.

In order to take into account the interests and points of view of its main stakeholders, FORVIA has a policy of cooperation with them. For each type of stakeholder, the table below describes the nature of the cooperation and its implementation methods, then the topics of understanding resulting from this dialogue in connection with FORVIA's strategy or business model.

These points of view and interests are presented to the Group's governance bodies: twice a year to the Board of Directors' Governance and Sustainability Committee, twice a year to the Executive Committee, and four times a year to the Executive Committee Steering Committee.

Stakeholders	Cooperation	Cooperation arrangements	Understanding	Highlights of 2023
Planet care	<ul style="list-style-type: none"> Open dialogue with governments and NGOs Member of international and regional trade associations and federations 	<ul style="list-style-type: none"> Annual report (Universal Registration Document) Annual sustainable development report Website Communication on progress in relation to the United Nations Global Compact Communication on FORVIA's contribution to the UN Sustainable Development Goals Validation of FORVIA's CO₂ trajectory via the Science-Based Target initiative Non-financial rating questionnaires FORVIA online conference talks: live on the LinkedIn platform 	<ul style="list-style-type: none"> Environmental impact of production activities Climate Adaptation to climate change CO₂ neutrality Biodiversity 	<ul style="list-style-type: none"> <i>Usine Nouvelle</i> Sustainable Industry Awards: FORVIA received the eco-design award for "Seat for the planet" one of the Group's flagship innovations in the fields of sustainable development and the circular economy Symbio, a joint venture equally owned by FORVIA, Michelin and Stellantis, inaugurated the largest integrated European site for the production of hydrogen fuel cells, supporting the deployment of sustainable and efficient mobility MATERI'ACT, a subsidiary of the FORVIA Group, inaugurated its world-class R&D center to develop materials with a very low CO₂ footprint FORVIA unveiled a low-carbon steel seat structure thanks to the partnership with SSAB FORVIA inaugurated its industrial platform in Allenjoie dedicated to the manufacture of hydrogen storage systems and more sustainable seats. Designed to meet the strictest environmental standards, the site has been awarded BREAAAM Excellent certification FORVIA has signed a Power Purchase Agreement (PPA) with Renewable Power Capital for an onshore wind farm in Sweden covering the equivalent of more than 40% of the annual electricity consumption of all of the Group's European sites Through its corporate foundation, FORVIA is extending its action in favor of environmental protection by partnering with the Maud Fontenoy Foundation and Plastic Odyssey, two organizations dedicated to the protection of biodiversity

Stakeholders	Cooperation	Cooperation arrangements	Understanding	Highlights of 2023
Employees	<ul style="list-style-type: none"> Regular dialogue with employees, employee representatives, and labor unions Annual internal commitment survey of all employees Onboarding program directed specifically at new hires Relations and partnerships with post-secondary institutions Regular dialogue between managers and professionals and employees during performance appraisals 	<ul style="list-style-type: none"> Internal collaborative network; intranet site: Faur'us In-house and online training (FORVIA University and Learning Lab) Digital and paper signage HR digital platform Communications with post-secondary educational institutions: job fairs, site visits, ambassador network Online conferences 	<ul style="list-style-type: none"> Corporate strategy Values and corporate culture Social dialogue Health and safety; Professional training and career development Diversity & inclusion Ethics and the whistleblowing system The environment, and the sustainable development strategy 	<ul style="list-style-type: none"> The results of the 2023 commitment survey show a level of commitment of 75/100. This result is above the benchmark index for the goods and equipment industries The 2023 commitment survey made it possible to measure well-being at work and diversity and inclusion indices FORVIA has defined six new values that form the basis of the Group's culture FORVIA has developed the RISE program, a nine-month support program to develop the internal promotion of women to the Top 300 leaders Throughout the year, FORVIA hosts events and discussion sessions specifically targeting women: "Let's connect," local meeting sessions, "Her way," digital events that showcase inspiring women and "In Dialogue" inspiring conversations with a leader FORVIA has developed an application for onboarding new employees: Welcome On Board FORVIA created the Group Works Council in France under an agreement signed unanimously by the trade unions. This new Committee is a forum for information and discussions on the Group's strategic orientations and activities in France FORVIA SE received the Happy Index Trainees label worldwide, in Europe, Poland and France. This certification recognizes companies that take good care of the onboarding, support and management of their interns, work-study students and international volunteers (VIE)
Suppliers	<ul style="list-style-type: none"> Continuous collaborative working Organization of a convention every two years Awards Annual strategic and innovation reviews External CSR support and assessment with EcoVadis (CSR screening) Annual satisfaction survey Semi-annual Suppliers Council Quality audits 	<ul style="list-style-type: none"> Corporate website for communicating CSR Information Website dedicated to suppliers Code of Conduct for suppliers and subcontractors Digital conferences Annual sustainable development report FORVIA online conference talks: live on the LinkedIn platform Sustainable development training Reverse factoring program for some of its suppliers, which allows them to access additional liquidity 	<ul style="list-style-type: none"> Product quality and safety Ethical requirements and sustainable development Supplier satisfaction regarding the relationship with FORVIA Sharing of best practices regarding employee safety Sharing best practices in energy management and control Duty of care and respect for human rights in the value chain 	<ul style="list-style-type: none"> The Suppliers Council decided to discuss best practices in energy management and control in 2022, and decided to maintain discussions on this priority subject for 2023 given the context of the energy crisis in Europe FORVIA was ranked A by CDP for the quality of its supplier support in the fight against climate change FORVIA SE has a detection and alert tool open to its suppliers (visualizing risks in the supply chain, monitoring incidents, monitoring exposure to geographical risks, etc.) FORVIA has offered to contribute financially to 500 of its suppliers for their first participation in the CDP Supply Chain

4

Environmental and social performance

General information

Stakeholders	Cooperation	Cooperation arrangements	Understanding	Highlights of 2023
Customers	<ul style="list-style-type: none"> Continuous collaborative working Program Management System (Total Customer Satisfaction platform) Innovations Days Site visits and presentation of innovations Customer awards Coalitions 	<ul style="list-style-type: none"> Annual report (Universal Registration Document) Annual sustainable development report Specific questionnaires Non-financial rating questionnaires Trade shows Information meeting: Sustainability Day FORVIA online conference talks: live on the LinkedIn platform 	<ul style="list-style-type: none"> Automotive megatrends and resulting changes to the portfolio of solutions Corporate strategy Ethics & business practices Product quality and safety Environmental footprint of products Zero emission technologies 	<ul style="list-style-type: none"> FORVIA presented its latest innovations for a sustainable cockpit and zero-emission mobility at the CES (USA), Auto Shanghai (China) and IAA (Germany) trade shows: sustainable materials, energy and weight saving solutions, scalability, recyclability and circular economy design FORVIA welcomes Stellantis to the capital of Symbio, a leading hydrogen fuel cell mobility company, alongside its long-standing partner Michelin. Each shareholder holds 33.33% FORVIA equips the Jeep Avenger, 2023 European Car of the Year FORVIA and BYD will launch construction of a new seat assembly plant in Thailand FORVIA and CHERY, a world-renowned automaker, signed a strategic cooperation agreement establishing a long-term partnership to develop intelligent cockpits FORVIA presented two innovations on the seats of the new Renault Rafale. The two innovations promise to transform the way drivers interact with their vehicle by adding elegance and eco-responsibility to the driving experience
Innovation partnerships	<ul style="list-style-type: none"> Industrial chairs in association with universities and Technological Research Institutes Specific cooperation activities Research and start-up assessment Strategic partnerships Joint ventures and acquisitions 	<ul style="list-style-type: none"> Continuous collaborative working Technology days Information meeting: Sustainability Day 	<ul style="list-style-type: none"> Artificial intelligence and digitization Industry regulations and trends Alternative and sustainable solutions Ecosystem implementation to accelerate time-to-market Research and cost optimization Sustainable materials development 	<ul style="list-style-type: none"> FORVIA unveiled a low-carbon steel seat structure thanks to the partnership with SSAB FORVIA has entered into a four-year strategic partnership with <i>CentraleSupélec</i>, a French institution dedicated to higher education and research in engineering and systems science, in order to contribute to the development of the intelligent vehicles of tomorrow

Stakeholders	Cooperation	Cooperation arrangements	Understanding	Highlights of 2023
Investors	<ul style="list-style-type: none"> Meetings between Executive Management and financial market players Free hotline for individual shareholders 	<ul style="list-style-type: none"> Quarterly financial information Annual and interim financial statements Letter to Shareholders Annual report (Universal Registration Document) Targeted communication to financial analysts and institutional investors Information meeting: Sustainability Day Annual sustainable development report Non-financial rating questionnaires 	<ul style="list-style-type: none"> Financial strategy Market vision Revenue growth strategy driven by innovation and sustainable development ESG roadmap and CO₂ neutrality Hydrogen Competitiveness Acquisition of HELLA and combination of operations with Faurecia 	<ul style="list-style-type: none"> FORVIA organized annual meetings with its investors: virtual General Meeting, Capital Market Day and investor meetings FORVIA SE published its Sustainability linked Financing Framework and placed €700 million in senior sustainability bonds, maturing in 2026 FORVIA SE launched a senior sustainable development bond for €400 million maturing in 2026 (the "sustainable bonds") FORVIA analyzed the eligibility and alignment of its activities with the European green taxonomy
Local communities	<ul style="list-style-type: none"> Solidarity- and community-focused initiatives by employees via voluntary site-based measures Appeal for projects by the FORVIA Foundation to support employee solidarity projects in their communities 	<ul style="list-style-type: none"> Booklets and reports Website Solidarity events Digital volunteering platform 	<ul style="list-style-type: none"> Access to education Environmental protection Access to mobility for vulnerable groups Support for local initiatives Humanitarian actions 	<ul style="list-style-type: none"> The FORVIA Foundation selected 26 new solidarity projects carried out by its employees around the world The FORVIA Foundation has forged partnerships with two organizations, the Maud Fontenoy Foundation and Plastic Odyssey, dedicated to the protection of biodiversity The FORVIA Foundation decided to provide exceptional support to populations affected by earthquakes in Turkey and Morocco

4.1.3.3. Materiality analysis and link with the Group's strategy and business model

In 2018, FORVIA SE carried out its materiality analysis as part of an internal and multidisciplinary working group from several departments, also integrating the survey of around twenty external stakeholders.

The Group's universe of non-financial issues was built on those selected by peer companies in the automotive sector, and on the basis of the recommendations of the Sustainability Accounting Standards Board (SASB) and the *Plateforme Française de l'Automobile* (PFA). Each stakeholder then assessed the risks according to a common methodology of frequency and severity.

This materiality analysis is updated every two years by the Executive Committee working group in charge of sustainable development. The next update will be directly integrated into the dual materiality assessment of the European Sustainable Development Reporting Directive (CSRD).

FORVIA drew up a list of its non-financial risks and opportunities to respond to its Non-Financial Performance Declaration (NFPD). These issues are also included in its sustainable development roadmap, "Inspired to care", with corresponding objectives, indicators and action plans.

This roadmap is monitored quarterly by the Executive Committee working group in charge of sustainable development.

These non-financial risks are embedded and identified within the Group's risk mapping and its Enterprise Risk Management program enabling them to be managed (see Chapter 2 "Risk factors & Risk management" of this Universal Registration Document).

The non-financial risks are reviewed annually by the Audit Committee of the Board of Directors and every quarter by the Executive Committee and the Group Risk Committee, including the Sustainable Development Director.

4.1.4. Management of impacts, risks and opportunities

4.1.4.1. Process for identifying impacts, risks and opportunities

When producing its materiality matrix in 2019, the Group has defined a method presented above (see 4.1.3.3). It has enabled FORVIA SE to identify the risks and opportunities arising from its activities. The production of this matrix and its results were included in the risk mapping, which is updated quarterly.

4.2. Environment

4.2.1. Environmental policy and culture



4.2.1.1. Environmental impact of operations

From an environmental standpoint, the Group's overall ambition is to become the most environmentally friendly automotive technology company, aiming for "zero waste", "zero air, water and soil pollution" and a minimal impact on biodiversity. The Group's environmental policy therefore focuses on respect for the environment and creating a positive impact on communities. In this context, in addition to ensuring compliance with regulatory requirements and its stakeholders' demands, the Group aims to reduce the environmental impact of its operations by focusing on reducing its CO₂ footprint and its impact on air, water and soil. The Group actively takes measures to protect the environment, prevent pollution, protect biodiversity, and fight against climate change with a commitment certified by SBTi (Science-Based Target initiative) net zero standard, to reduce its scopes 1 & 2 emissions by 80% by 2025, its scope 3 emissions by 45% by 2030 and its scopes 1, 2, and 3 emissions by 90% by 2045 (see Chapter 4.2.3):

The different areas of the environmental policy consist of:

- ensuring regulatory compliance and meeting the expectations of its stakeholders;
- preventing and reducing air, water and soil pollution, by limiting the use of chemical substances of concern throughout the supply chain in order to avoid any accidental discharges into water and soil;
- setting and deploying targets for reducing the waste produced and increasing the recycling rate;
- reducing its impact on water use, starting with actions in water-stressed areas;
- identifying biodiversity action plans for sites located near protected areas;
- training employees to develop a personal sense of environmental responsibility;
- implementing continuous improvement, in particular by deploying ISO 14001 certification procedures across all production plants, based on the requirements and audits of the FORVIA Excellence System.

The Business Groups implement this policy in their respective scope, and the whole is supervised by the 10 Green Fundamentals which cover all of the focuses above. The Group ensures that their roadmaps are aligned with the highest levels of requirements and targets thanks to audits of 10 Green Fundamentals and system audits.

The environmental policy applies to all of the Group's Business Groups and regions. It is designed and updated taking into account the expectations expressed by the Group's stakeholders (see 4.1.3.2. Stakeholders' interests and points of views).

It is steered by the Group's HSE+S (Hygiene, Security, Environment and Physical Safety) department. FORVIA SE's Vice President HSE+S, who himself reports to the Executive Vice President in charge of operations, coordinates a network of HSE Directors in each Business Group and a network of HSE managers at the level of the operational divisions and plants.

The HSE organization of HELLA is also based on an HSE department and an HSE network, and will be gradually integrated with that of FORVIA SE.

4.2.1.2. Environmental impact of operations



In 2023, FORVIA strengthened its environmental prevention management approach at its plants. Until 2022, the Group required plants to deploy the 10 Green Attitudes. Based on a voluntary approach, these 10 attitudes covered the topics of soil and groundwater protection, reduction of energy consumption and CO₂ emissions, prevention of air pollution and control of waste production. In 2023, the Group transformed these attitudes into 10 Green Fundamentals, the implementation of which is now mandatory for all sites and verified at least once a year. These Green Fundamentals are based on operational and organizational requirements. The approach, previously on a voluntary basis, therefore became mandatory in 2023 and applicable to all plants worldwide. In 2024, each plant will have to define the deployment plan for the 10 Green Fundamentals.

In addition, each Fundamental includes both general obligations for management, applicable to the entire plant, and specific and very concrete instructions that are communicated to all employees.

THE 10 GREEN FUNDAMENTALS FOR FORVIA PLANTS

PROTECTING THE CLIMATE	<p>Management directives</p> <ul style="list-style-type: none"> Ensure that a CO₂ roadmap has been established along with an action plan Anticipate energy consumption when selecting new equipment Climate change adaptation plan <p>Instructions for employees</p> <ul style="list-style-type: none"> I turn off my workstation, lights and computer during breaks 	PROTECTING BIODIVERSITY	<p>Management directives</p> <ul style="list-style-type: none"> Identify areas of interest for biodiversity in the plant's vicinity Act accordingly Do not use herbicides & pesticides Launch a communication campaign <p>Instructions for employees</p> <ul style="list-style-type: none"> I practice the 5S's⁽¹⁾ in outdoor areas, no plastic or cardboard should blow away, to prevent animals from ingesting it I only print if necessary
KEEPING THE LAND AND WATER CLEAN	<p>Management directives</p> <ul style="list-style-type: none"> Keep hazardous substances secure throughout the process (loading, storage, production, waste) List hazardous substances and reduce their use as much as possible Protect rainwater using appropriate means <p>Instructions for employees</p> <ul style="list-style-type: none"> I ensure that the chemicals are stored over a collector I clean plastic granules after delivery (external areas) 	COMPLYING WITH REGULATIONS	<p>Management directives</p> <ul style="list-style-type: none"> Comply with the operating permit Comply with local regulations <p>Instructions for employees</p> <ul style="list-style-type: none"> I comply with my work instructions
PRESERVING WATER	<p>Management directives</p> <ul style="list-style-type: none"> Know the network, water withdrawals and identify water uses Reduce your water consumption with an appropriate action plan <p>Instructions for employees</p> <ul style="list-style-type: none"> I do not leave water running I immediately report any leaks at my workstation or in the bathroom 	MANAGING IMPACTS	<p>Management directives</p> <ul style="list-style-type: none"> Complete the assessment of the plant's environmental impacts and identify the most significant ones (including management of chemicals and pollution, energy, waste, water, biodiversity, adaptation to climate change) Address all significant risks/adverse impacts through an action plan <p>Instructions for employees</p> <ul style="list-style-type: none"> I know the impacts related to my workstation
REDUCING WASTE & IMPROVING RECYCLING	<p>Management directives</p> <ul style="list-style-type: none"> Identify the type and quantity of waste (waste analysis) Sort waste by type to increase its recycling rate Reduce scrapping and other types of waste Separate all types of waste Maintain dumpsters and waste areas in good condition <p>Instructions for employees</p> <ul style="list-style-type: none"> I separate the different types of waste and I am able to help my new colleagues I do not waste food 	MANAGING PERFORMANCE	<p>Management directives</p> <ul style="list-style-type: none"> Monitor performance with KPIs (e.g. electricity, gas, oil, water, waste, emissions, chemicals, etc.) Identify leaks (e.g. compressed air, oil, water) and take immediate action Define an action plan to achieve the targets <p>Instructions for employees</p> <ul style="list-style-type: none"> I know the environmental indicators that we monitor at the level of the Autonomous Production Unit
PROTECTING THE AIR	<p>Management directives</p> <ul style="list-style-type: none"> Identify process emissions (solvent and VOC in the paint line, welding gases, etc.), as well as emissions from refrigerant gases, boiler combustion gases, etc. Reduce emissions with an appropriate action plan <p>Instructions for employees</p> <ul style="list-style-type: none"> I close canister lids I immediately inform my supervisor in the event of a problem with a cooling unit, an extractor, etc. 	TRAINING	<p>Management directives</p> <ul style="list-style-type: none"> Train employees according to their impact on environmental aspects Communicate/teach instructions at the workstation for the various positions <p>Instructions for employees</p> <ul style="list-style-type: none"> I am trained in the environmental impacts and risks related to my workstation

(1) The 5S method: systematic approach that aims to create and maintain an organized, clean and efficient working space.

4.2.1.3. Environmental culture of the teams

The approach used by the Group to prioritize actions in the environmental field is called "I know, I care, I reduce". For management as for all employees, this reflects the fact that it is necessary to start by understanding and measuring the environmental impact (network plan, critical facilities, consumption), taking care of it (maintenance, possible repairs) and then being able to support improvement plans on with solid foundations.

This leads to technical actions and employee awareness campaigns.

The awareness-raising approach, updated in 2023, takes the form of posters, theoretical and practical training courses at the plants and a self-assessment questionnaire. The latter makes it possible to measure the progress of the adoption of the 10 Green Fundamentals by the plants.

As part of its 10 Green Fundamentals, FORVIA supports its plants in their training on these 10 key topics, and makes its employees aware of the best practices to be systematically adopted. In 2023, the Group strengthened internal communications on environmental issues. For example, the first Environment Week was created, punctuated by events and communications, webinars and educational Articles on the impacts of waste, water and biodiversity.

FORVIA has also organized monthly highlights on environmental topics, since 2023. Green moments are an opportunity to share an environmental subject, policy or target, along with information on the subject and easy-to-implement best practices. The topics covered are varied: refrigerant gases, rainwater protection, waste management, etc. They are intended for all operators, at all sites, in plants and at research and development sites.

Lastly, FORVIA organizes a monthly best practices competition. All Group sites and entities share their best practices on a monthly basis, whether they apply or exceed FORVIA standards. In 2023, more than 300 best environmental practices were identified on the topics of water resource conservation, waste sorting and optimization, chemical management, climate change mitigation and the adaptation of the Group's Business Groups to this change, the monitoring of regulatory compliance, training spaces dedicated to the environment and the prevention of emergency situations. These best practices are shared at a monthly meeting with all HSE managers of the Group and all sites.

Since February 2023, the Group has set up a monthly reporting tool to more accurately measure and monitor site water withdrawal and waste generation. This monitoring makes it possible to quickly detect abnormal variations and identify their causes. For example, a sudden increase in water withdrawal or waste generation may be due to a cleaning action, a leak, waste to be managed following a construction site or a one-off action, such as the disposal and recycling of obsolete packaging. Thanks to this tool, the Group can take corrective measures quickly and effectively, while promoting continuous improvement. Identifying exceptional or seasonal effects makes it possible to define a "baseline" with which each site can compare itself over the following period and measure its actual performance.

4.2.1.4. The FORVIA Excellence System: an operational management tool

All FORVIA plants are IATF 16949 certified for quality management. This standard defines the quality requirements of the automotive sector: continuous improvement, defect prevention, reduction of non-compliance and waste in the supply chain, etc.

The FORVIA group's operations management system is based on a framework, called the FORVIA Excellence System (FES). In 2023, FORVIA adapted this system to enable its adoption by the HELLA sites. The new standard was renamed FES 4.0.

In line with FORVIA SE's strategic plan, the FES is designed to continuously improve:

- Total Customer Satisfaction (TCS);
- sustainable competitiveness;
- talent development.

FES 4.0 capitalizes on more than 20 years of experience and its foundation, "People development & stable conditions", consists in particular of **workplace safety** and **environmental protection**. It guarantees that the operational performance of production plants is at the highest level, regardless of their geographical position and local specificities. It is based on more than 60 fundamentals, each consisting of around ten criteria.

In particular, it includes operational control related to the three fundamentals:

- the environmental policy of operations (see Section 4.2. Environment – Environmental impact of operations);
- workplace safety (see 4.3.1.4. Actions and assessment of their effectiveness – Workplace Health and Safety);
- product safety (see 4.3.4.4. Actions and assessment of their effectiveness – Product safety culture);
- optimizing energy consumption and reducing greenhouse gas emissions (see 4.2.3.3. Climate actions and resources: scopes 1 & 2).

FES 4.0 supports plants in the application of operational requirements, compliance with quality standards, regulatory compliance for the environment and safety, applied to the automotive industry. The application of the requirements expressed in FES 4.0 prepares for IATF 16949, ISO 14001, ISO 50001, ISO 45001 certifications.

The application of the FES fundamentals and criteria is subject to a self-assessment and Internal Audit program:

- the sites carry out a monthly self-assessment and an in-depth review every three months;
- the divisions conduct annual internal mock audits;
- lastly, the Group conducts annual Internal Audits on a representative sample of plants. In 2023, more than 150 plants were audited. In 2024, 158 sites will be audited.

The FES is enriched annually with best internal and external lean manufacturing practices (Lean Manufacturing). In 2023, the Group strengthened the environmental component on the energy efficiency, reduction of greenhouse gas emissions, reduction of waste generation at source and waste sorting criteria. The Group also strengthened the section on data digitization.

In addition, in order to accelerate the deployment and use of digital resources, the Group also expanded the scope of "traditional" standards by adding, for each fundamental, an additional section focused on the implementation of the digital tools related to the requirements of the management system.

The Group can now assess its plants and identify the best-performing plants and those in need of improvement, based on their impact on the environment and the climate. This progress, initiated on pilot sites in 2023, will be rolled out in 2024.

4.2.1.5. Employee training

All new employees arriving at a site attend an awareness-raising session on best environmental practices.

The Group has developed an online university offering numerous training courses. Environmental training is mainly carried out internally. These training courses, either regulatory or at the Group's initiative, deal with environmental impact and risk management, waste classification and management, chemicals management, implementation of natural disaster emergency response plans, the environmental monitoring of subcontractors' sites, energy consumption management and the reduction of greenhouse gas emissions. On this last point, the Group has initiated a process of deploying the Climate Fresk to its managers in the industrial operations area.

The training courses provided by external organizations mainly aims to develop internal expertise, such as mastering the ISO 14001 certification process.

4.2.1.6. ISO 14001

FORVIA is committed to ISO 14001 certification for all production plants with more than two years of activity. The percentage of sites with ISO 14001 certification (or with an action plan for ISO 14001 certification, with more than two years of activity) is tracked every six months by the Risk Committee.

NFPD

In 2023, 88% of FORVIA sites (including HELLA) were ISO 14001 certified (i.e. 168 out of the 190 production plants), and the Group also has six certified R&D sites.

Within the FORVIA SE Scope, 87% of production plants are certified, i.e. 138 sites. Within the HELLA scope, 100% of the production plants are certified.

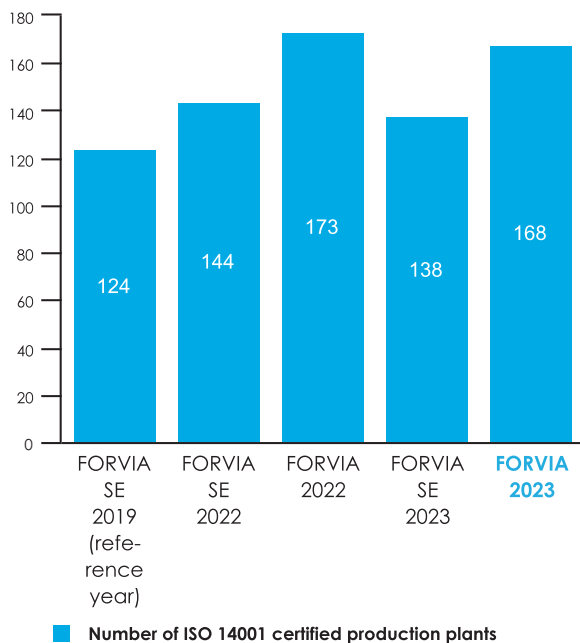
The change between 2022 and 2023 is due to the fact that seven additional sites were certified in 2023 within the Faurecia scope, and by the exit from the reporting scope of the SAS business, which had a large majority of certified sites.

4.2.1.7. LEED® or BREEAM® certification of all new buildings

To improve the energy efficiency of sites and, more generally, to reduce their environmental impact starting from the design phase, FORVIA ensures that all of its new buildings (new constructions) are Leadership in Energy and Environmental Design (LEED®) or BREEAM® certified. To obtain certification, new buildings must meet strict requirements in terms of site layout, efficient water management, energy use, the selection of materials, interior air quality and design factors.

To support the sites in these new certifications, the Group has set up a LEED® or BREEAM® certification procedure. In 2022, the Allenjoie site of the Clean Mobility Business Group obtained BREEAM Excellent certification. It is the first industrial building in France to obtain this certification and the second in Europe. In Germany, the Hanover site obtained Platinum *Deutsche Gesellschaft für Nachhaltiges Bauen* (DGNB) certification. In 2023, Fengcheng's new electronics plant in China received LEED® Gold certification and the FAS site in Allenjoie obtained BREEAM Excellent certification.

NUMBER OF ISO 14001 CERTIFIED PRODUCTION PLANTS OR WITH ISO 14001 CERTIFICATION PENDING IN 2023



4.2.2. European Union Taxonomy Report

4.2.2.1. Note on Taxonomy regulations and the alignment of FORVIA's activities

BACKGROUND

The EU taxonomy is used to determine sustainable economic activities and aims to channel capital flows into them. This is intended to support the EU Green Deal, the EU's environmental targets and the Paris Climate Agreement. Pursuant to the EU Regulation 2020/852 on June 18, 2020 (hereinafter: "Taxonomy Regulation") and EU Climate Delegated Act 2021/2139 of June 4, 2021 and its amendments of June 27, 2023 as well as the Regulation 2023/2486 of June 27, 2023 that determine the conditions under which economic activities can be considered as substantially contributing to the EU environmental objectives, FORVIA is required to disclose the share of its turnover, its capital expenditure, and certain operational expenses for the fiscal year 2023 resulting from economic activities considered eligible and aligned in terms of the six EU objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protecting and restoring biodiversity and ecosystems.

An economic activity is eligible if it is part of the activities described by the Delegated Acts to the Taxonomy Regulation, corresponding to the activities identified by the EU as likely to substantially contribute to one of the six environmental objectives.

An eligible activity is taxonomy aligned if it meets the three following criteria:

- it substantially contributes to one or more environmental objectives, by meeting the technical screening criteria detailed in the Delegated Acts to the Taxonomy Regulation;
- it does not cause any significant harm to the other environmental objectives, meeting the applicable "Do Not Significant Harm" criteria described in the Delegated Acts to the Taxonomy regulation;
- it is carried out in compliance with minimum safeguards and complies with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

ELIGIBLE BUSINESS ACTIVITIES

To prepare the required disclosures, FORVIA has identified the relevant economic activities for the financially consolidated companies throughout the Group that are classified as sustainable in accordance with the EU Taxonomy Regulation, the Delegated Acts and the EU Commission's published statement on frequently asked questions. To this end, FORVIA has carried out a central assessment of the entire product portfolio as well as investments and operating expenses using standardized interviews and templates. This interdisciplinary analysis is closely linked to the functions sustainability, finance, operations, strategy and business groups, as different experts on different levels are involved in identifying the relevant activities.

Eligible activities for the financial year ending December 31, 2023:

- **climate change mitigation - Activity 3.2 - Manufacture of equipment for the production and use of hydrogen:** FORVIA manufactures hydrogen storage systems for light and commercial vehicles, buses and trucks;
- **climate change mitigation - Activity 3.4 - Manufacture of batteries:** FORVIA manufactures battery system components including, for example, battery management systems, intelligent battery sensors and voltage converters;
- **climate change mitigation - Activity 3.6 - Manufacture of other low-carbon technologies:** in 2022, FORVIA launched MATERI'ACT to develop sustainable materials suitable for the automotive industry, offering up to 85% reduction in CO₂ compared with current materials;
- **climate change mitigation - Activity 3.18 - Manufacture of automotive and mobility components:** The recent amendment to the Climate Change Delegated Act introduces this new category into the taxonomy. The disclosures under 3.18 are stated for the first time for this reporting period. FORVIA develops and manufactures components for zero emission vehicles which are essential for delivering and improving the vehicle's environmental performance;
- **transition to a circular economy - Activity 5.1 - Repair and remanufacture activities:** FORVIA repairs and remanufactures vehicle components such as navigation systems, radios, monitors, comodors, bodywork ECU, engine ECU and clusters.

FORVIA has not identified any taxonomy-eligible business activities among the activities newly included in the taxonomy in 2023 for the environmental goals Sustainable use and protection of water and marine resources, Pollution prevention and control, and Protection and restoration of biodiversity and ecosystems.

FORVIA has conducted a detailed review of the activities 1.2 Manufacture of electrical and electronic equipment and 5.2 Spare parts under the objective of Transition to a circular economy. These activities contain no reference to business activities in the transportation / mobility sector, neither in the description of the activity, nor in the technical screening criteria or the Do-No-Significant-Harm requirements. Accordingly, FORVIA does not report any taxonomy-eligible activities.

Given the essential role of automotive suppliers in achieving automotive manufactures' carbon neutrality objectives, FORVIA considers that its business activities linked to the following activity should also be taken into consideration as part of the manufacture of low-carbon vehicles in the service of hybrid vehicles with tailpipe emissions of less than 50g CO₂/km. However, to comply with the legal provisions of the taxonomy, FORVIA presents the results of the consideration of its KPI excluding this activity. A separate set of KPIs is stating what would be the case if this activity were included in the computation.

Climate change mitigation - Activity 3.3 - Manufacture of low carbon technologies for transport: FORVIA has considered its business activities in the service of hybrid vehicles (<50gr CO₂/km) as part of the activity "3.3 Manufacture of low carbon technologies for transport" of the Taxonomy Regulation. These vehicles are designed and produced as part of a joint effort between carmakers and component suppliers. While manufacturers translate consumer preferences into clear parameters for the design and assembly of vehicles, FORVIA supplies the technologies and components that meet these parameters. FORVIA researches, designs, and industrializes systems (including lighting technologies and electronics) that are a part of low carbon vehicles. These systems are inseparable from hybrid vehicles and their environmental performance.

ALIGNED BUSINESS ACTIVITIES

FORVIA has assessed the taxonomy alignment for its business activities related to the objective Climate change mitigation. For the activity 5.1 Repair and remanufacture activities under the objective Transition to a circular economy objective, FORVIA makes use of the reporting simplifications for the first year of application and only reports taxonomy eligibility.

SUBSTANTIAL CONTRIBUTION CRITERIA

Regarding the substantial contribution criteria, 100% of FORVIA's eligible activities contribute substantially to the climate change mitigation objective:

- activity 3.2 – Manufacture of equipment for the production and use of hydrogen: all hydrogen storage tanks manufactured by FORVIA meet the criteria for a substantial contribution to the manufacture of equipment for the use of hydrogen;
- activity 3.4 – Manufacture of batteries: the criteria for substantial contribution concern the manufacture of battery components that significantly reduce greenhouse gas emissions. Battery components produced by FORVIA make a substantial contribution to reducing greenhouse gas emissions in the automotive sector, for example by providing start-stop functionalities and recuperation for internal combustion engine vehicles and by enabling the use of high-voltage batteries for hybrid and electric vehicles;
- activity 3.6 – Manufacture of other low-carbon technologies: MATERI'ACT products offer a reduction in greenhouse gas emissions over the life cycle of between 20% and 85%, depending on the product compared with current materials. Greenhouse gas emissions are calculated using a process that complies with ISO standards 14040, 14044 and 14067, and will be verified by an independent third party in 2024;
- regarding the activity 3.18 – Manufacture of automotive and mobility components, FORVIA considers that 100% of its eligible turnover meets the criteria for a substantial contribution;
- activity 3.3 – Manufacture of low carbon technologies for transport, in line with the analysis performed for the eligibility, FORVIA considered its business activities in the service of hybrid hydrogen and electric vehicles meet the substantial contribution criteria related to the manufacture of electric, hydrogen powered or low carbon.

Do Not Significant Harm (DNSH) criteria

Preliminary note: All criteria for the absence of significant harm were assessed at the FORVIA level. FORVIA has not assessed the do not significant harm criteria at value chain level.

Climate change Adaptation

FORVIA has analyzed the exposure and vulnerability of its business activities to physical climate risks under two global warming scenarios (IPCC scenario SSP2 4.5 and IPCC scenario SSP5 8.5) with the future time horizons 2030 and 2050. For the risks identified as the most significant for its production sites, FORVIA is developing action plans to mitigate these risks. FORVIA aims to ensure solid monitoring of the implementation of these action plans over the coming years.

100% of FORVIA's eligible activities under the climate change mitigation objective are covered by this analysis and meet this DNSH criterion.

Sustainable use and protection of water and marine resources

FORVIA identifies risks relating to the preservation of water quality and the avoidance of water stress at the production sites according to the WRI (World Research Institute) database. This assessment covers the risks associated with preserving water quality and availability, as well as the quality of discharges. Local action plans are drawn up in accordance with the existing environmental management system in order to cover risks that have been categorized as material (see 4.2.3. Water and marine resources for more details). The actions are subject to operational control and monitoring of the various regulatory obligations.

100% of FORVIA's eligible activities under the climate change mitigation objective are covered by this analysis and meet this DNSH criterion.

Transition to a circular economy

FORVIA takes into account the requirements of transitioning to a circular economy: the handling of waste is managed at all production sites worldwide and the waste recycling rate is monitored. Information about and the traceability of substances of concern in the manufactured products are managed via the International Material Data System (IMDS), which covers the entire product life cycle. FORVIA also takes aspects of circularity into account during product development. The products are designed according to customer-specific requirements and taking into account the requirements of the EU Directive on Vehicles' end-of-life. For example, the use of secondary materials is considered on a project-specific basis during the development process, as is the potential for resource efficiency or lightweight construction. As part of strategic research activities, FORVIA is investigating how the contribution of products to the circular economy can be further expanded.

100% of FORVIA's eligible activities under the climate change mitigation objective are covered by this analysis and meet this DNSH criterion.

Pollution prevention and control with regard to the use and presence of chemicals

Using the International Management Data System, FORVIA manages hazardous substances throughout the supply chain, from suppliers to manufacturing customers. At the production sites, FORVIA processes require an assessment of the substances used that are carcinogenic, mutagenic or toxic to reproduction. For this reason, safety data sheets (SDS) for the operating and auxiliary materials used are analyzed, entered into internal databases and validated. In this way, FORVIA ensures compliance with the applicable regulations, including the REACH regulation (see 4.2.4.1.3. Actions - Limiting the use of chemicals of concern for more details). Before validating all chemicals used, FORVIA assesses whether the use of the substances complies with the regulations. Some of the substances of very high concern (SVHC) that are considered essential for their

intended uses will still be used in FORVIA's manufacturing processes in 2023. FORVIA is continuously reviewing the possibility of replacing such substances. In any case, FORVIA ensures adapted health and safety conditions when handling these substances in order to protect people and the environment and reduce the risk during use.

100% of FORVIA's eligible activities under the climate change mitigation objective are covered by this analysis and meet this DNSH criterion.

Protecting and restoring biodiversity and ecosystems

FORVIA has identified the production sites in the vicinity of key biodiversity areas (see 4.2.5.2. Impact, risk and opportunity management for more details). The management of potential impacts on biodiversity is addressed by the 10 Green Fundamentals and described in the FORVIA Green Factory White Book, including the required environmental impact assessments for construction sites. The Group is committed to the Act4Nature initiative to minimise impacts on biodiversity and contribute to the conservation of ecosystems. Accordingly, knowledge about ecosystems and the protection of biodiversity in the vicinity of the sites is communicated and local improvement measures are taken to reduce the impact on site.

100% of FORVIA-eligible activities are covered by this analysis and meet this DNSH criterion.

Minimum Safeguards

Preliminary note: All criteria for the absence of significant harm were assessed at the FORVIA level. FORVIA has not assessed the do not significant harm criteria at value chain level.

FORVIA considers in all its activities the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. In addition, FORVIA SE is a signatory to the United Nations Global Compact and is committed to aligning its operations and strategy with ten universally accepted principles in the areas of human rights, labour standards, the environment and anti-corruption.

Human rights due diligence

FORVIA respects all international commitments and principles relating to human rights and labour standards. Processes have been put in place to ensure that appropriate due diligence is carried out. FORVIA's human rights policy has been published, setting out our expectations of our stakeholders regarding the implementation of the due diligence process. Human rights risks are analyzed, prioritized and communicated as part of the human rights due diligence process. Any significant violation is reported to the Executive Committee and remedial action is taken as appropriate.

Anti-corruption

FORVIA's commitment to fighting corruption is embedded into the Code of Conduct as well as in the Group's compliance policies. In addition, FORVIA SE is subject to French Sapin II legislation and has implemented an internal compliance program with to fight corruption.

Taxation

FORVIA endeavours to comply with the letter and spirit of tax law in the countries in which it operates. Its tax policy complies with OECD guidelines, and all related tax risks are closely monitored by the legal, tax and finance departments.

Fair competition

FORVIA is committed to fostering a fair competitive environment with its partners and competitors. To this end, a comprehensive antitrust risk management program has been developed to raise awareness among internal stakeholders and provide preventive training activities.

Legal monitoring

FORVIA maintains a close legal monitoring at Group and business group level, proactively identifying potential risks. The anonymous "Speak Up" and "tellUs" hotlines are available to all employees, business partners, suppliers and any other stakeholder to report any violation of its Code of Conduct, human rights policy or any other serious misconduct.

Definition of key performance indicators at December 31, 2023

The denominators of the KPIs have been defined in accordance with the definition in the delegated act of 6 July 2021 and its annexes supplementing the taxonomy regulation. The underlying financial information has been checked jointly by the finance and operations teams to ensure consistency and reconciliation with the annual financial statements. They are presented after elimination of intercompany transactions and cover the whole of the Group's scope of consolidation (excluding companies accounted for by the equity method).

Turnover

The total sales figure used as the denominator for calculating the Sales Taxonomy KPI was €27,247.9 million at December 31, 2023 and corresponds to the total sales figure disclosed in the Group's consolidated financial statements.

Capital expenditure

At December 31, 2023, the total capital expenditure used as the denominator for calculating the Taxonomy capital expenditure indicator amounted to €2,391.4 million and corresponds to additions to property, plant and equipment and intangible assets over the period, including capitalized development costs and additions related to business combinations.

It can be reconciled as follows with the figures shown in notes 11 and 12.a to the consolidated financial statements and with the figures shown in the consolidated cash flow statement.

Capital expenditure linked to eligible and aligned activities has also been classified as eligible and aligned. It is only this type of capital expenditure that is reported in the eligibility and alignment ratios.

Capital expenditure on "individual" is not included in the calculation of the ratios: it is not material and cannot be identified. This mainly concerns capitalized expenditure on the energy efficiency of buildings meeting the requirements of activities 7.3 to 7.6 of the taxonomy regulations.

Operating expenses

As of December 31, 2023, the total operating expenses serving as denominator for the calculation of the taxonomy's operating expenses indicator amounts to €1,311.9 million and essentially corresponds to uncapitalized R&D expenses, and maintenance and repair.

Operating expenses linked to eligible and aligned activities were qualified as eligible and aligned and estimated on the basis of the ratio of eligible and aligned income according to distribution keys. They include R&D expenses, upkeep, maintenance and repair of assets, building renovation measures and any other expenses related to the daily maintenance of assets. They do not include purchases of renewable energy, electricity and heat and non-capitalized expenses incurred to address the energy efficiency of sites.

EU TAXONOMY: ELIGIBLE AND ALIGNED TURNOVER, CAPEX AND OPEX 2023

Fiscal Year 2023	2023		Substantial contribution criteria						
	Code(s) (2)	Absolute turnover (3) M€	Proportion of turnover (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity and ecosystems (10) Y; N; N/EL
Economic Activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	39.2	0.1%	Y	N	N	N	N	N
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	503.7	1.8%	Y	N	N	N	N	N
Manufacture of other low carbon technologies	CCM 3.6	460.3	1.7%	Y	N	N	N	N	N
Manufacture of automotive and mobility components	CCM 3.18	3,707.9	13.6%	Y	N	N	N	N	N
Repair, refurbishment and remanufacturing	CE 5.1	6.2	0.0%	N	Y	N	N	N	N
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		4,717.3	17.3%	99.9%	0.1%	0%	0%	0%	0%
of which Enabling			17.3%						
of which Transitory			0.0%						
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	0.0%						
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	-	0.0%						
Manufacture of other low carbon technologies	CCM 3.6	-	0.0%						
Manufacture of automotive and mobility components	CCM 3.18	-	0.0%						
Repair, refurbishment and remanufacturing	CE 5.1	-	0.0%						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.0%						
TOTAL (A.1 + A.2)		4,717.3	17.3%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities (B)		22,530.6	82.7%						
TOTAL (A + B)		27,247.9	100.0%						

DNSH criteria ("Does Not Significantly Harm")

DNSH criteria ("Does Not Significantly Harm")							Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and eco-systems (16)	Minimum safeguards (17)	%	%	E	T
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
Y	Y	Y	Y	Y	Y	Y	0.1%	0.1%	E	
Y	Y	Y	Y	Y	Y	Y	1.8%	1.6%	E	
Y	Y	Y	Y	Y	Y	Y	1.7%	2.0%	E	
Y	Y	Y	Y	Y	Y	Y	13.6%	NA	E	
Y	Y	Y	Y	Y	Y	Y	0.0%	NA	E	
							17.3%	3.7%		
							17.3%		E	
							0.0%			T

4 Environmental and social performance

Environment

Fiscal Year 2023	2023		Substantial contribution criteria						
	Code(s) (2)	Absolute CapEx (3) M€	Proportion of CapEx (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity and eco- systems (10) Y; N; N/EL
Economic Activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	34.7	1.5%	Y	N	N	N	N	N
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	74.4	3.1%	Y	N	N	N	N	N
Manufacture of other low carbon technologies	CCM 3.6	21.2	0.9%	Y	N	N	N	N	N
Manufacture of automotive and mobility components	CCM 3.18	300.4	12.6%	Y	N	N	N	N	N
Repair, refurbishment and remanufacturing	CE 5.1	0.2	0.0%	N	Y	N	N	N	N
Capital Expenditures of environmentally sustainable activities (Taxonomy-aligned) (A.1)		430.9	18.0%	100.0%	0.0%	0%	0%	0%	0%
of which Enabling		430.9	18.0%						
of which Transitory		-	0.0%						
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	0.0%						
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	-	0.0%						
Manufacture of other low carbon technologies	CCM 3.6	-	0.0%						
Manufacture of automotive and mobility components	CCM 3.18	-	0.0%						
Repair, refurbishment and remanufacturing	CE 5.1	-	0.0%						
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.0%						
TOTAL (A.1 + A.2)		430.9	18.0%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities (B)		1,960.5	82%						
TOTAL (A + B)		2,391.4	100.0%						

DNSH criteria ("Does Not Significantly Harm")

DNSH criteria ("Does Not Significantly Harm")							Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and eco-systems (16)	Minimum safeguards (17)	%	%	E	T
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
Y	Y	Y	Y	Y	Y	Y	1.5%	0.8%	E	
Y	Y	Y	Y	Y	Y	Y	3.1%	2.3%	E	
Y	Y	Y	Y	Y	Y	Y	0.9%	0.3%	E	
Y	Y	Y	Y	Y	Y	Y	12.6%	NA	E	
Y	Y	Y	Y	Y	Y	Y	0.0%	NA	E	
							18.0%	3.4%		
							18.0%		E	
							0.0%			T

4 Environmental and social performance

Environment

Fiscal Year 2023	2023		Substantial contribution criteria						
	Code(s) (2)	Absolute OpEx (3) M€	Proportion of OpEx (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity and eco- systems (10) Y; N; N/EL
Economic Activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	(25.3)	1.9%	Y	N	N	N	N	N
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	(31.5)	2.4%	Y	N	N	N	N	N
Manufacture of other low carbon technologies	CCM 3.6	(19.8)	1.5%	Y	N	N	N	N	N
Manufacture of automotive and mobility components	CCM 3.18	(171.1)	13.0%	Y	N	N	N	N	N
Repair, refurbishment and remanufacturing	CE 5.1	(0.1)	0.0%	N	Y	N	N	N	N
Operating Expenditures of environmentally sustainable activities (Taxonomy-aligned) (A.1)		(247.8)	18.9%						
of which Enabling		(247.8)	18.9%						
of which Transitory		-	0.0%						
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	0.0%						
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	-	0.0%						
Manufacture of other low carbon technologies	CCM 3.6	-	0.0%						
Manufacture of automotive and mobility components	CCM 3.18	-	0.0%						
Repair, refurbishment and remanufacturing	CE 5.1	-	0.0%						
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.0%						
TOTAL (A.1 + A.2)		(247.8)	18.9%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities (B)		(1,064.2)	81.1%						
TOTAL (A + B)		(1,311.9)	100.0%						

DNHS criteria ("Does Not Significantly Harm")

DNHS criteria ("Does Not Significantly Harm")							Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and eco-systems (16)	Minimum safeguards (17)	%	%	E	T
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
Y	Y	Y	Y	Y	Y	Y	1.9%	1.8%	E	
Y	Y	Y	Y	Y	Y	Y	2.4%	0.9%	E	
Y	Y	Y	Y	Y	Y	Y	1.5%	1.5%	E	
Y	Y	Y	Y	Y	Y	Y	13.0%	NA	E	
Y	Y	Y	Y	Y	Y	Y	0.0%	NA	E	
							18.9%	4.3%		
							18.9%		E	
							0.0%			T

EU TAXONOMY: ELIGIBLE AND ALIGNED TURNOVER, CAPEX AND OPEX INCLUDING THE EVALUATION OF THE ACTIVITY 3.3 (AS MENTIONED IN THE PARAGRAPH ABOVE FOR ELIGIBLE ACTIVITIES)

Fiscal Year 2023	2023		Substantial contribution criteria						
	Code(s) (2)	Absolute turnover (3) M€	Proportion of turnover (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity and ecosystems (10) Y; N; N/EL
Economic Activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	39.2	0.1%	Y	N	N	N	N	N
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	503.7	1.8%	Y	N	N	N	N	N
Manufacture of other low carbon technologies	CCM 3.6	460.3	1.7%	Y	N	N	N	N	N
Manufacture of automotive and mobility components	CCM 3.18	3,707.9	13.6%	Y	N	N	N	N	N
Manufacture of low carbon technologies for transport	CCM 3.3	2,077.4	7.6%	Y	N	N	N	N	N
Repair, refurbishment and remanufacturing	CE 5.1	6.2	0.0%	N	Y	N	N	N	N
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		6,794.7	24.9%	99.9%	0.1%	0%	0%	0%	0%
of which Enabling			24.9%						
of which Transitory			0.0%						
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	0.0%						
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	-	0.0%						
Manufacture of other low carbon technologies	CCM 3.6	-	0.0%						
Manufacture of automotive and mobility components	CCM 3.18	-	0.0%						
Manufacture of low carbon technologies for transport	CCM 3.3	-	0.0%						
Repair, refurbishment and remanufacturing	CE 5.1	-	0.0%						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.0%						
TOTAL (A.1 + A.2)		6,794.7	24.9%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities (B)		20,453.2	75.1%						
TOTAL (A + B)		27,247.9	100.0%						

DNHS criteria ("Does Not Significantly Harm")

DNHS criteria ("Does Not Significantly Harm")							Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	%	%	E	T
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
Y	Y	Y	Y	Y	Y	Y	0.1%	0,1%	E	
Y	Y	Y	Y	Y	Y	Y	1.8%	1,6%	E	
Y	Y	Y	Y	Y	Y	Y	1.7%	2,0%	E	
Y	Y	Y	Y	Y	Y	Y	13.6%	NA	E	
Y	Y	Y	Y	Y	Y	Y	7.6%	17,8%	E	
Y	Y	Y	Y	Y	Y	Y	0.0%	NA	E	
							24.9%	21,5%		
							24.9%		E	
							0.0%			T

4 Environmental and social performance

Environment

Fiscal Year 2023	2023		Substantial contribution criteria						
	Code(s) (2)	Absolute CapEx (3) M€	Proportion of CapEx (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity and ecosystems (10) Y; N; N/EL
Economic Activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	34.7	1.5%	Y	N	N	N	N	N
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	74.4	3.1%	Y	N	N	N	N	N
Manufacture of other low carbon technologies	CCM 3.6	21.2	0.9%	Y	N	N	N	N	N
Manufacture of automotive and mobility components	CCM 3.18	300.4	12.6%	Y	N	N	N	N	N
Manufacture of low carbon technologies for transport	CCM 3.3	134.2	5.6%	Y	N	N	N	N	N
Repair, refurbishment and remanufacturing	CE 5.1	0.2	0.0%	N	Y	N	N	N	N
Capital Expenditures of environmentally sustainable activities (Taxonomy-aligned) (A.1)		565.1	23.6%	100.0%	0.0%	0%	0%	0%	0%
of which Enabling			23.6%						
of which Transitory			0.0%						
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	0.0%						
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	-	0.0%						
Manufacture of other low carbon technologies	CCM 3.6	-	0.0%						
Manufacture of automotive and mobility components	CCM 3.18	-	0.0%						
Manufacture of low carbon technologies for transport	CCM 3.3	-	0.0%						
Repair, refurbishment and remanufacturing	CE 5.1	-	0.0%						
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.0%						
TOTAL (A.1 + A.2)		565.1	23.6%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities (B)		1,826.2	76.4%						
TOTAL (A + B)		2,391.4	100.0%						

DNSH criteria ("Does Not Significantly Harm")

Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy -aligned proportion of turnover, year N (18)	Taxonomy -aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
Y	Y	Y	Y	Y	Y	Y	1.5%	0.8%	E	
Y	Y	Y	Y	Y	Y	Y	3.1%	2.3%	E	
Y	Y	Y	Y	Y	Y	Y	0.9%	0.3%	E	
Y	Y	Y	Y	Y	Y	Y	12.6%	0.0%	E	
Y	Y	Y	Y	Y	Y	Y	5.6%	16.9%	E	
Y	Y	Y	Y	Y	Y	Y	0.0%	0.0%	E	
							23.6%	20.3%		
							23.6%		E	
							0.0%			T

4 Environmental and social performance

Environment

Fiscal Year 2023	2023		Substantial contribution criteria						
	Code(s) (2)	Absolute OpEx (3) M€	Proportion of OpEx (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water and marine resources (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity and eco- systems (10) Y; N; N/EL
Economic Activities (1)									
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	(25.3)	1.9%	Y	N	N	N	N	N
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	(31.5)	2.4%	Y	N	N	N	N	N
Manufacture of other low carbon technologies	CCM 3.6	(19.8)	1.5%	Y	N	N	N	N	N
Manufacture of automotive and mobility components	CCM 3.18	(171.1)	13.0%	Y	N	N	N	N	N
Manufacture of low carbon technologies for transport	CCM 3.3	(66.2)	5.0%	Y	N	N	N	N	N
Repair, refurbishment and remanufacturing	CE 5.1	(0.1)	0.0%	N	Y	N	N	N	N
Operating Expenditures of environmentally sustainable activities (Taxonomy-aligned) (A.1)		(314.0)	23.9%	100%	0%				
of which Enabling			23.9%						
of which Transitory		-	0.0%						
			%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	0.0%						
Manufacture of batteries enabling Electric Vehicles manufacturing	CCM 3.4	-	0.0%						
Manufacture of other low carbon technologies	CCM 3.6	-	0.0%						
Manufacture of automotive and mobility components	CCM 3.18	-	0.0%						
Manufacture of low carbon technologies for transport	CCM 3.3	-	0.0%						
Repair, refurbishment and remanufacturing	CE 5.1	-	0.0%						
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.0%						
TOTAL (A.1 + A.2)		(314.0)	23.9%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities (B)		(998.0)	76.1%						
TOTAL (A + B)		(1,311.9)	100.0%						

DNSH criteria ("Does Not Significantly Harm")

Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy -aligned proportion of turnover, year N (18)	Taxonomy -aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
Y	Y	Y	Y	Y	Y	Y	1.9%	1.8%	E	
Y	Y	Y	Y	Y	Y	Y	2.4%	0.9%	E	
Y	Y	Y	Y	Y	Y	Y	1.5%	1.5%	E	
Y	Y	Y	Y	Y	Y	Y	13.0%	0.0%	E	
Y	Y	Y	Y	Y	Y	Y	5.0%	11.0%	E	
Y	Y	Y	Y	Y	Y	Y	0.0%	0.0%	E	
							23.9%	15.3%		
							23.9%		E	
							0.0%			T

4.2.3. Climate change

A major player in Sustainable Mobility, FORVIA aims for CO₂ neutrality by 2025 for scopes 1 & 2 emissions and a reduction of 45% of scope 3 emissions by 2030 (compared to 2019) by focusing on three main levers: “use less”, “use better” and “use longer”.

FORVIA has begun to reduce its CO₂ footprint of all its sites thanks to energy savings and the use of low-carbon electricity. At the same time, FORVIA is reducing the impact of its business activities through redesigned products using sustainable inputs, including recycled materials and biomass.

Committed to the circular economy, FORVIA invests and incorporates recycled materials in its products whenever possible (in particular through its MateriAct activities), and enables the refurbishment and extension of the life of its current and future systems (in particular through its Repairlab for on-board electronics). Finally, FORVIA offers innovative sustainable solutions for Sustainable Mobility that will help to avoid CO₂ emissions. While investing in the future, the Group is committed to helping the automotive industry move towards zero emissions, notably through its ambition to become a leader in hydrogen technology.



Carbon Disclosure Project ratings (on a scale from A to D)
 Climate: A
 Supply Chain: A

4.2.3.1. Strategy



CLIMATE TRANSITION PLAN



FORVIA aims to achieve CO₂ neutrality by 2045 for all of its greenhouse gas emissions. FORVIA measures its progress year after year against 2019 which was chosen as the benchmark year. The Group's final ambition, intermediate steps and transformation plan are validated by the SBTi Net-Zero standard.

The steps in FORVIA's plan to achieve CO₂ neutrality are as follows:

- 2025, reduction of at least 80% in scopes 1 and 2 emissions compared to 2019;
- 2030, reduction of at least 45% in scope 3 emissions compared to 2019;
- 2045, reduction of at least 90% in all scopes 1, 2 and 3 emissions compared to 2019.

By 2045, FORVIA will focus on neutralizing its residual emissions by promoting CO₂ sequestration solutions in its products. The Vice President in charge of sustainable development is responsible for ensuring the deployment of this CO₂ trajectory within the Group, in particular by ensuring the consistency of this strategy with other environmental issues.

SBTi Net-Zero certification



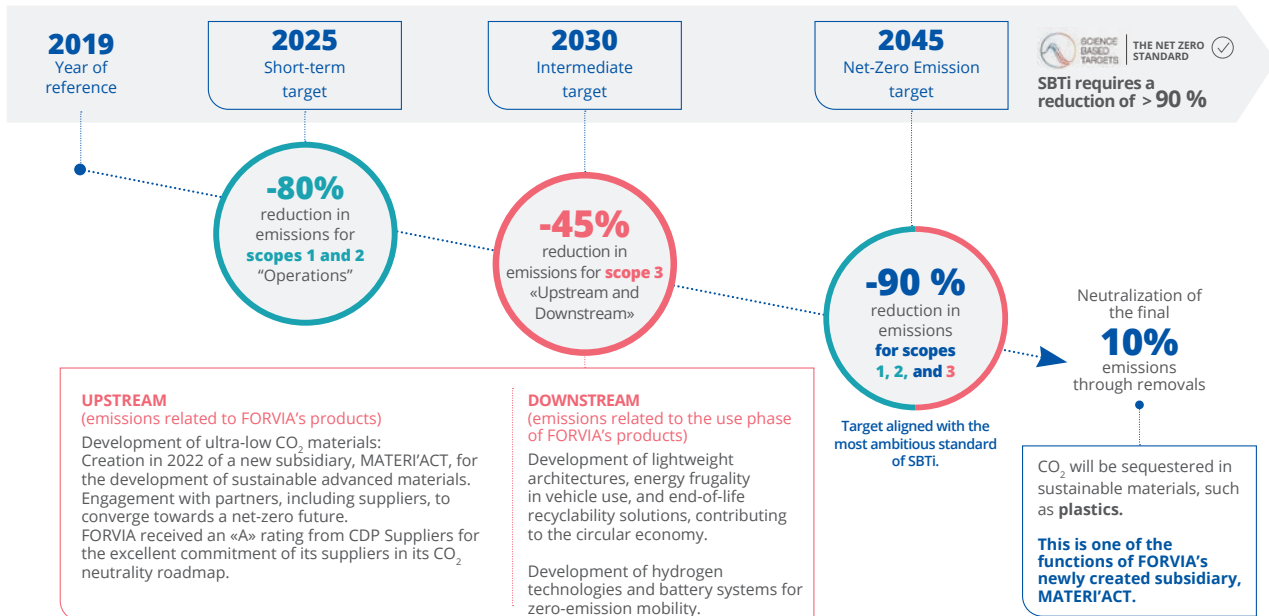
FORVIA is the first global company in the automotive sector whose CO₂ neutrality roadmap has been validated by the Science-Based Targets initiative (SBTi) against its new “net-zero emissions” standard.

Published in October 2021, SBTi's net-zero emissions standard provides a common, science-based framework for understanding “net-zero” and applies to all sectors, everywhere in the world. To be certified according to this new standard, companies must achieve the objective of CO₂ neutrality by 2050 at latest and reduce their emissions at the pace and scale required to limit global warming to 1.5°C by the end of the century compared to the pre-industrial period.

FORVIA's commitment to reduce its emissions by 90% for scopes 1, 2 and 3 and neutralize residual emissions by 2045, has been approved according to the SBTi Net-Zero standard.

FORVIA's CO₂ emissions reduction trajectory approved by the SBTi Net-Zero standard

(In line with the target in the 2015 Paris Agreement of limiting global warming to 1.5°C)



Responsibility for climate-related issues lies at the highest level of FORVIA's organization and is integrated into sustainable development subjects. The Group's Executive Steering Committee on Sustainable Development (composed of executive members representing the Group Functions and a representative of HELLA) ensures the proper strategic direction, monitoring and analysis of its performance.

At the operational level, CO₂ coordinators ensure the deployment of the strategy in the various functions and Business Groups. The CO₂ "pioneer" network brings together around one hundred employees from all Group departments to coordinate the approach with employees (awards, best practice competitions, etc.).

4.2.3.2. Management of impacts, risks and opportunities



CLIMATE TRANSITION RISK MANAGEMENT

Climate risk mapping is fully integrated into the Group's risk mapping. In this context, it monitors the process and pace of the Group's risk review (see Chapter 2.2. Risk factors & Risk management):

- the risk universe is updated annually on the basis of various data, including interviews with key stakeholders, and according to different categories (strategic, operational, compliance, financial, etc.) and by risk level (major, secondary, etc.);

- the mapping of the main risks is validated each year by FORVIA SE's Executive Committee, FORVIA SE's Audit Committee and Board of Directors. It is reviewed quarterly by the FORVIA SE Risk Committee;
- in addition, the Audit Committee of FORVIA SE's Board of Directors carries out an in-depth review of at least four risks each year. The "climate transition" risk was reviewed in 2023 by this Committee.

Also identified among the CSR risks included in the Non-Financial Performance Statement (see Section 4.5.3.1), the climate transition risk is audited by an external third party according to a moderate level of assurance (see Section 4.5.1.).

CLIMATE SCENARIOS AND RESILIENCE STRATEGY

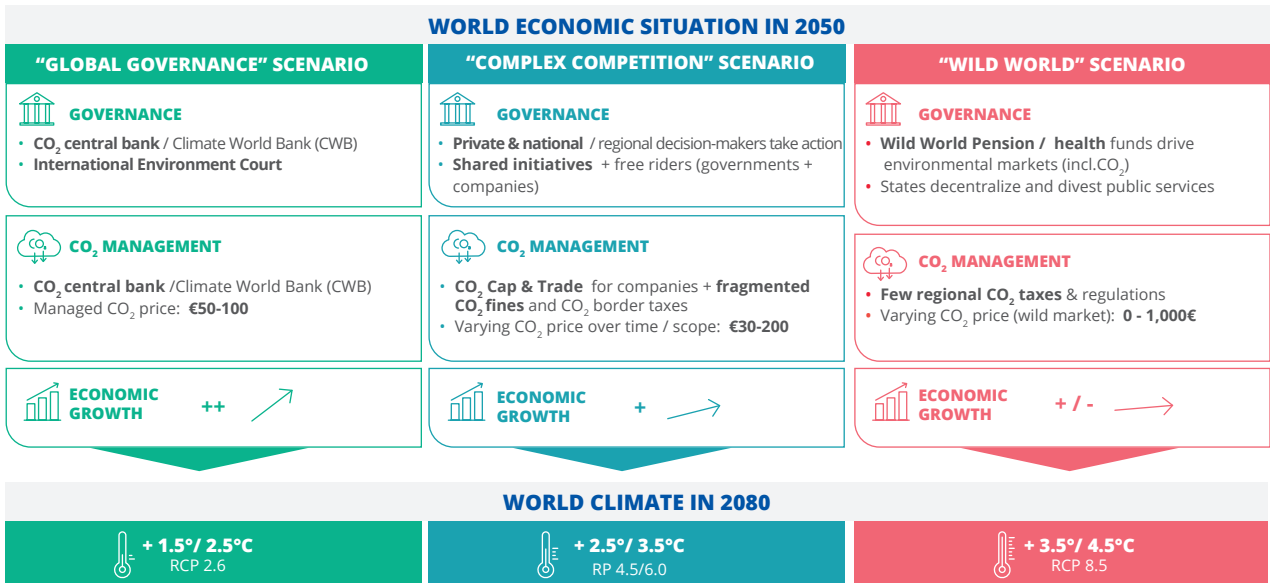
As part of the CO₂ neutrality project launched at the end of 2019, FORVIA's Executive Committee was able to assess three forward-looking scenarios (economic, social and environmental–by 2050) related to the impact of climate change. These scenarios enabled the Executive Committee to assess the impacts of the climate transition on the Group at the international level, then to integrate them into the Group's risk matrix.

Finally, the analysis of these scenarios shed light on the Group's objectives and business strategy, in line with its CO₂ neutrality ambitions.

The three scenarios were developed in 2020 in partnership with the Toulouse School of Economics, and in collaboration with the *Collège de France*. These scenarios share common assumptions regarding climate and population until 2040. They differ in socio-economic status and the trajectory of global warming by 2080. Each scenario corresponds to a climate trajectory aligned with the IPCC scenarios, and differs depending on whether the climate transition is governed and financed by the private sector, governments and/or global institutions:

- scenario 1: +1.5°C/2.5°C in 2080 (RCP 2.6);
- scenario 2: +2.5°C/3.5°C in 2080 (RCP 4.5/6.0);
- scenario 3: +3.5°C/4.5°C in 2080 (RCP 8.5).

The risks are assessed by 2050, halfway between the FORVIA SE objectives of 2025 and 2030 and the climate impacts of 2080.



CLIMATE TRANSITION RISKS AND OPPORTUNITIES



Risk factors	Description	Impacts and strategic responses to risks
Emerging regulations	<p>The automotive sector may be strongly affected by the tightening of emerging regulations on climate issues, particularly in the area of vehicle life cycle analysis. For example, regulations on the life cycle CO₂ footprint of vehicles would have a direct impact on the footprint of the parts and solutions provided by FORVIA SE</p>	<p>To mitigate this risk, FORVIA SE is developing products for electric vehicles (batteries and fuel cells). The Group expects to spend between €80 and €100 million to develop solutions for electric vehicles over the next seven years.</p>
Technology: substitution of existing products and services with lower emission solutions	<p>The majority (68%) of the CO₂ footprint controlled by FORVIA consists of purchased goods and services (scope 3.1), mainly steel, electronic products and plastics, and energy consumed on sites (scopes 1 and 2). FORVIA's strategic plans provide that low-carbon materials will be available and affordable, which means that the Group's customers (B2B) and end customers will be ready to promote the CO₂ reduction. If demand for low-carbon products from our customers is not sufficient, or if the material is not available, the risk would be to miss business opportunities.</p>	<p>SCOPE 3 To limit and reduce its scope 3.1 emissions, the Group has implemented the following solutions:</p> <ul style="list-style-type: none"> ■ Sustainable materials: To develop materials with an ultra-low CO₂ footprint, FORVIA has created a dedicated entity, MATERI'ACT. This entity develops bio-sourced and recycled materials from the circular economy. FORVIA is also the co-founder of the company GravitHy, which will produce very low-carbon steel from hydrogen (creation of a plant in France planned for 2027) ■ Eco-design see 4.2.7 Use of Resources & Circular Economy ■ Responsible purchasing policy ⁽¹⁾ <p>SCOPES 1 AND 2 FORVIA's decarbonization strategy is based on:</p> <ul style="list-style-type: none"> ■ Energy Frugality: From 2019 to 2023, FORVIA reduced its energy intensity by nearly 26%. To roll out energy efficiency programs, the Group has entered into partnerships with Engie, Schneider Electric and GreenYellow. These contracts cover more than 60 sites, representing approximately 50% of FORVIA SE's consumption. These programs have enabled reductions in the consumption of the sites concerned by an average of 15%. Energy management is now part of the FES (FORVIA Excellence System), the Company's operations management system (Lean Manufacturing System). (see 4.2.1.4.) ■ Replacing fossil fuels with renewable energies. In 2023, the Group has contracted two Virtual PPA in Northern Europe providing 643 GWh/year of renewable electricity. These projects make it possible to decarbonize more than 70% of FORVIA's European consumption, and more than 25% of its global electricity consumption. They are now in production. FORVIA has also signed partnerships with Engie and EDP to develop the production of photovoltaic electricity for self-consumption on its sites. To date, 50 sites have contracted a project for a projected capacity of 61 MWp. Ultimately, the Group wants to install 130 MWp and independently produce 7% of its electricity consumption. All new sites commissioned are now compatible with the installation of roof-based solar panels. In 2023, FORVIA signed a partnership with Schneider Electric, "Electrification as a Service", aimed at electrifying heating systems and gas-powered processes. From 2025, FORVIA aims to be associated with projects to consume 100% of decarbonized electricity worldwide.

Risk factors	Description	Impacts and strategic responses to risks
Increase in extreme weather events	Due to its international presence, several FORVIA sites may be exposed to extreme weather events (floods, cyclones, storms, heat waves, etc.).	<p>With climate change, extreme weather events are intensifying and can lead to production disruptions in the short, medium or long term. A disruption to a production plant can lead to customer delays or even loss of business. The prevention of natural risks is part of the Group's overall industrial risk prevention policy, which aims to reduce accidents related to natural disasters in partnership with its insurer.</p> <p>Since 2014, FORVIA SE and since 2023 the FORVIA Group, has systematically checked the exposure of its industrial projects to natural risks upstream of the project. This is one of the criteria for the selection matrix for new sites.</p> <p>The Group has also established a partnership with Predict Services in order to provide a 24/7 meteorological vigilance service to all its sites and a gradual alert system sent to site management by text message and email. These alerts are accompanied by recommendations to be implemented depending on the level of alert.</p> <p>In addition to these actions, in 2022, the Group carried out a study with AXA Climate in order to assess the exposure of its industrial sites to the physical impacts of climate change according to the IPCC scenarios according to two time periods. This study was supplemented in 2023 by the analysis of the climate resilience of five sites representative of the business units, according to the OCARA method. This work will make it possible to build a plan to adapt the industrial sites to the physical impacts of climate change.</p>

(1) The purchasing policy is available here: <https://www.faurecia.com/en/suppliers/our-ambition/strategy-policy>

Climate change is also a source of opportunities, particularly through the development of new products and services. FORVIA is developing sustainable technologies that contribute to climate change mitigation and adaptation (see Section 4.2.3.4. Climate actions and resources: scope 3 – innovations for Sustainable Mobility).

CLIMATE POLICY

FORVIA SE's climate policy applies to the Group and its value chain. It covers all scopes, 1, 2 and 3. It is based on the Group's objectives validated by the SBTi Net-Zero standard (see 4.2.3.1.). It is designed and updated taking into account the expectations expressed by the Group's stakeholders (see 4.1.3.2. Stakeholders' interests and points of views).

The Vice President in charge of climate strategy and sustainable transformation ensures the deployment of this policy within the Group.

4.2.3.3. Climate actions and resources: scopes 1 & 2

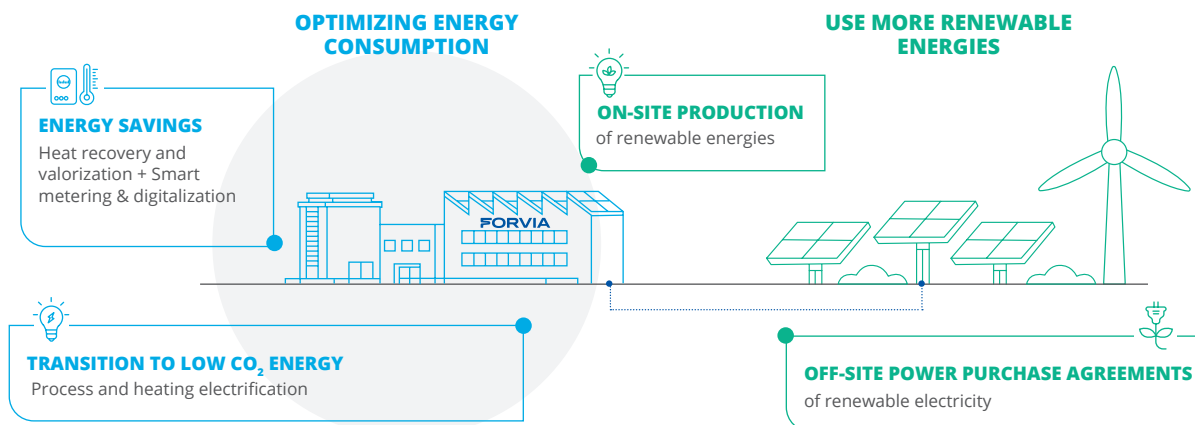


FORVIA has set itself the objective of CO₂ neutrality of its sites by 2025 and is rolling out a program to control energy consumption and develop more low carbon energy. At the end of 2023, FORVIA had already achieved a 41% decrease of its scopes 1 & 2 emissions compared to 2019.

The Group has identified four levers to achieve its goal:

1. energy savings, in particular through smart meters, digitization, and the recovery and recycling of heat from manufacturing processes;
2. production of renewable energy on-site (solar);
3. development of renewable energies through long-term electricity purchase contracts (Power Purchasing Agreements, or PPA);
4. electrification of processes and heat production.

FORVIA's actions to achieve CO₂ neutrality by 2025 (scopes 1 & 2)



PARTNERSHIPS

For the strategic and operational deployment of each of these areas, FORVIA has forged partnerships with specialists recognized for their experience, expertise and international presence:

- optimization of energy consumption, heat recovery and recovery: Engie, Schneider Electric, Green Yellow (in Europe);
- development of photovoltaic electricity production projects on our sites: KPMG, Engie, EDP;
- advice for the purchase of off-site renewable electricity, in the form of long-term electricity PPAs: Schneider Electric;
- purchase of certificates: STX, ACT, Climate Bridge (China);
- site heating electrification service (Electrification as a Service): Schneider Electric, Kyotherm.

These partnerships cover all FORVIA plants worldwide.

ENERGY SAVINGS AND HEAT RECOVERY

On a daily basis, FORVIA sites are committed to and active in improving their energy consumption by optimizing the energy efficiency of their buildings and production facilities.

WITH ITS PARTNERS, RETHINKING THE FRUGAL AND EFFICIENT FACTORY

Between 2022 and 2023, FORVIA assessed the energy savings potential of its sites. As part of its partnerships with Engie, Schneider Electric and Green Yellow, the "Energy Efficiency as a Service" program made it possible to carry out detailed optimization studies on more than 100 of them. At the end of 2023, more than 60 plants around the world had signed "Energy Efficiency as a Service" energy saving investment contracts (Energy Performance Contracts).

These energy performance contracts offer the sites the opportunity to equip themselves with measurement, regulation and automatic shut-off systems (EMS & BMS), making it possible to reduce the consumption of resources as necessary. New heat recovery systems have also been fitted to thermal machines. The investment in smart LED lighting and the plan to replace old and energy-intensive machines continued.

DIGITAL TECHNOLOGY FOR LOW ENERGY USE

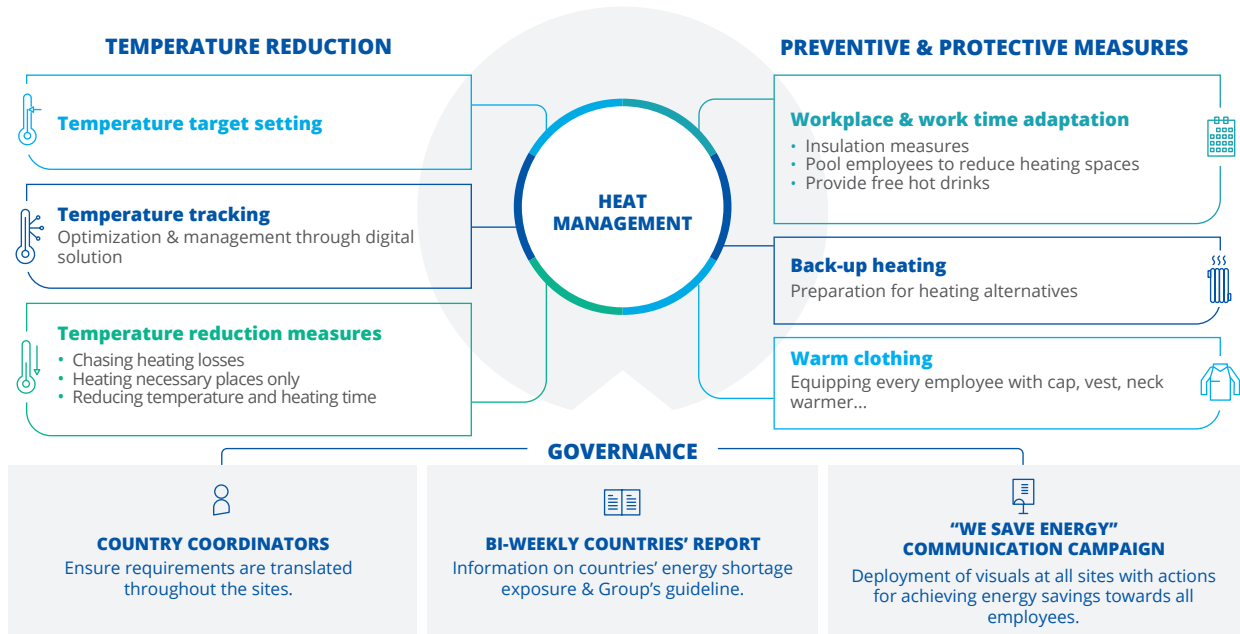
In 2023, FORVIA continued its energy optimization plan through:

- Energy Consumption Tracker (ECT): a system for collecting energy data at the site level, making it possible to calculate GHG emissions by monitoring the source of emission factors;
- Energy Best Practice (ECT extension): allows FORVIA Excellence System sites & auditors to verify that best technical and managerial practices are applied and to develop a plan to achieve excellence;
- Energy Management System (EMS): real-time energy management system, at site, division, region, Business Group and Group levels, allowing them to visualize if the energy consumption is correctly proportioned to the activity. Nearly 80 sites are equipped, and the deployment continues;
- Palantir: as part of its cooperation with Palantir, FORVIA has developed the Foundry platform, a solution integrating time-based energy data and production data from connected sites. This solution makes it possible to measure the consumption stub of its connected sites and to identify the best-performing sites and the sites in need of improvement.

These connected and digital solutions are fundamental for greater energy efficiency and decarbonization. Thanks to these systems, it becomes possible to make abnormal consumption visible, alert employees, identify sources of improvement, and eliminate waste.

FRUGALITY AND RESILIENCE TO THE ENERGY CRISIS

The FORVIA's white book "We Save Energy" brings together a set of preventive and adaptive measures for sites to deal with the risks of energy shortages.



At the height of the energy crisis between 2022 and 2023, the plan developed and rolled out via the White Book: We Save Energy was applied. While energy prices around the world were soaring, FORVIA's frugality actions made it possible to achieve cumulative energy savings of -26% compared to 2019, while contributing significantly to the reduction of scopes 1 and 2 emissions up to -41% vs 2019, allowing FORVIA to be one year ahead of its 2025 trajectory.

DEVELOPING THE SKILLS OF OUR ON-SITE TEAMS

In order to better apply its best practices, in 2023, the Group developed a digital role-playing game with CiViTime, placing players in a global competition between sites. Plunged into the heart of a climate crisis scenario, participants must adapt and guide the transformation of their site towards CO₂ neutrality. This role-playing game is intended for all site management committees around the world. Since its launch in 2023, it has been made available to more than 200 sites.

SHARING INTERNAL BEST PRACTICES

By building on its best plants, FORVIA was able to collect the energy management practices of its best sites, and make them known by developing a software solution adapted to a broad population.

FORVIA has also developed a questionnaire to highlight these best practices. Each site must self-assess on the nine pillars related to energy management. Depending on their level of application of best practices, the sites must then implement appropriate action plans.

All of these measures, together with a sustained communication effort, have made it possible to significantly reduce energy consumption.

ELIMINATION OF FOSSIL FUELS

In partnership with Schneider Electric, the Group has developed a program called “Electrification as a Service”, set up for environmental reasons, and which aims to limit the Group’s dependence on gas while guaranteeing continuity of operations and solidarity with households that use natural gas for heating. This program was developed according to the principles of the program “Energy Efficiency as a Service.” 15 pilot sites are in the process of gradually eliminating these energy sources.

RENEWABLE ENERGY: ON-SITE PRODUCTION AND SELF-CONSUMPTION

FORVIA wants to produce as much solar electricity at its sites as is technically feasible. In view of the Group’s global reach and its production capacity, it has set itself the target of installing more than 1.3 million m² solar panels and achieving production of 130 MWp (megawatt-peak). Photovoltaic panels installed on sites operated by FORVIA in around 20 countries should ultimately account for around 7% of the sites’ average consumption. Thanks to the signature of Power Purchasing Agreements (PPA), at the end of 2023, the Group had contracted 51 photovoltaic panel installation projects on its sites, for a total capacity of 57 MWp. The new sites put into operation complying with the Green Factory White Book, are designed to enable the development of future self-consumption photovoltaic projects.

FORVIA has entrusted the installation and operation of the renewable electricity production assets to two developer partners, EDP and Engie. Over-the-counter PPAs are therefore directly involved in the creation of new solar capacity on the sites. HELLA is also committed to this on-site solar panel deployment program.

RENEWABLE ENERGY: LONG-TERM OFF-SITE ELECTRICITY PURCHASE CONTRACTS

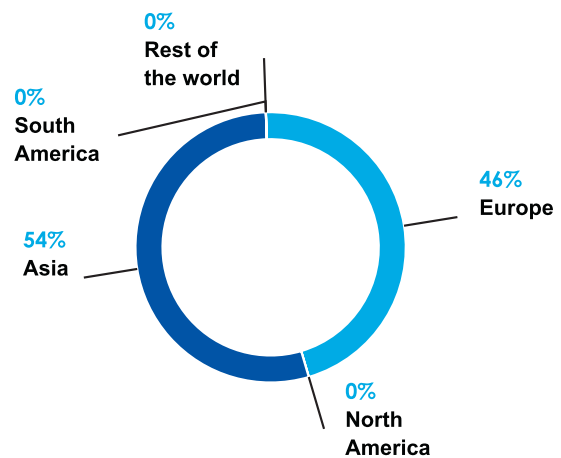
FORVIA purchases increasingly low-carbon electricity, in collaboration with its suppliers, site by site. Since 2020, the Group has rolled out a global action plan for the period 2020-2025. This aims to produce or purchase electricity that is even lower carbon, better than local electricity grids, in particular through over-the-counter contracts, or by self-consumption and off-site Power Purchase Agreements (PPAs). These contracts are gradually being rolled out to all FORVIA plants (including HELLA) around the world.

FORVIA is committed over the long term by signing Virtual Power Purchasing Agreements (VPPA). These contracts enable the sites to secure their purchase price for electricity from renewable sources. In 2023, the projects supported by FORVIA in Europe are now in production. From 2024, FORVIA expects them to produce 642 GWh of renewable electricity, representing more than 70% of the Group’s electricity consumption in Europe and more than 30% of its global consumption.

At the end of 2023, the average percentage of FORVIA’s renewable electrical energy was 19%, including on-site electricity production (solar), Guarantees of Origin generated by “Virtual Power Purchase Agreements” contracted exclusively by FORVIA (onshore wind turbines) and renewable energy certified by Energy Attribute Certificates (Guarantees of Origin, REC, i-REC, etc.) as well as that of the “green” contracts that certain sites have entered into with electricity suppliers. In addition, FORVIA also does not include the renewable share of national electricity grids when there are no residual or contractual values.

In 2023, FORVIA signed a contract to supply all its sites in Mexico with green electricity. It will be applicable in 2024 and 2025, on a renewable basis. A similar contract was signed for the FORVIA sites in Michigan, which will be supplied with green electricity from 2025. For its Chinese sites, FORVIA has favored the signing of International Renewable Energy Certificates (i-RECs), which cover part of the sites’ energy consumption, representing more than 100 GWh of decarbonized electricity.

GEOGRAPHICAL BREAKDOWN OF RENEWABLE ENERGY CONSUMPTION BY GEOGRAPHICAL REGION IN 2023



GROUP ENERGY CONSUMPTION



Electricity and natural gas are the two energy sources (respectively 76% and 20%) most used by FORVIA sites for industrial and service uses.

In 2023, the total energy consumed by FORVIA reached 2,471,933 MWh (-2% on a like-for-like basis compared to 2022 and -18% compared to 2019 in MWh GCV [Greater Calorific Value includes the energy released by the condensing of water, called latent heat of condensation, after combustion] for scope 1, MWh for scope 2).

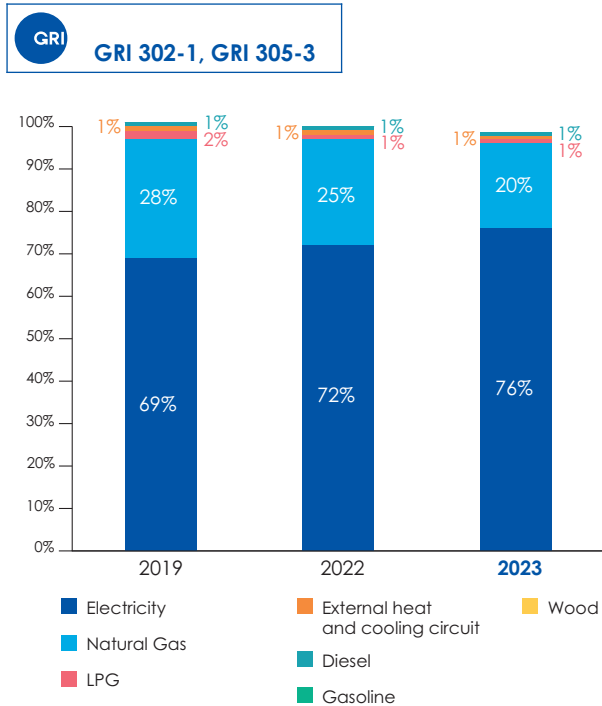
4 Environmental and social performance

Environment

The decrease in energy intensity is due to the energy saving and heat recovery actions described above and to a shared commitment by all to reduce energy consumption, waste and dependence on natural gas.

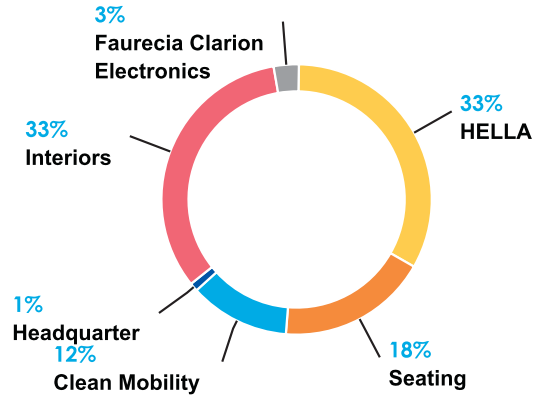
The programs initiated in 2021 at the FORVIA sites have begun to show results. Partial or complete installation of energy conservation measures on the 60 sites already under the Energy Efficiency as a Service contract contributed to this decrease. It should also be noted that all the sites involved in the program, whether already under contract or not, were able to gain in expertise by participating in the analyses. Energy waste reduction initiatives have multiplied. In Europe, faced with the risk of a natural gas supply disruption and the risk of a blackout, a resilience plan has been put in place. Adaptation of processes: the plants competed in creativity to reduce their energy consumption and participate in the effort to protect strategic reserves. HELLA has also significantly reduced its consumption of natural gas by shutting down cogeneration (internal production of electricity using gas turbines) at its Lippstadt site and it plans to do the same at its Bremen site, also in Germany.

ENERGY CONSUMPTION, OVERALL AND BY SOURCE OF SUPPLY FOR FORVIA 2022 VS 2023



The breakdown of energy consumption remained almost identical between 2022 and 2023. The share of natural gas decreased slightly from 25% to 20%, and that of electricity increased from 72% to 76%.

BREAKDOWN OF TOTAL ELECTRICITY CONSUMPTION BY BUSINESS GROUP IN 2023



ADAPTATION OF SITES TO CLIMATE CHANGE

FORVIA integrates the management of natural disasters upstream into industrial projects, new plants, or any significant redevelopment of existing sites. The Group also has a system for monitoring natural phenomena (meteorological and physical: storms, flooding, extreme temperatures, extreme precipitation). (24/7) across all the entire industrial park (see chapter 2. and 4.2.3.2).

In 2022, FORVIA entrusted AXA Climate with the analysis of the exposure of its industrial assets to the physical impacts of climate change, according to two IPCC scenarios (SSP2-4.5 and SSP5-8.5 of the 2022 report) by 2030 and 2050.

The Group has thus mapped its sites with regard to their exposure to two types of climate risk:

- impact of acute climate risks by 2030, i.e. risks of natural events with destructive consequences: floods, extreme winds, forest fires, heat waves, extreme precipitation;
- impact of chronic climate risks by 2030 induced by long-term changes in the average and variability of climate patterns: higher temperature or humidity, greater water stress, etc. due to climate change.

In 2023, the Group entrusted Carbone 4 with the analysis of the climate resilience of five industrial sites on three continents and representative of each business line. This analysis is based on the OCARA (Operational Climate Adaptation and Resilience Assessment) method. It makes it possible to identify "non-resilience" risks and plan short-, medium- and long-term adaptation trajectories. This work has made it possible to draw up a catalog of adaptation capabilities by business line, which will be cross-functional from 2024 for all the plants concerned.

4.2.3.4. Climate actions and resources: scope 3

FORVIA is focusing its scope 3 decarbonization strategy on the use of sustainable materials, the development of eco-design and the Life Cycle Analysis of vehicles. These levers enable the CO₂ neutrality strategy to be managed across the entire supply chain.

SUMMARY OF ACTIONS TAKEN TO REDUCE EMISSIONS RELATED TO SCOPE 3

Scope 3 main categories	Share of GHG emissions of the category among full scope 3	FORVIA actions	Find out more
Production of purchased goods and services	22.9%	<p>The majority of the scope 3 footprint consists of purchased goods and services, mainly steel and plastics.</p> <p>To limit and reduce its emissions from this item, the Group has implemented the following solutions:</p> <ul style="list-style-type: none"> ■ sustainable materials; ■ eco-design; ■ responsible purchasing policy. <p>To reduce upstream CO₂eq emissions related to its products, the Group is developing ultra-low CO₂ materials.</p> <ul style="list-style-type: none"> ■ In 2022, FORVIA created MATERI'ACT a new entity to develop state-of-the-art sustainable materials. <p>To reduce upstream CO₂eq emissions, FORVIA is mobilizing its ecosystem of partners, including its suppliers, to converge towards a net zero future:</p> <ul style="list-style-type: none"> ■ FORVIA was rated "A" by CDP Suppliers for its excellent suppliers' commitment in its CO₂ neutrality roadmap. 	<p>Sustainable materials: see 4.2.7.2. Actions: sustainable materials</p> <p>Eco-design: see 4.2.7. Use of resources and circular economy</p> <p>The responsible purchasing policy is available on the FORVIA website ⁽¹⁾</p> <p>Supplier commitment: see 4.3.2.4. Towards CO₂ decarbonization in the supply chain</p>
Production of capital goods	1.3%	<p>Investments are made to develop hydrogen technologies and battery management systems for zero-emission mobility:</p> <ul style="list-style-type: none"> ■ FORVIA is committed to increasing its activities aligned with the Green Taxonomy; ■ development of low-emission technologies for improved air quality; ■ hydrogen joint venture: Symbio, in 33/33/33 partnership with Michelin and Stellantis. 	<p>European green taxonomy: see 4.2.2. European Union Taxonomy Report</p> <p>Low-emission technologies: see 4.2.2.1. Note on the Taxonomy Regulation and alignment of FORVIA activities</p> <p>Symbio: see 4.2.3.4. Climate actions and resources: scope 3 – Hydrogen technologies for zero emission mobility</p>
Extraction, production and distribution of purchased energy (upstream scopes 1 and 2)	0.4%	<p>To reduce emissions related to scopes 1 and 2, FORVIA relies on frugality, energy efficiency, the electrification of heating systems and industrial processes and the use of renewable energy.</p>	<p>See 4.2.3.3. Climate actions and resources: scopes 1 & 2</p>
Upstream & downstream transport	5.5%	<p>To reduce CO₂eq emissions, related to the upstream and downstream transport of products, the Group optimizes the use of transport capacities and promotes low-CO₂ emission transport. It is also working to use reusable and recyclable packaging.</p>	<p>See 4.2.3.4. Climate actions and resources: scope 3 – Logistics and value chain</p>
Wastes generated	0.4%	<p>In addition to carrying out Life Cycle Analysis and ecodesign, FORVIA monitors waste on a monthly basis. This is coupled with an on-site initiative to reduce quantities, improve waste sorting, recover waste as energy or materials, reintegrate production waste into manufacturing processes and reuse waste.</p>	<p>Eco-design and LCA: see 4.2.7</p> <p>Use of resources and circular economy</p>

4 Environmental and social performance

Environment

Scope 3 main categories	Share of GHG emissions of the category among full scope 3	FORVIA actions	Find out more
Employee business travel and commuting	0.6%	Each site has put in place initiatives to decarbonize its employees' travel: carpooling, company shuttles, special emphasis on bicycles, etc. In the context of business transport, the Group favors travel by train rather than by plane where possible.	
Processing of sold products	0.7%	The Group is committed to developing products whose assembly on the vehicle requires as little energy as possible.	see 4.2.3.4. Climate actions and resources: scope 3
Vehicle usage	65.3%	<p>Although the Group does not directly control this emission item, it contributes through the weight of the products and their energy consumption during the vehicle's use phase (e.g. electrical consumption of headlights, on board, etc.).</p> <p>To reduce downstream CO₂eq emissions, related to the use phase of its products, the Group is working on eco-design and frugality:</p> <ul style="list-style-type: none"> ■ weight reduction solutions; ■ reduction in energy consumption in vehicle use. <p>In addition, the Group aims to promote the application of its products on low-emission vehicles.</p>	<p>See 4.2.3.4. Climate actions and resources: scope 3–Innovations for Sustainable Mobility:</p> <ul style="list-style-type: none"> ■ promoting weight reduction in its products; ■ promoting the reduction of electricity consumed by its products during the vehicle use phase.
Products end of life	2.6%	<p>The realization of Life Cycle Analyzes and work carried out on eco-design enable FORVIA to work on the recyclability of end-of-life products, thus contributing to the circular economy.</p> <p>In addition, to maximize the life of the products, the repair of electronic systems can be considered through RepairLab and vehicle lifetimes can be extended through the activities of HELLA Life Cycle solutions.</p>	See 4.2.7 Use of resources and circular economy
TOTAL	100%		

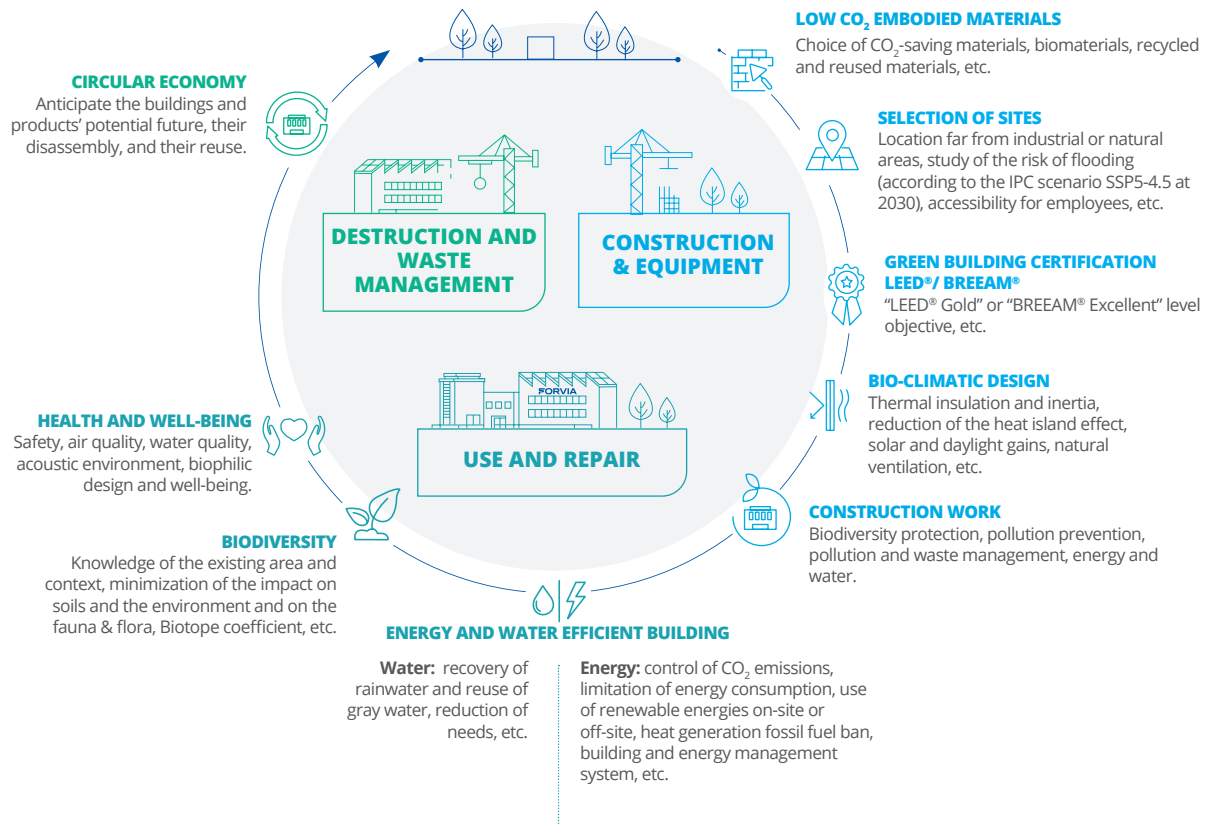
(1) The purchasing policy is available here: <https://www.faurecia.com/en/suppliers/our-ambition/strategy-policy>

GREEN FACTORY WHITE BOOK FOR ALL NEW UNITS

FORVIA produced a white book in 2022, called Green Factory, for all new planned sites, either under construction or extension. This guide brings together all the criteria, translated into the technical specifications of new projects. This program developed for FORVIA SE can be scaled up to the entire FORVIA group (including HELLA).

In 2023, the new sites of Allenjoie FCM & FAS, Monterrey FIA & FAS and FengCheng Electronics were built according to the standards of this white paper. Thus, the carbon footprint of their construction is below 700 kg CO₂/m². The EMS energy management system (see 4.2.3.4 Climate actions and resources: scope 3) was directly applied to them. Fossil fuels are virtually absent from these sites, and their energy consumption is optimized.

FORVIA'S GREEN FACTORY WHITE BOOK



LOGISTICS AND VALUE CHAIN

In its approach to reducing CO₂ emissions, FORVIA intends to involve all its sites and its value chain.

To reduce CO₂ emissions related to its logistics operations, FORVIA launched an initiative in 2023 to improve the modeling of its upstream transport networks in order to make them more efficient in terms of distances traveled and truck loading.

This initiative has made it possible to reorganize and optimize more than 600 logistics flows. By combining fuller trucks and a reduction in the distances traveled, this reorganization led to a 15% gain in efficiency and a reduction in CO₂ emissions of 15% for these flows.

By 2024, FORVIA plans to extend this network optimization to more than 1,000 logistics flows and to launch pilot flows with cleaner transport technologies such as rail transport and transport by electric or biofuel trucks.

TOWARDS CO₂ DECARBONIZATION IN THE SUPPLY CHAIN

Suppliers with CO₂ targets in line with those of FORVIA are essential to reduce its CO₂ emissions by 45% for scope 3 (in absolute value) by 2030. Purchases of goods and services represent 66% of controlled emissions in scope 3.

This cornerstone of the development of the supplier relationship is based on four pillars:

- supplier commitment to CO₂ targets;
- CO₂ impact assessment using a common IT platform;
- sharing of best practices and existing data on energy efficiency and CO₂ emissions in the plants;
- shared action plan to reduce the total CO₂ footprint.

FORVIA presented its climate commitment and strategy as well as the resulting purchasing approach to its suppliers during a webinar.

In 2023, FORVIA improved its carbon footprint measurement methodology for scope 3.1 through its CO₂ assessment consolidation tool, and has developed new tools to better collect supplier data and monitor the associated action plans.

FORVIA also continued to raise awareness among its suppliers on the need for a CO₂ commitment supported by Executive Management, and a gradual increase of their EcoVadis score. In 2023, the Group offered to make a financial contribution to 500 of its suppliers for their first participation in the CDP Supply Chain, an accelerator for climate issues. More than 300 suppliers responded positively to this invitation.

In addition, a particular focus was placed on the commodities with the highest emissions in order to collaborate with suppliers on measures to support this decarbonization trajectory.

Decarbonization and CSR are on the agenda of performance meetings with suppliers, and purchasing organizes regular innovation meetings with their suppliers to support the decarbonization of the Group's products.

INNOVATIONS FOR SUSTAINABLE MOBILITY

FORVIA in 2023

€2 197,52 197.5 million in R&D investments

(R&D expenses including depreciation and amortization of capitalized development costs)

Hydrogen technologies for zero emission mobility

FORVIA is investing heavily in hydrogen storage system technologies, eligible under category 3.2. of European taxonomy (see Section 4.2.2. European Union Taxonomy Report).

FORVIA is convinced that hydrogen mobility and fuel cell technology will occupy an important place in the propulsion energy mix for the next 10 to 15 years. The Group provides automakers with complete hydrogen storage system integration for different vehicle architectures, offering delivery of end-of-line tested turnkey systems. The Group is positioned in three markets, estimated to have a potential of €20 billion, in which it aims to generate revenue of €3.5 billion by 2030:

- hydrogen fuel cells;
- hydrogen storage for mobility;
- hydrogen storage for distribution;
- hydrogen tanks for hydrogen combustion engines as well as the pollution control of these engines.

Hydrogen development

Produced from a multitude of energy sources, this source of storable energy generates no CO₂ emissions or polluting gases when using the fuel cell-powered vehicle. Hydrogen can also be used to store excess renewable energy. Green hydrogen is produced by electrolysis of water using electricity generated by carbon-free energies. It is an essential lever for zero pollution and zero CO₂ emission mobility.

As part of the "Fit for 55" legislative package, the European Union has adopted the goal of installing a hydrogen station every 200 km along main roads. FORVIA estimates that 1.2 to 1.7 million hydrogen passenger and utility vehicles will be produced worldwide by 2030.

FORVIA participates in national and international hydrogen development bodies. The Group is a Board member of the Hydrogen Council, a global organization bringing together more than 140 leading companies in the fields of energy, transport, industry and investment. For example, the Council published a prospective study on the global hydrogen market as well as a second on the place of hydrogen in global energy. The Group is also a member of Hydrogen Europe and the National Hydrogen Council in France. Since its creation in 2021, it has been co-chaired by Patrick Koller, Chief Executive Officer of FORVIA SE.

Hydrogen fuel cell systems

In 2019, Michelin and FORVIA SE joined forces, pooling their hydrogen fuel cell activities within Symbio, a joint company. In 2023, Stellantis acquired an interest in Symbio, taking the shareholding to 33.33% for each shareholder. This has brought together a unique combination of industrial and automotive expertise and innovation capability to develop, produce and market hydrogen fuel cell systems for all types of electric vehicles. With an initial investment of €140 million, Symbio brings together the activities of FORVIA, Michelin and Stellantis in the field of hydrogen fuel cells, with, in the Lyon region, the largest integrated fuel cell production site in Europe. FORVIA SE and Symbio cover 75% of the hydrogen propulsion system value chain. Symbio is also aiming to produce 200,000 StackPacks®—its pre-validated and pre-integrated hydrogen systems—per year by 2030, for manufacturers worldwide.

Hydrogen storage systems

FORVIA produces hydrogen storage tanks in its plants in China, South Korea and France, both for hydrogen vehicles and for the transportation and distribution of hydrogen. In 2023, the Group inaugurated its first mass production plant for hydrogen storage systems in France, with a production capacity of 100,000 tanks per year in the medium term and will soon open a site in North America.

Hydrogen storage systems for mobility

FORVIA encourages automakers to integrate hydrogen storage systems for different types of vehicles that meet industry requirements, with the delivery of turnkey systems tested at the end of the chain.

FORVIA is already recognized for its production of hydrogen storage systems for fleets of heavy vehicles and light commercial vehicles for several international manufacturers. The Group has a global industrial footprint and currently has the capacity to produce several thousand hydrogen storage systems per year, and aims to reach production of more than 100,000 tanks per year in the medium term.

The center of expertise for hydrogen storage systems in Bavans, France, has more than 250 high value-added engineer and technician positions entirely dedicated to the development of hydrogen storage systems.

The Group has forged strategic partnerships:

- with HYVIA, a subsidiary of Renault and Plug Power, for the supply hydrogen storage systems for fuel cell-powered light commercial vehicles;
- in Germany, for the Bavarian region, the Group will equip a fleet of heavy vehicles supplied by the manufacturer MAN with complete hydrogen storage systems;
- with Hyundai Motor Company to equip heavy vehicles.

Since 2021, and in parallel with the development of gaseous hydrogen storage system, the Group has been developing in partnership with Air Liquide, a global supplier of gas for the industry, a solution for storing hydrogen in liquid form for heavy mobility, providing greater autonomy for trucks and other vehicles with very intensive use cases.

Hydrogen storage systems for distribution

FORVIA develops large capacity hydrogen storage systems for transporting hydrogen. The Group is developing a container solution offering a significant payload and a lighter and more modular architecture compared to conventional solutions, reducing the CO₂ footprint related to hydrogen transport while reducing operating costs.

Battery systems technologies

The strong growth of electric vehicles increases the need for eligible battery system technologies according to category 3.4 of the European taxonomy (see Section 4.2.2. European Union Taxonomy Report). FORVIA is developing integrated thermal and energy management solutions for batteries and lightweight compartments for more economical electric driving.

Battery management systems (BMSs) from FORVIA ensure the safe and reliable operation of the lithium-ion batteries in fully electric vehicles and hybrid and rechargeable vehicles (Plug in and Hybrid Vehicles–PHEVs). These BMSs

monitor battery voltage, temperature and current, while providing various safety functions, including those related to high voltage. Modular and scalable, BMSs are designed to be integrated into various electronic command and control systems.

The Group's expertise is also illustrated in the thermal management of battery cooling circuits, electric motors and vehicle interiors. Smart battery sensors measure the state of charge and health of the vehicle's batteries.

48V DC/DC converter

FORVIA's 48V DC/DC converter enables the two-way transmission of energy between the 48V and 12V networks for light hybrid vehicles, while powering fuel-saving options such as electric power steering or windshield heating. It also enables CO₂ reduction functionalities such as energy recovery during braking, improved Start-Stop function, and idle coasting mode with the engine off.

Low-carbon vehicle technologies

Whether they are hybrid, hydrogen or electric vehicles, low-carbon vehicles are characterized by emissions of less than 50 gCO₂/km. FORVIA is developing technological systems for these vehicles that would be considered eligible according to category 3.3 of the European Taxonomy as voluntarily disclosed in Chapter 4.2.2. European Union Taxonomy Report). The systems aim for sustainable design and materials, energy efficiency, extending the life of products and increasing their recyclability.

Complete systems for interiors

FORVIA develops sustainable materials for instrument panels, door panels and center consoles, as well as for the seamless integration of smart functionalities. The use of bio-sourced materials (for example plant fibers mixed with a resin) makes it possible to reduce the weight of the vehicle's parts and considerably reduce environmental impacts.

FORVIA's innovation program "Interior for the Planet" is based on three pillars: using less, incorporating recyclable and recycled materials, and creating alternatives to petroleum solutions. By 2030, FORVIA aims to reduce the carbon footprint of its new interiors by up to 85% throughout their life cycle.

Seating and seating systems

FORVIA develops complete and eco-designed technologies for seats: seat mechanisms and frames, covers and comfort solutions aimed at optimizing safety, comfort and well-being. As an alternative to leather, the Group is working on textiles with a low CO₂eq content. It is also innovating to reduce the complexity of the design of its seats from 120 to 20 elements. This innovation, based on frugality, will facilitate the customization and renovation of the seats throughout their life, as well as their recycling at their end-of-life.

FORVIA's innovation program "Seat for the Planet" is based on life cycle management. It implements five requirements:

- use sustainable materials (natural, low-carbon, recycled or recyclable);
- use less (and reduce waste during manufacturing);
- avoid mixed materials (to facilitate their recyclability);
- focus on fully satisfying the consumer experiences and needs;
- design seats that are easy to assemble and disassemble.

By 2030, FORVIA aims to reduce the carbon footprint of its seats by up to 68%, throughout their entire life cycle.

The DECORE project (Decarbonation, COckpit, REcycling/Reconditioning) was created in 2021 by FORVIA SE with Renault, the French Atomic Energy and Alternative Energies Commission (CEA) and MTB Recycling. Its purpose is to:

- reduce the carbon footprint of vehicles of the future using technologies that emit the least CO₂;
- increase the useful life of vehicles through modernization and refurbishment;
- and thus provide cockpits designed with 40% recycled materials and a CO₂eq impact reduced by 85% by 2030.

Electronics

Vehicle electrification is a major lever for CO₂-neutral mobility. FORVIA therefore offers a complete portfolio that includes sensors and actuators, automated driving, lighting, vehicle electronics, human-machine interface, displays and energy management. Electronic devices such as lighting or FORVIA's Advanced Driver Assistance Systems (ADAS) contribute to reducing CO₂ emissions by reducing electricity consumption when driving.

■ Range of electronic mirrors

FORVIA's range of electronic mirrors replaces traditional exterior mirrors. A smart camera provides drivers with a dynamic view and safety alerts, improving fuel consumption by up to 1.6% and reducing CO₂ emissions to as little as 4.6 g/km (source: internal study CREO dynamics & National Research Council Canada), thanks to the decrease in aerodynamic drag.

Clean Mobility

One-third of the energy currently produced by automotive drive trains is lost in the form of heat by the exhaust system. FORVIA's Exhaust Heat Recovery System (EHRS) is suitable for use in hybrid vehicles. It allows them to run more often in electric mode, which saves fuel and reduces CO₂ emissions.

■ Compact EHRS

FORVIA's compact EHRS can be installed close to the engine for maximum heat recovery. It reduces fuel consumption by 3 to 7% in cold weather thanks to faster engine warm-up and increased use of electric mode.

Other sustainable technologies

FORVIA develops sustainable materials that offer substantial reductions in greenhouse gas emissions throughout the life cycle compared to the most efficient alternative technologies available on the market.

These materials are eligible under category 3.6 of the European taxonomy (see Section 4.2.2. European Union Taxonomy Report).

■ NAFILean®

FORVIA's NAFILean® technologies incorporate hemp fibers into interior components made of non-visible plastic. In addition to being fully recyclable, they enable to reduce the mass by as much as 50% and up to 95% of CO₂eq emissions compared to a market benchmark. Around 9 million vehicles worldwide are already equipped with NAFILean® products.

Use of products sold by FORVIA

CO₂ emissions related to the use phase of vehicles represent 64% of the Group's emissions. CO₂ emissions linked to the use of vehicles equipped by FORVIA are mainly due to the combustion of fuel in the engines of thermal vehicles. For electric and plug-in hybrid vehicles, emissions in the use phase are linked to the production of electricity used for charging the battery.

To reduce the CO₂ emissions related to the vehicle's use phase, FORVIA implements the following actions:

■ Promoting the development of products for electric vehicles

CO₂ emissions related to the use of electric vehicles are around 70% lower than those of internal combustion vehicles (source: *Plateforme Filière Automobile* for the French market). By promoting the development of products for electric vehicles, FORVIA is consequently reducing the emissions related to the use of its products. In 2023, nearly 50% of the new programs acquired by FORVIA were for electric vehicles. This proportion is expected to continue to increase in the coming years.

■ Promoting weight reduction in its products

A vehicle's energy consumption is proportional to its weight. By reducing the weight of vehicle parts, FORVIA can help reduce energy consumption and therefore the CO₂ emissions related to their use. FORVIA innovates to make its products lighter, in particular by designing a simpler cockpit and seat architecture requiring fewer materials and with a reduced number of components or by using materials with improved performance, such as biosourced composite materials (for example vegetable fibers mixed with a resin) which are lighter for equivalent performance than traditional composites.

■ Promoting the reduction of electricity consumed by its products during the vehicle use phase

FORVIA is also working to reduce the electricity consumption of its integrated technologies when using the vehicle. This applies to lighting, screens and infotainment systems.

FORVIA uses several technologies to reduce the electricity consumption of its products, in particular LEDs, which are more efficient than traditional light bulbs.

4.2.3.5. Metrics and targets

CLIMATE OBJECTIVES

The objectives are presented in the roadmap (see 4.1.3.1. Sustainable development strategy) and in the indicators below.

ENERGY CONSUMPTION AND ENERGY MIX

	2019 (year of reference)		2022	2023	2023 vs 2022 (in % points)	2022		2023	
	FORVIA SE	FORVIA				FORVIA SE	FORVIA SE	FORVIA SE	FORVIA
Energy consumption, overall and by source									
Electricity	69%	69%	73%	75%	3	72%		76%	
Of which renewable electricity (share in total electricity consumption)	0%	0%	1%	21%	20	1%		19%	
Natural Gas	27%	28%	24%	21%	(2)	25%		20%	
LPG	2%	2%	2%	2%	0	1%		1%	
External heat and cooling circuit	1%	1%	1%	1%	0	1%		1%	
Diesel	1%	1%	1%	1%	0	1%		1%	
Gasoline	0%	0%	0%	0%	0	0%		0%	
Wood	0%	0%	0%	0%	0	0%		0%	
Breakdown of total energy consumption by Business Group									
Faurecia Interiors Systems	51%	36%	49%	48%	(1)	33%		33%	
Faurecia Automotive Seating	24%	17%	27%	29%	2	18%		18%	
Faurecia Clean Mobility	21%	14%	20%	19%	(1)	13%		12%	
Faurecia Clarion Electronics	3%	2%	3%	3%	0	2%		3%	
FORVIA HQ	1%	1%	2%	1%	0	1%		1%	
HELLA		30%				32%		33%	
Geographic distribution of renewable electricity consumption									
Europe	0%	0%	0%	34%	34	5%		46%	
North America	0%	0%	0%	0%	0	0%		0%	
Asia	0%	0%	100%	66%	(34)	95%		54%	
South America	0%	0%	0%	0%	0	0%		0%	
Rest of the world	0%	0%	0%	0%	0	0%		0%	

GHG EMISSIONS

Inspired to care

	2019		2022		2023	
	FORVIA SE	FORVIA	FORVIA SE	FORVIA	FORVIA SE	FORVIA
NFPD CO ₂ emissions scopes 1 & 2 (MtCO ₂ eq)	0.82	1.17	0.58	0.81	0.45	0.69
NFPD CO ₂ emissions scope 3 (excluding use of products sold) (MtCO ₂ eq)	9.9	12.8	10.2	12.9	10.5	13.5
CO ₂ intensity (tCO ₂ eq scopes 1 & 2/€ millions of sales)	47	49	34	34	23	26
NFPD Energy intensity of buildings (Mwh of scopes 1 and 2/€ million of sales)	122	125	99	104	88	92

In 2023, FORVIA updated its annual carbon footprint, in partnership with Deloitte. Several methodological improvements were made in order to refine the estimates, in particular for the significant items of the carbon footprint (see Section 4.5.2.3.2 "CO₂ emissions calculation methodology"). FORVIA's contribution to global greenhouse gas emissions in 2023 is estimated at 39.5 MtCO₂eq (scopes 1, 2 and 3), i.e. a decrease of 5% compared to 2019 (footprint recalculated according to the rules of the GHG protocol).

In 2023, FORVIA's direct and indirect CO₂ emissions (scopes 1 and 2) amounted to approximately 688,000 metric tons of CO₂eq, a decrease of 41% compared to 2019. This reduction in emissions was driven by a decrease in energy consumption (-38% on scope 1, -9% on scope 2) and emission factors on scope 2 (-37% on weighted average for electricity) linked to the collection of emission factors from suppliers on part of the scope, the consumption of electricity from renewable sources, and finally the decarbonization of national electricity networks.

Scope 1 and 2 emissions represent around 2% of the Group's total CO₂ footprint.

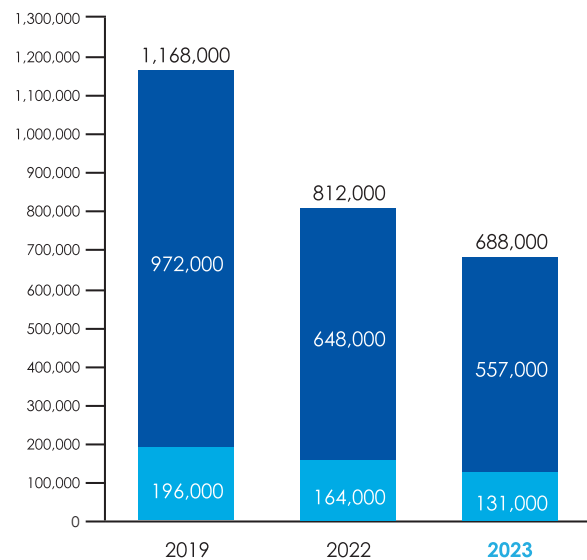
NFPD

FORVIA's CO₂ intensity in 2023 for scopes 1 & 2: 26 metric tons of CO₂eq/€ million of sales (external sales).

FORVIA's scope 1 and 2 CO₂ intensity is down 47% compared to 2019 (49 tons of CO₂eq/€ million of sales) and 24% compared to 2022 (34 tCO₂eq/€ million of sales) due to the drop in emissions and an increase in FORVIA's sales.

Note: The year 2019 includes emissions over the period from November 2018 to October 2019 for FORVIA SE and from January to December 2019 for HELLA. The turnover (external sales) covers the period from January to December 2019 for FORVIA SE and from June 2018 to May 2019 for HELLA. For the Clarion Electronics activity, an estimate of turnover from January 2019 to March 2019, before integration into the FORVIA SE accounts of the acquired entity, was carried out from the following months. For 2022 and 2023, emissions and turnover relate to the period November-October of the following year.

SUMMARY OF FORVIA GHG EMISSIONS IN METRIC TONS OF CO₂ EQUIVALENT – SCOPE 1 AND SCOPE 2



■ Scope 2 indirect emissions
■ Scope 1 direct emissions

BREAKDOWN OF FORVIA'S 2023 CO₂ EMISSIONS

GREENHOUSE GAS EMISSIONS BREAKDOWN FROM FORVIA IN 2023

- In kt of CO₂ equivalent

OBJECTIVES



SCIENCE
BASED
TARGETS

THE NET ZERO
STANDARD



SCOPES 1 AND 2



688 kt CO₂eq



Fuel combustion

■ 131



Production of purchased electricity and heat

■ 557

SCOPE 3



13,491 kt CO₂eq



Extraction, production and distribution of purchased energy

■ 169



Sites' wastes treatment

■ 137



Production of capital goods

■ 504



Upstream and downstream transport

■ 2,146



Business travel & commuting of employees

■ 232



Production of purchased goods and services

■ 8,896



Processing of sold products

■ 290



End-of-life for sold products

■ 1,016



Others

■ 101



25,380 kt CO₂eq



Vehicle usage

■ 25,380

2025 CO₂ Neutrality

Clean Energy

- On-site production of **renewable energy**
- External sourcing of **renewable energy**

Energy Efficiency

- **Digitalization** and smart meters
- **Electrification** of processes and heat production

2030

- 45% CO₂ Emissions

Use less

- Lightweight solutions
- Eco-design

Use better

- Green manufacturing
- Recycled materials
- Bio-based materials

Use longer

- Recyclability
- Modularity

DETAILED BREAKDOWN OF FORVIA'S 2023 CO₂ EMISSIONS

		2019		2022		2023		Level of uncertainty		
		FORVIA SE	FORVIA	FORVIA SE	FORVIA	FORVIA SE	FORVIA			
DETAILED BREAKDOWN OF EMISSIONS (TCO₂EQ) - SCOPE 1, SCOPE 2 AND SCOPE 3										
Scope 1	Scope 1 direct emissions	139,000	196,000	115,000	164,000	94,000	131,000	low		
	Scope 2									
Scope 2	Scope 2 indirects emissions	679,000	972,000	466,000	648,000	351,000	557,000	low		
	Scopes 1 and 2 (internal emissions)	818,000	1,168,000	581,000	812,000	445,000	688,000	low		
Scope 3	Controlled	Upstream	Purchased goods and services	6,399,000	8,222,000	6,613,000	8,218,000	6,892,000	8,896,000	medium
			Capital goods	356,000	581,000	260,000	510,000	291,000	504,000	high
			Upstream energy	167,000	238,000	142,000	208,000	116,000	169,000	low
			Upstream transport and distribution	1,492,000	1,617,000	1,849,000	2,016,000	1,765,000	1,908,000	medium
			Wastes generated	177,000	191,000	104,000	121,000	110,000	137,000	medium
			Business travel	72,000	83,000	40,000	52,000	51,000	74,000	medium
			Employee commuting	137,000	191,000	114,000	149,000	118,000	158,000	medium
	Downstream	Upstream leased assets	45,000	52,000	53,000	60,000	51,000	59,000	medium	
		Downstream transport and distribution	164,000	217,000	172,000	235,000	172,000	238,000	medium	
		Processing of sold products	89,000	280,000	88,000	274,000	80,000	290,000	high	
		Products end of life	757,000	1,004,000	779,000	985,000	808,000	1,016,000	medium	
		Downstream leased assets							N/A	
		Franchises							N/A	
		Investments	14,000	100,000	19,000	60,000	21,000	42,000	medium	
		Scopes 1, 2 and 3 controlled (excluding the use of products)	10,687,000	13,944,000	10,814,000	13,700,000	10,920,000	14,179,000	medium	
Uncontrolled	Use of products sold in the car	21,282,000	27,767,000	18,374,000	24,929,000	18,499,000	25,375,000	medium		
	Scope 3 total	31,151,000	40,543,000	28,607,000	37,817,000	28,974,000	38,866,000	medium		
SCOPES 1, 2, 3 TOTAL		31,969,000	41,711,000	29,188,000	38,629,000	29,419,000	39,554,000	MEDIUM		

In application of the recommendations of the GHG protocol, the CO₂ emissions relating to the reference year 2019 and to the year 2022 have been recalculated to take into account changes in scope and methodological improvements (see Section 4.5.2.3.2. CO₂ emissions calculation methodology).

RESIDUAL EMISSIONS NEUTRALIZATION PROJECTS

By 2045, FORVIA will focus on neutralizing its residual emissions with CO₂-sequestering products. In this context, the Group, through its MATERI'ACT division, is exploring various solutions for recovering and storing greenhouse gases (GHG) in its polymers via various CO₂ capture technologies and transformation into chemical molecules of interest.

One of the solutions studied by FORVIA is the production of biochar. Biochar is a biosourced product with a negative carbon footprint (-3 kgCO₂eq/kg) from residual biomass pyrolysis. It thus sequesters the CO₂ and can be recovered by incorporation as a filler in materials such as the compounds produced by its MATERI'ACT division.

One study carried out by MATERI'ACT showed that a polypropylene compound loaded with 20% biochar reduces the CO₂ footprint of this material by 45% compared to a conventional polypropylene material loaded with 20% of talc.

INTERNAL CARBON PRICE

FORVIA SE has also set an internal price for CO₂ of €100/metric ton to anticipate and guide the development of its new products by integrating the CO₂ impact. HELLA plans to apply this internal CO₂ price in 2024.

4.2.4. Water and marine resources



Carbon Disclosure Project ratings (on a scale from A to D)
Water: B

4.2.4.1. Management of impacts, risks and opportunities

DESCRIPTION OF PROCEDURES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES

With regard to water management, FORVIA's priorities are to reduce water withdrawals for all sites and to reduce its impact on areas of water stress, with actions for sites located in these areas such as checking the condition of the network and eliminating any leaks, completing the installation of closed circuits, recovering condensed water and installing rainwater harvesting systems (when local regulations allow it).

In 2022, the Group mapped its sites located in water-stressed areas, mainly in Mexico, India, China, South Africa, Morocco and Tunisia. These sites have implemented concrete actions to reduce their water consumption, starting with the systematic search for leaks, the analysis of consumption with its monthly monitoring, the definition of an action plan associated with the main sources of consumption in order to reduce them as well as the recovery of rainwater. The list of these sites was updated in 2023. Also this year, the Group adapted its Alert Management System to cover alerts relating to environmental impacts, including water withdrawals and exceeding regulatory thresholds for wastewater discharges. If a site notices an anomaly, it has 24 hours to report it in the system, 48 hours to implement security actions and 60 days to implement corrective actions.

Historically, the majority of water withdrawals at FORVIA sites were taken from drinking water networks. This is both a strength, because it has long guaranteed direct access to drinking water by all employees worldwide in their workplace for all health needs, and a risk associated with the withdrawal of a qualitative resource for uses that would not always require this level of quality.

Having quickly identified this risk, the FORVIA group has listed all the opportunities to reduce its environmental impact in terms of water management, in particular, the recovery of gray water (domestic wastewater) or rainwater for non-drinking water uses, in particular for the irrigation of green spaces on sites. This makes it possible to reduce the consumption of drinking water and therefore preserve drinking water for essential uses, such as human consumption. It also limits wastewater discharges into sanitation networks.

POLICY

FORVIA's environmental policy is described in the introduction to Section 4.2.1. Environmental policy and culture.

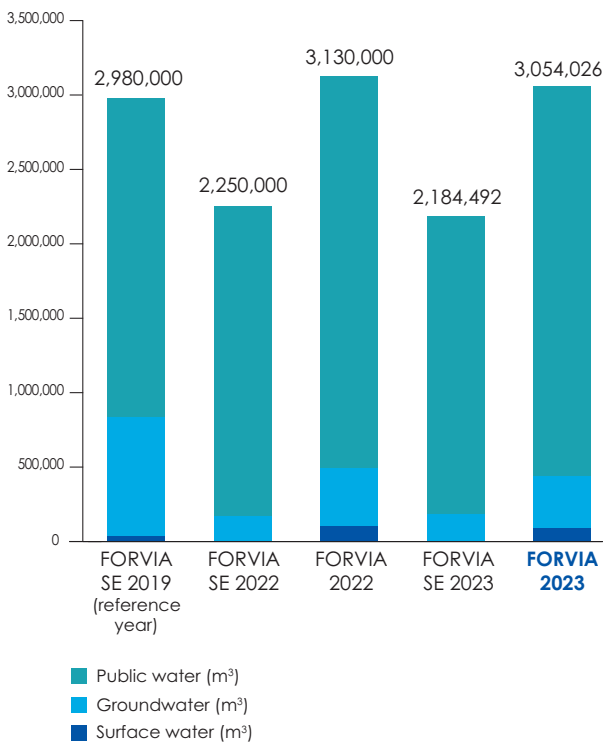
4.2.4.2. Actions on water discharge and withdrawal

Since 2023, FORVIA SE has set up monthly monitoring of water consumption. Meters have been deployed at 80% of the Group's sites, and the objective is to roll them out to all sites by 2024. The close frequency of meter reading makes it possible to better analyze the withdrawal and to react more effectively in the event of a problem.

Only one third of FORVIA's water consumption is used for industrial purposes and two-thirds is for sanitary use (showers, catering, toilets).

In 2023, the FORVIA sites maintained their efforts to reduce water consumption, with a total reduction of 76,000 m³ compared to 2022.

WATER WITHDRAWAL BY SOURCE OF SUPPLY (IN M³)



This reduction is due to numerous actions and above all by a decrease in the use of water for sanitary purposes, which represents 59% of total withdrawals, compared to 65% in 2022.

FORVIA SE encourages its sites to ensure the proper functioning of their existing facilities while implementing actions to identify and reduce their water withdrawal. In 2023, the Group identified the best practices of its sites, including the following:

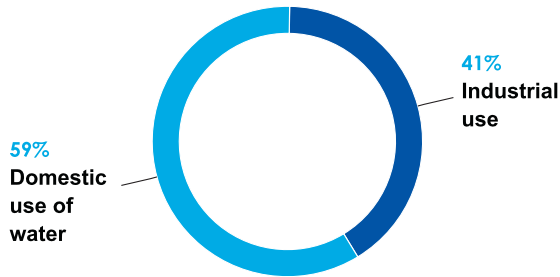
- monthly monitoring of water withdrawals;
- searches for leaks such as in Nogent sur Vernisson in France (FAS), Fengcheng in China (FCE), etc. which become systematic when a difference of more than 20% of the withdrawal is observed;
- following the Etupes sites in France and Puebla Injection in Mexico (FIS), the implementation of connected meters to know water consumption in real time is being extended, in particular to the Spanish sites;
- systematic installation for new sprinkler systems to recover the water used for weekly tests;
- action plan to reduce the use of water for watering green spaces;
- a large number of sites have installed foamers or reducers on the heads of faucets and ecological toilets;
- following the initiatives taken by de Puebla Techno (FIS) and Queretaro (FCM) in Mexico, Grojec (FAS) in Poland and Tianjian (FAS) in China, other sites are embarking on the recovery of water used in processes and cooling, such as Monterrey (FIS & FAS) and Puebla Premium (FIS) in Mexico for use as gray water in toilets, cleaning water or watering green spaces;
- the HELLA site in Lippstadt, Germany, collects rainwater for use in cooling processes.

In 2023, as soon as these best practices were deemed relevant and applicable, they were incorporated into the 10 Green Fundamentals which have become mandatory practices for all sites worldwide, thus ensuring the continuous reduction of FORVIA SE's environmental impact.

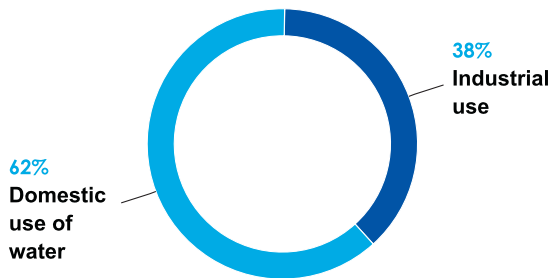
All new site projects, new construction or extensions, deploy effective water resource management. The white book, Green Factory, completed in 2022, presents the mandatory installations to reduce water consumption: permanent and connected water sub-meters, sanitary equipment with water consumption control, rainwater harvesters and gray water for sanitary purposes (see Section 4.2.3.4. Climate actions and resources: scope 3–Green Factory white paper for all new units). Thanks to the implementation of the 10 Green Fundamentals, the existing sites will also set up actions to reduce water withdrawal.

FORVIA SE has taken actions to improve the monitoring of ultimate destination of wastewater. The water discharged into the natural environment is cooling water and therefore not contaminated by the manufacturing process. It is used to irrigate green spaces.

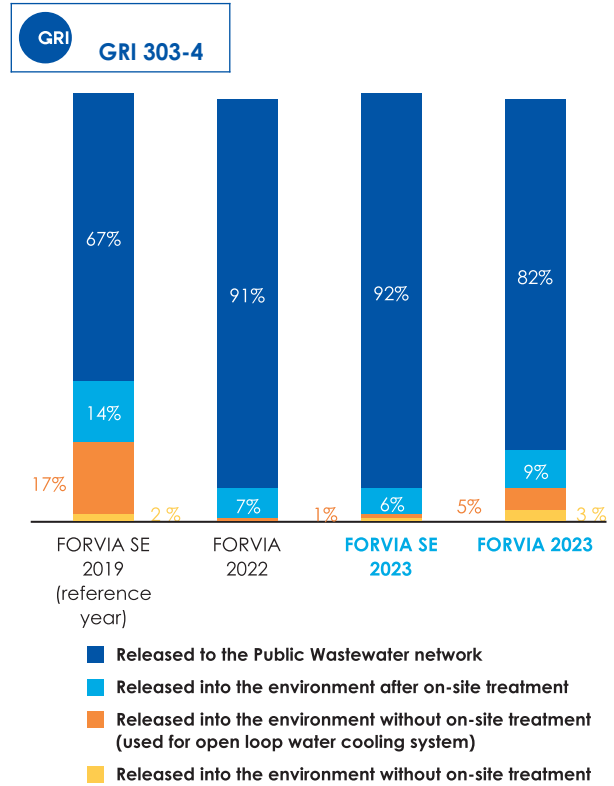
BREAKDOWN OF WATER WITHDRAWAL, BY USE - FORVIA 2023



BREAKDOWN OF WATER WITHDRAWAL, BY USE - FORVIA SE 2023



DESTINATION OF RELEASED WATER, AS %



In 2023, FORVIA SE introduced more precise reporting on the destination of its wastewater. The 3% of water discharged into the natural environment without treatment is water used to irrigate the green spaces at the plants. Regarding HELLA, wastewater is not generated by production processes and (with exceptions) discharged into the public sewer network or via the industrial park. Wastewater is monitored and analyzed in accordance with regulations or industrial park requirements. The water released into the natural environment is cooling water and is not contaminated by manufacturing processes.

FORVIA incorporates the regulatory requirements in terms of water discharge, including the Group's specific requirements on the protection of rainwater against plastic spills.

4 Environmental and social performance

Environment

4.2.4.3. Metrics and targets

AQUATIC AND MARINE RESOURCES TARGETS

The objectives are presented in the roadmap (see 4.1.3.1. Sustainable development strategy) and in the indicators below.

WATER WITHDRAWALS



2019 (year of reference)	2022		2023		Targets			
	FORVIA SE	FORVIA	FORVIA SE	FORVIA	FORVIA SE*	FORVIA SE*		
<i>Inspired to care</i>								
Water intensity (m ³ /€ million of sales)	176	174.9	122.3	126.3	122	120.3	-10%	-30%

* Represents 88% of the FORVIA scope, including HELLA.

	2019	2022	2022	2023	2023 vs 2022	2023	2023 vs 2022
	FORVIA SE	FORVIA SE	FORVIA	FORVIA SE	FORVIA SE	FORVIA	FORVIA

Breakdown of quantities of water consumed by use

Domestic use of water	64%	68%	65%	63%	-5 pt	59%	-6 pts
Industrial use	36%	32%	35%	37%	+5 pt	41%	+6 pts

Water consumption by source of supply in m³

City water network	2,144,464	2,080,355	2,630,558	2,002,318	(78,037)	2,613,513	(17,045)
Water table	793,686	167,562	395,934	179,543	+11,980	352,336	(43,598)
Surface water	39,890	5,110	100,836	2,632	(2,478)	88,177	(12,659)
TOTAL	2,978,040	2,253,028	3,127,328	2,184,492	(68,535)	3,054,026	(73,302)

Destination of released water

Released into the environment without on-site treatment (irrigation)	2%	0.50%	0.50%	1%	+0.5	3%	+2.5
Released into the environment without on-site treatment (used for open loop water cooling system)	17%	0.08%	0.08%	1%	+0.92	5%	+4.92
Discharged into the natural environment with on-site treatment	14%	7%	7%	6%	(1)	9%	+2
Released to the Public Wastewater network	67%	91%	91%	92%	+1	82%	(9)

Discharges of heavy metals and COD (kg)

COD discharges				54,317		94,938	
Heavy metal discharges				26		48	

4.2.5. Pollution

4.2.5.1. Management of impacts, risks and opportunities

DESCRIPTION OF PROCEDURES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES

To prevent and reduce air, water and soil pollution, FORVIA limits the use of chemical substances of concern throughout its supply chain and avoids discharges to water and soil at all costs. At the production plants, the introduction of each new chemical product is checked and validated individually by the site's HSE manager who carries out a risk assessment with regard to both employee exposure and possible environmental impacts, and recommends preventive measures.

For all new site projects, new construction or extension, the Group systematically carries out an environmental study (Environmental Due Diligence) to preventively detect the possible presence of contamination in soil and groundwater. Thanks to the implementation of the 10 Green Fundamentals, the requirement for existing sites to implement protective actions has been strengthened and harmonized, in addition to local regulatory requirements, which sometimes vary from one country to another.

At its existing sites, any pollution observed must be reported in the operations alert system (Alert Management System), which covers alerts related to environmental impacts. The sites have 24 hours to report the anomaly, 48 hours to implement security actions and 60 days to implement corrective actions.

POLICY

FORVIA's environmental policy is described in the introduction to Section 4.2.1. Environmental policy and culture.

4.2.5.2. Action: assess its effluents

The Group pays particular attention to the quality of its wastewater. Analyzes are systematically carried out on all sites, in accordance with local standards and regulations. FORVIA then consolidates the data at Group level to be able to manage them effectively. In 2023, the Group consolidated the quantities of heavy metals and Chemical Oxygen Demand (COD) discharged at the exit of the site, these parameters are identified in the environmental permits of certain sites.

Quantities of wastewater discharges in 2023

- 95,000 kilos of Chemical Oxygen Demand (COD);
- 48 kilos of heavy metals.

4.2.5.3. Action: avoid accidental discharges into water and soil



In order to eliminate the risk of accidental discharges inherent to industrial activity, FORVIA SE trains all site operators to anticipate any risk and on how to react in the event of an accidental spill, through the training program on 10 Green Fundamentals. All ISO 14001 certified sites integrate the prevention of this risk into their certified management system.

The existing sites will generally implement actions to protect soil and groundwater as well as surface water through systems for the retention and recovery of plastic granules in rainwater, from 2024, thus, for most, exceed local regulatory requirements.

FORVIA SE assesses the environmental risks of its industrial projects by systematically conducting environmental audits and subsoil studies research when appropriate.

Lastly, in the context of industrial restructuring that led to plant closures, the FORVIA Group systematically carried out an environmental diagnosis that could go as far as a detailed study of the soil and subsoil, and conducted decontamination operations when necessary.

4.2.5.4. Action: limit the use of chemicals of concern

FORVIA has implemented a system for managing substances throughout the supply chain, from suppliers to manufacturing customers, for all its products delivered. Among other benefits, this approach gives the Group access to complete information on the substances entering into its products, in compliance with regulations such as the European Union's REACH (Registration, Evaluation and Authorization of Chemicals) regulation (cf 4.2.2 European Union Taxonomy Report).

IDENTIFYING SUBSTANCES OF CONCERN

FORVIA SE has developed an anticipatory approach to the identification and sharing of information within the supply chain on substances of concern, based on a list of substances considered as potentially of concern for its products and their use. In some cases, such as catalyst protectors in exhaust systems (ceramic fibers), FORVIA SE has defined an internal procedure that is more stringent than REACH.

ANTICIPATING AND PROPOSING SUBSTITUTES

FORVIA SE participates in the work carried out in collaboration with automakers and various professional associations to anticipate possible restrictions on the use of substances in the coming years, in order to be able to anticipate and to carry out projects to replace certain substances when this is preferable.

The Group oversees the REACH and Global Automotive Declarable Substance List (GADSL) working groups, through the Global Automotive Stakeholders Group (GASG) and the European Association of Automotive Suppliers (CLEPA).

LIMITING EMISSIONS OF VOLATILE ORGANIC COMPOUNDS (VOCs) FROM PRODUCTION



FORVIA SE monitors atmospheric emissions of VOCs related to its business. In 2023, the sites emitted around 794 metric tons of VOCs during production, a decrease of 20% compared to 2022. On a like-for-like basis, it should be noted a reduction of 26% obtained by the optimization of processes at the Puebla (FIS & FAS) sites in Mexico, via the reduction of the use of solvent-based paints, the recycling of solvents (Puebla FIS), and the use of water-based mold release agent by Puebla FAS.

At Group level, four production plants are responsible for 74% of VOC emissions. Despite the replacement of solvent-based adhesives and paints by water-based products, the FORVIA Interiors System business still requires the use of solvents for certain adhesives, paints and release agents. This activity alone accounts for 56% of FORVIA SE's VOC emissions.

4.2.6. Biodiversity

4.2.6.1. Strategy

FORVIA is committed to reducing its impact on biodiversity through assessments and action plans.

The new European Regulation on green taxonomy recognizes the protection of biodiversity as a priority objective among the six objectives listed. The Group's economic activities contributing to the fight against climate change are therefore assessed and audited for compliance with the Do No Significant Harm (DNSH) criteria, particularly in terms of biodiversity.

FORVIA SE's HSE Department launched a biodiversity assessment to commit its sites to a progress action plan aimed at reducing the Group's impact on biodiversity.

TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN THE STRATEGY AND BUSINESS MODEL

In 2022, FORVIA included its biodiversity transition plan in the Act4Nature approach. In this context, the Group has made commitments and has set itself targets for biodiversity, water, waste and the environment. This strategy guides the Group's actions to reduce the pressure of its activity on fauna and flora.

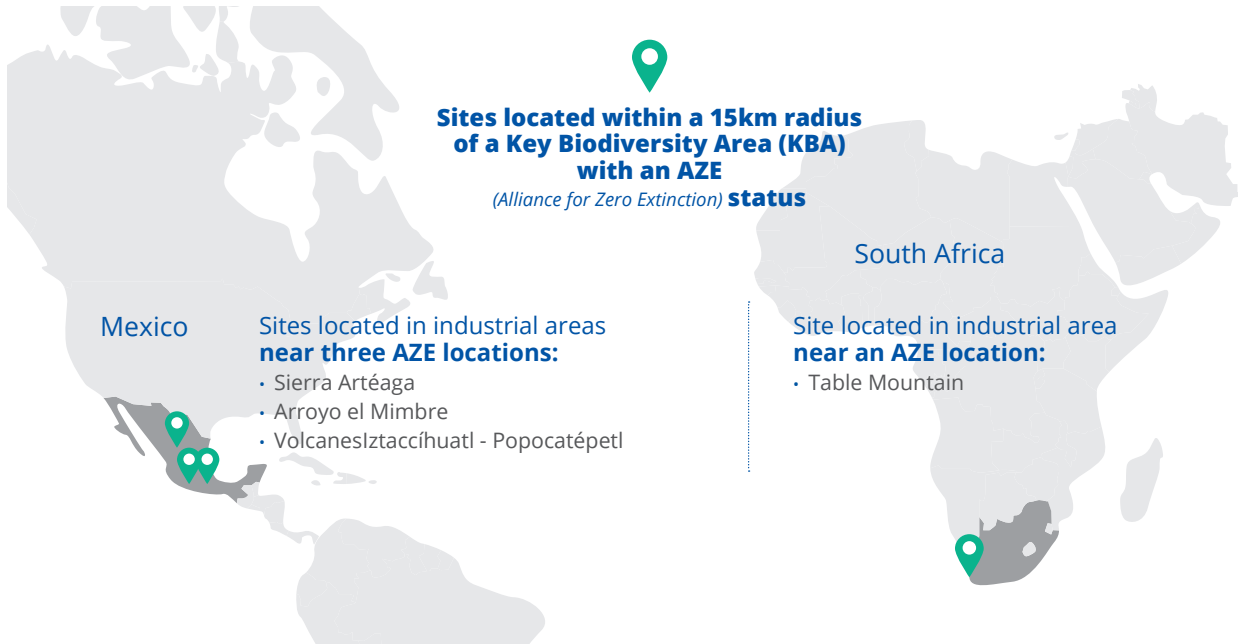
Since 2023, one of the 10 Green Fundamentals (see 4.2.1. Environmental policy and culture) requires FORVIA sites to implement actions to preserve biodiversity. These actions have two components:

- the identification and assessment of areas of interest for biodiversity near the sites. This enables FORVIA to understand the impact of its activities on biodiversity and to take measures to limit it;
- the implementation of operational actions on all sites, in particular the ban on the use of herbicides or insecticides, the control of light pollution and raising awareness of employees.

SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

FORVIA has mapped the sites located near protected areas that are most likely to have an impact on biodiversity.

Four sites are close to critical habitat areas out of more than 300 FORVIA sites worldwide:



In Mexico, on the sites of Ramos (FIS) and Puebla (FIS), an analysis of the existing biodiversity was carried out by a specialized consultant. Action plans were then defined and implemented to preserve and restore local biodiversity in 2023.

In South Africa, the Cape Town site (FCM) has set up underground tunnels for the passage of a threatened endemic species, the leopard toad, from the amphibian species.

4.2.6.2. Management of impacts, risks and opportunities

DESCRIPTION OF THE PROCEDURES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IMPACTS, RISKS AND OPPORTUNITIES

To analyze the biodiversity impact of its sites, FORVIA mapped its sites located near protected areas. The Group used the Integrated Biodiversity Assessment.

Tool (IBAT). IBAT is a research service that provides access to data on biodiversity referenced by reliable international databases such as the World Database of Key Biodiversity Areas, or the International Union for Conservation of Nature (IUCN), which provide information on natural areas with significant biodiversity.


POLICY

FORVIA's environmental policy is described in the introduction to Section 4.2.1. Environmental policy and culture.

4.2.6.3. Actions implemented to preserve biodiversity


In order to reduce the footprint of its sites and preserve biodiversity, FORVIA joined Act4Nature in 2022. This international alliance, led by the French association of "Enterprises for the Environment" (EpE), was initiated to accelerate the concrete actions of companies in favor of biodiversity. In this context, the Group has made commitments and has set itself targets for biodiversity, water, waste and the environment.






BIODIVERSITY

Improve knowledge of natural habitat and biodiversity conservation areas around the sites to reduce the local footprint.




2023 ACTIONS		ROADMAP	
<p>100% of Group sites</p> <div style="display: flex; justify-content: space-around;"> <div style="width: 30%; border: 1px dashed #ccc; padding: 5px;"> <p>are mapped using the Integrated Biodiversity Assessment Tool (IBAT) database⁽¹⁾</p> </div> <div style="width: 30%; border: 1px dashed #ccc; padding: 5px;"> <p>have a biotope coefficient⁽³⁾</p> </div> <div style="width: 30%; border: 1px dashed #ccc; padding: 5px;"> <p>implemented recommendations from the 10 green fundamentals, particularly regarding surrounding biodiversity</p> </div> </div>		<p>2024</p>	<p>2025</p>
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>25 sites identified within 15 km of at least three Key Biodiversity Areas (KBAs)⁽²⁾</p> </div> <div style="width: 45%;"> <p>4 sites near Alliance for Zero Extinction (AZE)⁽⁴⁾ locations have developed a biodiversity conservation and restoration plan with an external partner</p> </div> </div>		<p>Impact Studies:</p> <ul style="list-style-type: none"> • On surrounding biodiversity as part of the <i>10 green fundamentals</i> • Biodiversity of the most relevant value chain market segments 	<p>In the framework of the <i>10 green fundamentals</i>, implementation of biodiversity actions for relevant sites.</p>



WATER

Improve knowledge and identification of sites according to their level of exposure to the risk of water stress and systematize a culture of water preservation.


2023 ACTIONS		ROADMAP	
<p>100% of Group sites</p> <div style="display: flex; justify-content: space-around;"> <div style="width: 30%; border: 1px dashed #ccc; padding: 5px;"> <p>have been assessed based on the level of water stress criticality using the World Resource Institute's (WRI) Aqueduct database</p> </div> <div style="width: 30%; border: 1px dashed #ccc; padding: 5px;"> <p>adaptation plans to climate change, incorporating flood and water stress risks, have been implemented</p> </div> <div style="width: 30%; border: 1px dashed #ccc; padding: 5px;"> <p>recommendations from the 10 green fundamentals on water management have been integrated</p> </div> </div>		<p>2025</p>	<p>2030</p>
<p style="text-align: center;">100% of sites in water stress areas have been internally evaluated to analyze the implemented water savings plans</p>		<p style="text-align: center;">(*) Reduction in water intensity (vs 2019)</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>-10%</p> </div> <div style="text-align: center;"> <p>-30%</p> </div> </div>	



WASTE

Systematize the sharing of best practice.

2023 ACTIONS		ROADMAP	
<p>Systematization of best practices on 100% of industrial sites as part of the deployment of the <i>10 green fundamentals</i></p>		<p>2025</p>	<p>2027</p>
		<p style="text-align: center;">Reduction in waste intensity (vs 2019)</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>-28%</p> </div> <div style="text-align: center;"> <p>-34%</p> </div> </div>	



ENVIRONMENT

(water, biodiversity, waste, climate)

Accelerate awareness among all employees: communication, mobilization, sharing best practices, digital and in-person training.

2023 ACTIONS		ROADMAP	
<p>100% of employees were able to attend monthly "Green Moments" at their site</p>		<p>2024</p>	
<p>Employees at 2 pilot sites in France benefited from awareness activities on wild pollinators with the NGO Noé</p>		<p style="text-align: center;">Annual assessment of the maturity of 100% of sites on the 10 green fundamentals</p>	

(1) Integrated Biodiversity Assessment Tool (IBAT): a research service that provides access to biodiversity data referenced by reliable international databases
 (2) Key Biodiversity Areas (KBA): a program supporting the identification, mapping, monitoring and conservation of KBAs to help safeguard the most critical sites for nature on the planet
 (3) Biotope coefficient: indicator that measures the proportion of natural or semi-natural surfaces of a plot (soil covering, presence of vegetation and eco-construction)
 (4) Alliance for Zero Extinction (AZE): joint initiative of biodiversity conservation organizations created to effectively identify, conserve, and safeguard the most important sites to prevent species extinction on a global scale
 * FORVIA SE scope

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In addition, the white book, Green Factory, oversees the identification and management of potential impacts on biodiversity for all new units (see Section 4.2.3.4. Climate action and resources: scope 3–Green Factory white paper for all new units).

For existing sites, the identification of neighboring areas of interest for biodiversity (Key biodiversity areas) has been carried out.

The FORVIA Foundation has also established a three-year partnership with the Noé association, which works to protect endangered species, manage protected areas and restore biodiversity and natural environments. The Foundation supports their pollinator protection program in France, through the restoration of grasslands, the improvement of scientific knowledge on pollinators and the promotion of a change in agricultural practices.

As part of a three-year partnership with this association, two FORVIA sites in France rolled out a pilot program to preserve biodiversity—a production plant and an administrative site. At its Caligny plant (FAS), in France, the Group assessed the existing biodiversity and concrete actions were put in place. For example: creating nesting areas, reducing grass mowing and hedging, raising employee awareness and reducing night-time light pollution. A first audit was carried out in April by the Noé association on the Caligny site, in order to assess the site's existing biodiversity before the implementation of actions and a second audit will be carried out in 2024 to assess the effectiveness of the measures taken.

In 2023, the association awarded the Group's registered office in Nanterre, an administrative site, the "Jardins de Noé" distinction, for its commitment to biodiversity in the management of its green spaces. This distinction is based on the implementation of a charter of ten actions to protect and welcome biodiversity in urban areas. The Nanterre site complies with eight.

With these two initiatives, FORVIA wants to identify best practices to be deployed, where possible, at all its sites around the world.

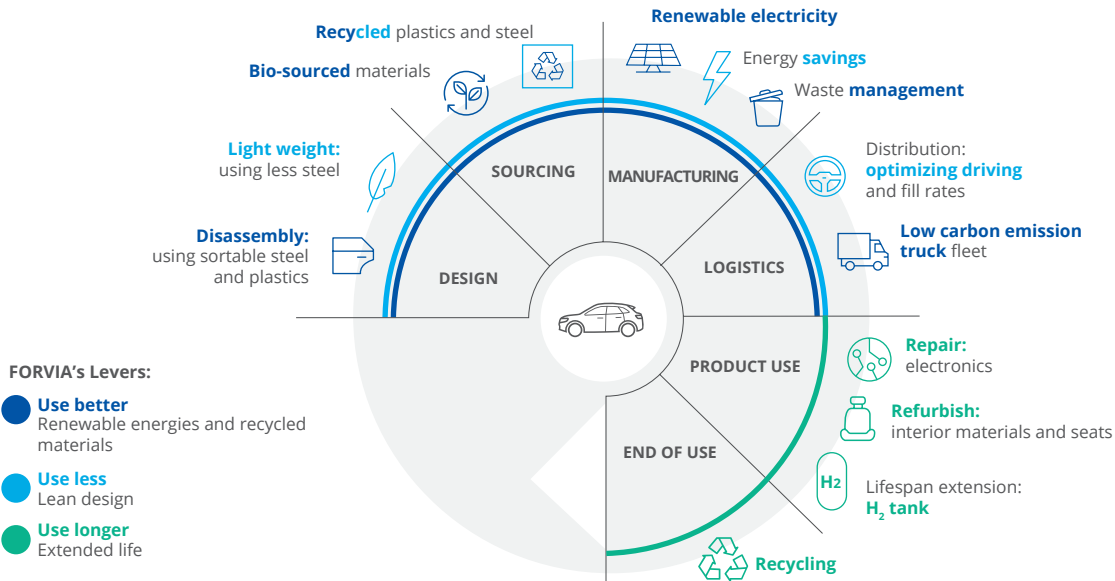
In addition, Group employees can propose solidarity actions to obtain support from the FORVIA Corporate Foundation. In 2023, four solidarity projects led by employees received support from the FORVIA Foundation for the preservation of biodiversity in India, South Africa, the Czech Republic and Portugal. For example, a team of employees from the Bragança site (FCM) in Portugal will launch a project in three areas from 2024:

- reforestation of a forest devastated by fires in the summer of 2022, with the planting of 2,000 endemic species of trees;
- waste cleaning activities near a local river;
- awareness-raising sessions for employees and schools near the Bragança site on the importance of pollinating insects and the establishment of protected areas for biodiversity. Site employees will be invited to get involved in the project.

4.2.7. Use of resources and circular economy

4.2.7.1. Strategy (Management of impacts, risks and opportunities)

FORVIA SE focuses on the analysis of the Life Cycle of vehicles in order to target the main levers on which to act. Taking into account and improving the Group's circularity makes it possible to reduce waste, improve products through eco-design and reduce greenhouse gas emissions (see 4.2.3.4. Climate action and resources: scope 3).



POLICY

The Group has developed a strategy for the efficient management of its materials and resources.

FORVIA's commitment to the circular economy is reflected in the design of its products, taking into account their entire life cycle (eco-design, use of resources and raw materials, utilization phase, end of life and recycling).

Concerning FORVIA SE, the various actions are defined to reduce waste at source and increase the recyclability rate through the 10 Green Fundamentals (see 4.2.1. Environmental policy and culture). In 2023, the Group focused its efforts on understanding waste flows, including generation areas, characteristics, volumes and treatment channels. Action plans have been put in place on the sites with the highest contributions and are monitored on a monthly basis by the HSE Directors of the Group's various activities.

4.2.7.2. Action: sustainable materials

FORVIA implements a circular economy throughout the life cycle: eco-design, use of resources and raw materials, usage phase, end of life and recycling. FORVIA SE mainly uses metals (around 75% by weight of the total raw materials purchased) and plastic (around 25%).

MATERIALS FOR CO₂-NEUTRAL PRODUCTS

In view of its climate ambition, and in particular its reduction target for scope 3 (see Section 4.2.3.4), FORVIA created MATERI'ACT in 2022. This new subsidiary benefits from more than 10 years of FORVIA SE's expertise in the formulation and processing of recycled and bio sourced materials. It develops, sources, produces and sells advanced sustainable materials with a low and ultra-low CO₂eq footprint.

MATERI'ACT thus offers materials whose CO₂eq footprint is reduced by 20% to 85% compared to current materials, and focuses its innovations on three product lines:

- recycled and bio-sourced composite plastics for interiors, seats and lighting; renewable polymers are made from recycled plastics or biomass. If they come from biomass, they sequester the CO₂ in the atmosphere through photosynthesis. They are also offered outside the automotive industry;
- low CO₂eq footprint covers for seats and interiors. They have a premium feel and appearance and thus offer an alternative to traditional leather. They can also be used in other sectors, such as fashion and furniture;
- carbon fibers with a low CO₂eq footprint for pressurized hydrogen vessels, including, in the long term, bio sourced elements; This technological innovation will drastically reduce emissions from carbon fiber production processes.

The FORVIA Group will also produce green steel thanks to the reduction of iron oxides using hydrogen and low-carbon electricity. FORVIA is a founding partner of GravitHy, which will produce hydrogen-reduced iron in Fos-sur-Mer in 2027 ("direct reduced iron"), and is also working with the steelmaker SSAB to use the first European green steel in its seats from 2025.

TRANSFORMING THE INDUSTRIAL ECOSYSTEM

MATERI'ACT aims to sell sustainable materials, worth €2 billion in 2030, to the automotive and other sectors, such as packaging, construction, electrical goods, etc. FORVIA thus intends to have a ripple effect on the entire industrial ecosystem.

MATERI'ACT has developed strong partnerships for bio-sourced and recycled materials. The objective is to secure raw materials, ensure the industrial ability to meet customer requirements and have a lasting impact on the industry. These partnerships take different forms, including:

- the APM joint venture with the agricultural cooperative INTERVAL for the introduction of hemp and its co-products such as fiber in plastic materials;
- partnerships for the introduction of recycled content into materials with key recycling players, including Veolia;
- the development and sale of a sustainable alternative to leather, made from pineapple fiber waste with Ananas Anam.

Lastly, in 2023, MATERI'ACT opened an open innovation center for sustainable materials in the Lyon metropolitan area, which hosts an industrial ecosystem of universities, small companies and start-ups.

All MATERI'ACT sustainable materials are aligned with the European Union's Green taxonomy (see Section 4.2.2).

To increase its impact, MATERI'ACT has formed a partnership with the *École des Mines de Paris* and is presenting a training module on ecodesign and life cycle analysis for FORVIA's engineering teams.

ECO-DESIGN

Since 2021, FORVIA SE has used the Eco-design Assessment tool to assess the environmental impact of its innovations, with regard to eco-design criteria, throughout the life cycle of a product: from its design, sourcing, manufacture, usage, to end-of-life (for example the presence of substances of concern, the use of low-CO₂eq impact raw materials—made from biomass or recycled sources, recyclability of innovation, etc.). Its use enables the proactive application of eco-design principles in the development of an innovation. In 2022, FORVIA SE further

refined and formalized this tool by including circularity aspects. Eco-design Assessment is integrated into the core procedures of the innovation process and all innovations are now assessed according to this grid. Similarly, targets specifying the content of secondary (recycled) materials, the content of biomaterials, weight reduction and the potential for end-of-life recyclability have been introduced in the generic concepts of products under development for all product lines, and for all divisions.

LIFE CYCLE ASSESSMENT

FORVIA SE assesses the environmental impact on the life cycle of its main innovation projects, with the aim of having 100% of innovation projects subject to a CO₂eq Life Cycle Analysis over the long term. In 2024, water and wastewater will be included in this impact assessment.

Committed to the circular economy, the Group designs products taking into account their entire life cycle: use of resources and raw materials, product eco-design, usage and end-of-life recyclability. Beyond the specifications and objectives of the equipment manufacturers, FORVIA SE seeks to improve the industrial processes, the materials used and the design of its products in order to reduce the CO₂ footprint of its systems throughout their life cycle.

Framed by the international standards ISO 14040 and ISO 14044, Life Cycle Assessment (LCA) measures impacts including greenhouse gas emissions, consumption of non-renewable resources and materials and water eutrophication. It takes into account the entire life cycle of products: extraction of materials, manufacture of products, delivery to the manufacturer, vehicle assembly, use by the consumer and end-of-life.

FORVIA SE conducts a simplified LCA of all its innovations on the impact of CO₂eq. Depending on the criticality of the environmental risk or opportunity, FORVIA SE carries out a complete innovation LCA based on all environmental criteria. The Group has developed an internal database to identify the emission factors associated with the various activities that contribute to the CO₂eq footprint of the Group and its products. This database currently contains nearly 7,000 emission factors, and is constantly evolving, with a very high percentage of primary data (specifically collected and provided by the production ecosystem, unlike secondary, generic data representing an average). This database is used for LCA CO₂eq projects under development.

Against a backdrop of increasingly stringent environmental requirements, particularly for the automotive sector, FORVIA SE is keen to develop LCA with automakers and partners in the automotive sector in order to have a shared understanding of environmental issues.

FORVIA SE actively participates in five working groups on LCA led by the main industrial associations, in order to share methodologies, data, results and impacts, and the flow of information:

- the life cycle analysis working group led by the automotive industry platform (PFA);
- the eco-design working group of the *Verband der Automobilindustrie* ⁽¹⁾ (VDA);
- the European Association of Automotive Suppliers (CLEPA) sustainable development working group;
- the product carbon footprint (PCF), working group of Catena-X, a collaborative data exchange platform for the automotive industry in Europe;
- ScoreLCA, a collaborative network on LCA in France that brings together major industrial players.

4.2.7.3. Action: recyclability and reparability of products

RECOVERY OF PRODUCTION WASTE

FORVIA incorporates recyclability in its eco-design approach by anticipating the end-of-life phase and optimization of production waste recovery.

FORVIA systematically studies substitutes for plastics that are not yet recyclable or difficult to recycle (PVC, thermoset or composite plastics such as polypropylenes loaded with glass fibers).

In addition to materials, FORVIA SE builds into its designs the complete recyclability of interior modules. The Seating Business Group thus works to extend the use value of vehicle interiors by anticipating the replacement of parts. Interior modules are now designed to be removable, repairable and recyclable.

The Interiors Business Group has carried out recycling and recovery tests on complex products after dismantling and shredding vehicles. For example, the NAFCORECY (NATural Fiber COMposites RECYcling) project was able to demonstrate, with the help of European companies specialized in recycling, that parts made of NAFILean[®] (polypropylene with natural fibers) can be processed with post-shredding technologies for end-of-life vehicles or recycling technologies used for industrial waste. The new generation of NAFILean[®] is being industrialized. NAFILean-R[®] will offer the greatest reductions in weight and CO₂eq emissions to date (10% and 85% respectively). This material was recognized by the German Innovation Award 2022 and the Green Innovation Automobile Award 2022.

HELLA also prioritizes the recycling of production waste.

ELECTRONIC SYSTEMS REPAIRS: THE REPARLAB

FORVIA SE Clarion Electronics (FCE) offers a multi-brand electronics repair service throughout Europe. Since 2005 and in partnership with several automakers, including Stellantis and Renault, FCE has been offering electronic repairs based on a circular economy model. A total of 30,000 repairs are carried out each year, thus extending the useful life of resources and reducing the generation of electronic waste.

HELLA is also committed to a circular economy. HELLA's Life Cycle Solutions business contributes to the protection of the environment and the prudent use of resources. As part of its after-sales services, it provides wholesalers with around 35,000 different spare parts and provides repair shops with diagnostic equipment and additional tools. Thus, it helps to extend the life of vehicles and get them back on the road quickly and efficiently.

FORVIA's industrial sites work on a daily basis to reduce, recover or recycle whenever possible the waste generated throughout the production chain.

REDUCTION AND RECOVERY OF WASTE AT SITES



To date, 90% of FORVIA's industrial waste is weighed individually and known in detail. The rest of the waste is generally pooled with other manufacturers in the same supplier industrial park.

FORVIA has also committed to reducing its waste intensity by 28% by 2025 (vs 2019) and by 34% by 2027.

Sites are also implementing local initiatives that improve the sorting and recovery of waste as materials, and reincorporating production scraps into processes or reusing waste.

Since 2023, a focus has been on waste which is converted into energy (combustion). FORVIA has decided to reduce this treatment method to a minimum, given its impact on CO₂ emissions.

As part of its Act4Nature commitment (see 4.2.6.) FORVIA is committed to systematizing best waste management practices at 100% of industrial sites by 2025. These consist, for example, in optimizing offcuts through more precise cutting, regrinding and internally reusing plastic raw materials and packaging, implementing local circular economy loops, optimizing industrial waste sorting, etc.

In 2023, the Group refined its waste production analysis, down to workstation level. This precise analysis makes it possible to understand the waste flows of the sites and to implement appropriate actions.

(1) German Automotive Industry Union.

At Group level, waste is now monitored monthly. It includes the volume, types of waste and treatment methods.

STABLE WASTE GENERATION THANKS TO OPTIMIZATION ACTIONS



The Group's priority remains to avoid the production of waste, and it always favors internal and external recycling before opting for other disposal methods such as incineration with energy recovery.

It should be noted that some of the production plants are located on industrial sites dependent on manufacturers. At these sites, waste collection cannot always be traced back to the waste generated and collected specifically for FORVIA SE.

Every year the sites develop initiatives to reduce their environmental impact, particularly for the waste generated, of which the following is a list of examples:

- creation for 89.5% of sites, of a waste map, in order to improve knowledge of the areas and types of waste generated, integration in the monthly field audit tools of the verification of the quality of sorting (within teams called "HSE cores");
- systematic internal recycling of injection offcuts;

- site-specific actions: installation of masks for better separation of materials and better recycling, at the Saint-Michel-sur-Meurthe plant;
- the Étupes and Méru sites in France (FIS) grind plastic offcuts and dismantle non-compliant parts to reinject them into the process;
- visual initiatives and competitions to improve waste sorting in plants;
- waste composting (for example at the Kosice site [FIS] in Slovakia);
- the distribution of reusable water bottles, and mugs to reduce the use of plastic bottles and cups;
- in addition to traditional packaging (pallets, cardboard, plastic) recycled for a large part of FORVIA sites, some sites reuse packaging, such as the Puebla Techno (FIS) site in Mexico, Changshu (FAS) in China and Augsburg (FCM) in Germany; other sites, such as Pueblo Cut&Sew (FAS) in Mexico reuse textiles and vinyl to fill seats;
- most FORVIA plants are equipped with compactors, which once sorted, reduce the volume of waste transported and therefore the number of truck trips for waste disposal.

Since 2023, the sites have been working to repair pallets and packaging in order to increase the life of the packaging.

4.2.7.4. Metrics and targets

TARGETS

The objectives are presented in the roadmap (see 4.1.3.1. Sustainable development strategy) and in the indicators below.

OUTGOING RESOURCES

<i>Inspired to care</i>	2019 <i>(year of reference)</i>		2022		2023		Targets	
	FORVIA SE	FORVIA	FORVIA SE	FORVIA	FORVIA SE	FORVIA	FORVIA 2025	FORVIA 2027
NFPD Waste intensity <i>(t/€ million of sales)</i>	14.7		10.6	8.9	10.7	8.9	-28%	-34%

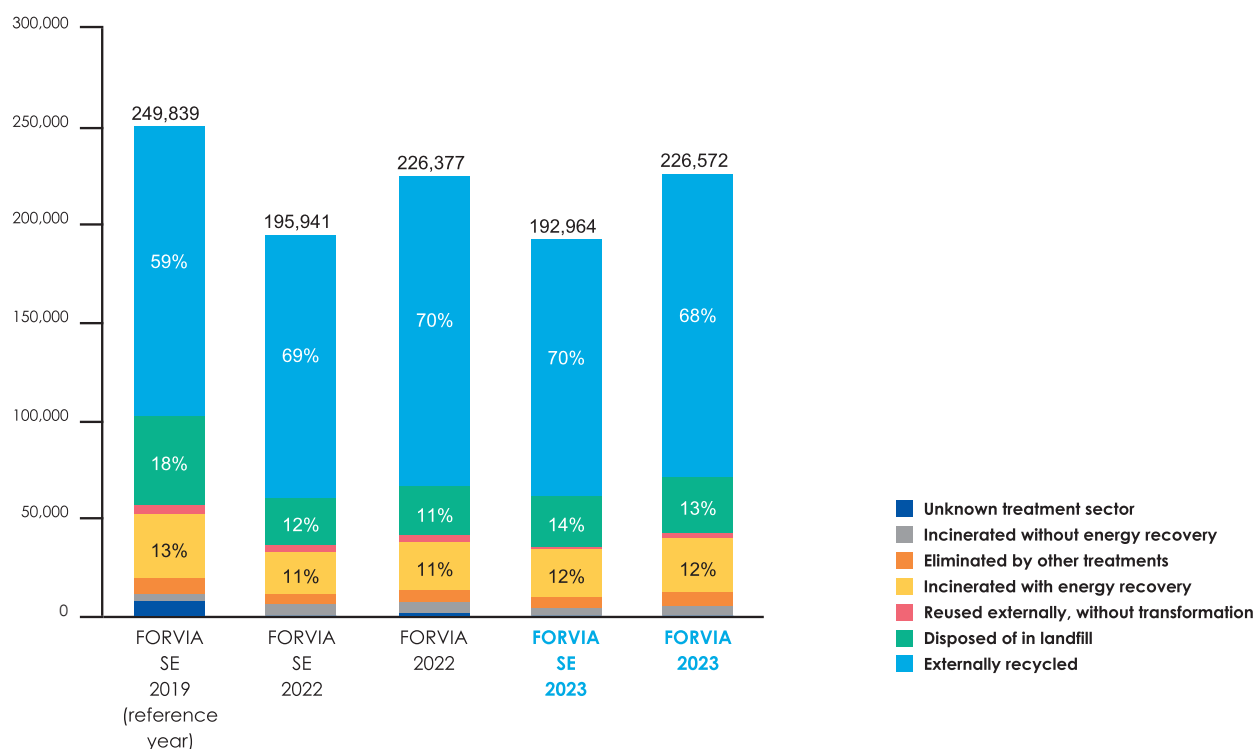
In 2023, FORVIA generated 227,000 metric tons of waste, of which 64% was non-hazardous.

Within the FORVIA SE Scope, 193,000 metric tons of waste were generated, a reduction of 1.51% compared to 2022.

The Group's sales figures correspond to the results generated during the environmental reporting period.

FORVIA's recycling rate is 68%, a reduction of 2% compared to 2022. On a like-for-like basis between 2022 and 2023, the recycling rate increased by 4.5%, however the removal of SAS sites from the scope and the inclusion of new sites in the FORVIA 2023 scope explain the overall reduction in the recycling rate. The SAS activity, mainly related to parts logistics, generated a significant share of packaging waste (cardboard, pallets, plastic), which is by nature easier to recycle than waste from the production process.

BREAKDOWN OF TOTAL AMOUNT OF WASTE GENERATED, IN METRIC TONS, BY TREATMENT METHOD



Indicator/year	2019		2022		2023		2023 vs 2022	2023 vs 2022	
	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE
Breakdown of total amount of waste generated, in metric tons, by treatment method									
TOTAL (in metric tons)	249,839	195,941	226,377	192,964	226,572	(2,977)	226,572	195	
Externally recycled	59%	69%	70%	68%	68%	-1 pt	68%	-2 pts	
Disposed of in landfill	18%	12%	11%	14%	13%	+2 pts	13%	+2 pts	
Incinerated with energy recovery	13%	11%	11%	12%	12%	+1 pt	12%	+1 pt	
Eliminated by other treatments	3%	3%	3%	3%	3%	-	3%	-	
Incinerated without energy recovery	1%	3%	3%	2%	2%	-1 pt	2%	-	
Unknown treatment sector	3%	1%	1%	0%	1%	-	1%	-	
Reused externally, without transformation	2%	1%	1%	1%	1%	-	1%	-	

4.3. Social

Employees, suppliers, customers, communities: people are at the heart of the Group's mission. With a global presence, more than 125,000 employees for the FORVIA scope and nearly 86,000 for the FORVIA SE Scope, in 2023, the Group is convinced of the importance of promoting a culture of development, integrity and safety with its employees everywhere that the Group operates.

A member of the United Nations Global Compact since 2004, the Group is committed to respecting and promoting the international conventions of the International Labor Organization (ILO) on human rights, labor standards and the environment in its operational and commercial practices.

The different focuses of the Group's social commitment include:

- recruiting the best talents, offering them attractive development prospects and promoting diversity within its teams while guaranteeing a safe working environment for all staff working on its sites, whether they are employees or people external to the Company (see 4.3.1);
- building a responsible supply chain through solid and lasting relationships with suppliers whose ethical and social values and environmental priorities are aligned with our own (see 4.3.2);
- supporting local communities by developing the solidarity commitment of its employees (see 4.3.3);

- developing products and services of irreproachable quality and safety and technologies for an ever safer and smarter driving environment (see 4.3.4).

In 2023, FORVIA SE and HELLA continued to align their human resources management systems with a common FORVIA approach, taking into account, among other things, the French anti-corruption law Sapin II.

Stakeholders' interests and points of view

As an international company, FORVIA SE takes into account the impacts that the Group may have on all people involved in its value chain. To this end, the Group ensures that it interacts with the various stakeholders resulting from its activities, in particular with its employees, temporary workers, subcontractors, suppliers and local communities (see Chapter 4.1).

Significant impacts, risks and opportunities and their interaction with strategy and business model

FORVIA SE is concerned about protecting all its employees, temporary employees and subcontractors by guaranteeing access to a safe and healthy working environment. To this end, the Group has implemented an occupational health and safety policy, a human rights policy (see 4.3.1.1 Human rights policy), an anti-discrimination and anti-harassment alert procedure (Speak Up), training courses on occupational health and safety and human rights (see 4.3.1.1 Occupational health and safety policy).

4.3.1. Company's own headcount



4.3.1.1. Policies

FORVIA SE's employees represent an essential pillar of the Group's success, which must be able to rely on the best teams around the world to maintain a competitive advantage, anticipate future trends, remain agile and innovate.

The Group is therefore committed to:

- respecting human rights: the fight against discrimination, the right to a fair salary, safe and healthy working conditions and freedom of association;
- developing constructive social dialogue through employee representative bodies for all employees. involving employee representative bodies in projects likely to significantly impact employees or jobs;
- promoting diversity and inclusion;

- developing employability throughout their working life through learning, mobility and professional training;
- attracting, retaining and developing talent;
- guaranteeing a safe working environment for all staff working on its sites, whether they are employees or external parties, and carrying out risk prevention actions; The Group carries out actions to promote work-life balance for employees.

These commitments, made by the Executive Vice Presidents in charge of human resources, legal affairs and operations of FORVIA SE, apply to all of the Group's Business Groups and regions. They are designed and updated taking into account the expectations expressed by the Group's stakeholders (see 4.3.1.1. Policies–Social dialogue in the Code of Ethics).

HUMAN RIGHTS POLICY

GRI 103-2, GRI 103-3, GRI 408-1, GRI 409-1, GRI 412-2

FORVIA wants to ensure that human rights are respected everywhere in the world, by all its stakeholders, in particular its employees, business partners and suppliers.

This policy is part of a set of framework documents aimed at guaranteeing human rights:

- the human rights policy;
- the Code of Ethics (below);
- the Code of Conduct for suppliers and service providers (see 4.3.2);
- the vigilance plan (see 4.3.2).

The human rights policy related to working conditions formalizes FORVIA SE's commitment on 10 key principles:

1. prohibition of child labor;
2. prohibition of all forms of forced labor and free choice of employment;
3. freedom of association and the right to collective bargaining;
4. non-discrimination and equal opportunities;
5. salaries in accordance with local law and that ensure a decent life for employees;
6. regulatory working hours with respect for the health and safety of employees and the work-life balance;
7. development of employee education and training;
8. right to health and safety of employees in the course of their activities;
9. consideration of human rights and respect for local communities when acquiring and managing land or buildings;
10. respect for human rights during the use of security personnel belonging to the Group or external third parties.

The policy also reiterates FORVIA's commitments to preserve the environment and natural resources and the transition to a low-carbon economy, which are prerequisites for the respect of human rights and human health. These commitments include activities regulated by international conventions, such as the prohibition of the use of mercury and other specific chemicals and the management of hazardous waste.

To avoid any infringement, any negative impact or any abuse of rights, FORVIA's human rights approach is based on a risk assessment, preventive measures, corrective action plans, and the collection of alerts via a whistle-blowing system (see 4.3.2.5. Vigilance plan—the whistle-blowing system)

Within its Business Groups, FORVIA annually analyzes the risks—at Group and local level—and the conclusions of the complaints procedure. Human rights or environmental violations would lead to prompt corrective measures.

SOCIAL DIALOGUE IN THE CODE OF ETHICS



GRI 102-41, GRI 103-1, GRI 103-2, GRI 103-3, GRI 407-1

Considered as a real driver of operational efficiency and sustainable performance, the development of economic and social dialogue is the subject of special attention.

FORVIA SE has included the development of economic and social dialogue in its Code of Ethics (1), structured around a number of principles and policies such as:

- freedom of expression and social dialogue;
- the right to and freedom of association (union membership);
- the promotion of an active policy of consultation and negotiation of collective agreements with employee representative bodies;
- anticipating, whenever possible, industrial and social redeployments in order to limit their impact.

The Code of Ethics specifies the Group's commitment against discrimination of all types: age, gender, skin color, nationality, religion, state of health or disability, sexual orientation, and political and philosophical opinions or union membership. The Code of Ethics also includes the right to work in a healthy environment free from any form of hostility or harassment.

HEALTH AND SAFETY AT WORK POLICY

The Group's ambition is to operate responsibly, guided by the principles of health, safety, respect, compliance and partnership. Providing a safe working environment for all its employees and stakeholders is at the heart of the Group's ambition and operational excellence.

The Group's main objective is to prevent all workplace health & safety events, aiming for "zero" accidents, striving to avoid all dangerous acts, dangerous conditions, near misses and injuries.

The Group aims to reduce:

- number of accidents per million hours worked: FR11 [Indicator of frequency of accidents with or without days of incapacity] from 2.05 in 2019 to less than 1.2 in 2025;
- share of critical jobs from an ergonomic point of view of 10% between 2022 and 2025.

(1) The Code of Ethics is available on the website:

<https://www.faurecia.com/sites/groupe/files/newgroupe/parelateddocs/FAU-C-LSG-2400%20Code%20Of%20Ethics%20EN.pdf>

The FORVIA Excellence System (FES) (see 4.2.1.4) guides the Group's health and safety policy in order to implement active risk prevention methods and guarantee full compliance with HSE (Health, Safety and Environment) standards, thus making it possible to anticipate and manage risks. FORVIA SE has established procedures for the continuous identification of hazards and the assessment of risks related to employee health and safety. Hazard identification refers to the identification of physical, chemical, biological or psychosocial hazards that may occur for each of the Company's processes.

The day-to-day management of the Group's occupational health and safety is implemented through the CARE Program, which promotes the health and safety of all employees, customers, subcontractors and suppliers working for the Group.

CARE creates a culture of health and safety in the workplace and is guided by four fundamental principles:

- **Conformity:** monitor and comply with legal requirements and relevant health and safety rules and standards (according to ISO 45001);
- **Attitude:** train and support employees, suppliers, subcontractors and visitors to instill a personal attitude of responsibility towards oneself and safety of all. The FES supports the continuous training of employees on health and safety standards;
- **Mitigate Risks:** reduce risks in operations, by analyzing all health and safety impacts (accidents, incidents, near misses and contingencies) and opportunities covering new sites, innovation, purchasing, activities and programs. This is ensured by FES audits and assessments to measure the level of risk in the factories and by the implementation of the Seven Fundamental Principles for Safety. The Group's risk reduction strategy also involves a program to improve the ergonomic performance of workstations and a program to support well-being at work;
- **Everyone's commitment:** adopt a continuous improvement approach for all Health & Safety events, by sharing lessons learned and best practices with all sites. In this respect, the FES offers on-site communication and an online platform to facilitate the exchange of experiences.

FORVIA SE's Health and Safety at Work policy is managed by the Health, Safety & Environment Department. The Group Vice President HSE, who himself reports to the Executive Vice President in charge of operations, relies on a network of HSE Directors in the Business Groups (BG). Each BG is responsible for the implementation of Occupational Health and Safety policies in its respective area, through the resources and financial resources allocated to its implementation with the support of a network of HSE managers at the level of the operational divisions and sites.

For HELLA, the health & safety policy is focused on a culture of prevention: HELLA is committed to guaranteeing safe, ergonomic and healthy workplaces, recognizing the fact that protecting the health and safety of employees is essential. The utmost importance to the company. The health and safety management system at HELLA is based

on the ISO 45001 standard. It relies on a complete network of HSE specialists throughout the organization, at central, site and regional level, who support management in the implementation work of politics. This HSE network is gradually becoming involved in common FORVIA processes in terms of Health and Safety, such as the sharing of good practices and the progressive implementation of the 7 Fundamentals of Safety.

4.3.1.2. Interactions with company workers and their representatives

SOCIAL DIALOGUE

Social dialogue is a privileged means of communication. FORVIA SE communicates regularly and in a structured manner to the various employee representative bodies on its achievements, its results and, more generally, its strategy. The Group promotes social dialogue to discuss concrete achievements and best practices on safety and the improvement of working conditions. Whenever possible, FORVIA SE gives priority to finding and concluding agreements in the various projects where employee support is a guarantee of success. In the event of significant projects likely to impact employees or jobs leading to industrial redeployments, discussions are held with employee representative bodies with the aim of reaching collective agreements.

Collective agreements

Establishment or company agreements signed concern:

- working conditions;
- working time, including the necessary flexibility to manage fluctuations in activity related to the various events that marked the fiscal year;
- salaries and other forms of compensation, employee profit-sharing and incentives;
- the implementation of digital tools or processes.

In 2023, within the FORVIA SE Scope:

- 421 company or establishment agreements were signed in 22 countries;
- 62% of employees were covered by company agreements, establishment agreements and/or regional and/or national branch collective agreements.

HELLA concludes numerous collective agreements with local works councils at the sites as well as general agreements with general and group works councils every year. These include, for example, agreements on the use of specific IT systems.

Industrial and social redeployments

In all the countries in which it operates, FORVIA SE is committed to reducing the impact on employment related to downturns in activity, in particular through negotiations on changes to the organization and working hours and implementation, where they exist, of measures intended to manage cyclical situations such as short-time working.

At the same time, in any industrial redeployment operation undertaken to deal with situations of structural declines in activity, the Group favors the use of internal mobility, both geographical and functional, as well as voluntary departures. In the event that a site closure is required, the Group endeavors, where possible, to put in place re-industrialization projects by providing financial and/or operational assistance to industrial players that are likely to propose redeployment solutions to its employees. In cases where compulsory redundancies cannot be avoided, providing support for those employees concerned in developing their employability and seeking redeployment is a priority.

For example, in 2023, as part of the end of life of a customer program in Slovakia, FORVIA SE has done everything possible to convert a site to another type of activity and thus preserve 63 jobs. For jobs that could not be maintained, the Group deployed a system consisting of a set of measures intended to develop the employability of the people concerned, in particular support measures, outplacement, qualifying training in cooperation with the administration and local stakeholders. This type of system is also implemented in all industrial redeployment operations carried out within FORVIA SE.

The European Works Council

FORVIA SE's European Works Council (SEC) is composed of 25 members elected or appointed in proportion to the number of registered employees from the various European countries where the Group operates. This forum for dialogue and discussion plays an important role in employee representation to management. The SEC receives inside information on the Company's activity, in particular on its strategy, outlook, results, changes in the workforce as well as industrial and social redeployments.

At the beginning of 2023, at the end of their four-year term of office, the 25 members of the Committee were renewed in accordance with the provisions in force in each country. Thus, 10 new members were elected or appointed, alongside the 15 members who were reappointed. Following the changes that have occurred since then, the Committee is now composed of 10 employees from the HELLA scope and 15 employees from the FORVIA SE Scope.

The SEC met twice in plenary sessions during the 2023 fiscal year. The first meeting, on March 14, was an extraordinary session dedicated to the proposed disposal of SAS Interiors Modules. The second meeting, on May 3-4, was an annual ordinary session.

The Bureau of the FORVIA SE SEC, composed of representatives of the seven major countries in terms of headcount (Germany, France, Romania, the Czech Republic, Poland, Slovakia and Spain), met four times during 2023. An extraordinary meeting was held in February by conference call, as part of the project to precipitate the sale of the SAS Interiors Modules business.

In accordance with the agreement that the last meeting of the year may be held in a country represented on the Committee, the last meeting of the year was held in Spain in November, allowing the members of the Bureau to visit the model X.0 Interiors site in Tarazona and to discuss the Group's strategy regarding the digital transformation in the field of operations.

To help the SEC representatives to fulfill their mission in the best possible way, a training program was launched. This program includes modules on the role of the representative on the Committee, as well as on the challenges and constraints of the automotive sector. The training will take place before the plenary meeting in 2024.

France Group Works Council

Created in 2022, the France Group Works Council was set up by an agreement signed unanimously by the trade unions. This new Committee is a forum for information and discussion on the Group's strategic orientations and activities in France. It consists of 17 members appointed by the national trade unions, according to their representativeness. Its second annual meeting was held in Paris in June, and focused on:

- the presentation of FORVIA SE's results and annual financial statements as well as its outlook;
- the analysis of changes to the automotive sector;
- activity and outlook by entity;
- changes to headcount.

Information sharing with other countries

In the countries where the Group operates and within the framework of the main principles and policies, the various entities are autonomous in the implementation of an in-depth social dialogue adapted to their realities and specificities.

In countries and/or regions that do not have central employee representative bodies, the Group Human Resources department coordinates the network of Human Resources Directors and country correspondents to discuss various topics and disseminate information on the Group's strategy, results and outlook, as well as on cross-functional initiatives and topics.

Where there are central bodies such as the European Works Council or the France Group Works Council, the members also promote the sharing of information so that the greatest number of employees can discuss and thus contribute at their level to the development of social and economic dialogue.

In 2023, within the FORVIA SE Scope:

- 66% of employees are represented by at least one employee representative body: European Works Council, France Group Works Council, Company or establishment Works Council, trade unions, etc.

MEASURING EMPLOYEE COMMITMENT

FORVIA conducts an annual satisfaction survey of all employees. This survey measures and collects feedback from employees on all aspects of their relationship with the Company.

It focuses on two key indices:

- **employee engagement** which measures the level of motivation of employees in the performance of their work through job satisfaction; the recommendation of FORVIA SE as a responsible employer; pride in belonging and confidence in the strategy;

■ **the enablement of employees** which measures the ability of employees to carry out their work through the understanding and commitment of employees to the Company's strategy and culture, the quality of the relationship with the line manager, trust in general management, general perception of the Company, and well-being at work.

In 2023, the Group added two additional indices to this survey for its population of managers and professionals:

- **well-being at work;**
- **diversity & inclusion.**

The other subjects addressed in the questionnaire relate to ethics and the whistle-blowing system, training and career development, compensation, health, safety, the environment, and the sustainable development strategy.

In 2023, the results of the employee survey showed a significant improvement in the majority of the areas covered. In particular, employees are more satisfied with the attention they receive, diversity, recognition, timely decision-making and opportunities for learning and development. However, some results are one or two points lower than the industry, including pride, intention to stay and motivation. The Group is continuing its efforts to improve perception in these areas.

4.3.1.3. Compensation for adverse impacts and listening channels for employees

FORVIA is committed to repairing the adverse impacts of its activities on people, communities and the environment. The Group has set up a whistle-blowing system for its stakeholders, including its employees (see 4.4.1.2.)

4.3.1.4. Actions and assessment of their effectiveness

CULTURE: "BEING FORVIA"

"Being FORVIA" defines the Group's culture and its management model, described and shared with all employees through:

1. **the Group's six values**, the foundation of its culture. They have been defined to meet FORVIA's current and future challenges in a constantly changing environment. They define FORVIA, unite its employees and guide collaboration and interactions with all of the Group's stakeholders. These values are energy, responsibility, team spirit, agility, respect and open-mindedness;
2. **the Management Code** for managers explains the expected exemplary behavior. Training sessions are regularly organized for managers (see 4.3.1.4. Diversity & Inclusion);
3. **organizational principles** encourage decentralized decision-making processes in the different levels of the organization in order to strengthen the autonomy of the teams and facilitate decision-making.

Competent and autonomous teams

The "Being FORVIA" culture creates an environment that holds teams accountable for their performance through a horizontal organization of autonomous teams with appropriate skills and resources.

In this context, the management of jobs and skills is essential to the success of the company. It involves supporting all talents, all backgrounds, and establishing a learning organization.

Remote work for employees

As an engineering and production company, most of FORVIA SE's activity is carried out on-site, in engineering centers and production plants. The interactions are numerous and allow a great collective efficiency and a high level of innovation. The Covid-19 crisis revealed the effectiveness of remote working for some clearly identified activities, and also showed the importance that employees place on office interactions for socialization, team dynamics, and creative and informal discussions about work.

Since 2021, remote working has been offered as an effective and complementary tool for working in offices and sites. Eligible employees (i.e. 11,400 employees concerned) can work remotely for up to eight days per month—in agreement with their manager—depending on the needs related to their presence on this site with their teams.

The objective is to develop a hybrid work culture, combining the efficiency of face-to-face work (innovation, creativity) and the flexibility of remote working, thanks to the opportunities offered by the digitization of tools (video meetings, shared work software, etc.).

FORVIA SE has guidelines for flexible efficiency based on four pillars:

1. eligibility of employees according to their profession;
2. a policy focused on managerial responsibility in implementation;
3. an adapted digital tool to inform teams of on-site presence;
4. a revised travel policy to optimize the frequency and duration of trips and make the best use of digital alternatives.

The roll-out of these guidelines was accompanied by numerous online training and communication tools with weekly reminders for people eligible for teleworking. The purpose of the training sessions is to share best practices in flexible efficiency, for example, they cover:

- the organization of work and the planning of face-to-face and remote activities, in particular thanks to a new matrix to help choose between face-to-face and distance learning;
- the choice of the most appropriate meeting format and the conduct of meetings adapted to the challenges;
- socialization with teams and customers who must be the subject of special attention in a context of increasing digitization.

DIVERSITY & INCLUSION



GRI 103-1, GRI 103-2, GRI 103-3

Diversity is one of FORVIA SE's strengths and convictions. It is both a source of motivation for employees and a source of innovation. It has a positive impact on FORVIA SE's performance and on the development of its employees. FORVIA SE promotes diversity as a real strength and asset, to act for inclusion and to fight against all forms of discrimination and harassment.

Within the Human Resources team, the Vice President of FORVIA SE responsible for the University and HR Transformation coordinates the deployment of the diversity and inclusion policy. They lead and coordinate initiatives and implement training and awareness-raising actions at Group level. They report to the Executive Vice President in charge of Human Resources.

Appointed "Champion" on diversity and inclusion topics, the senior Vice President in charge of Group Purchasing sponsors the diversity & inclusion policy and coordinates the internal network of around forty Diversity & Inclusion ambassadors around the world. Their role is to promote diversity in their scope of activity and in their country. With the support of local intermediaries, they coordinate and deploy actions for diversity and inclusion: training, awareness-raising on ordinary sexism, workshops on inclusion, sharing groups, etc. Finally, the Code of Ethics and the Code of Ethics training MOOC are distributed to each new employee.

Training is a permanent and essential lever for accelerating cultural change. At FORVIA SE, diversity management is an integral part of training through a diversity & inclusion academy. Several training modules are aimed at managers to advance the inclusive culture in terms of unconscious biases, work on stereotypes or the effectiveness of a diverse team. In total, in 2023, more than 3,500 employees received training in this area. In this context, and in order to ensure inclusive management that takes into account the challenges of gender diversity in team dynamics, more than 930 people have attended a training course for the Management Committees since its launch in 2019.

Gender equality

In support of



FORVIA SE is particularly committed to gender equality. Since 2020, the Group has been a signatory of the Women Empowerment Principles (WEPs), an initiative established by the United Nations Global Compact and UN Women.

Hiring talented women

FORVIA SE encourages the recruitment of female talent. The Group carries out actions to improve its attractiveness, particularly among female engineering students with the initiative "Women in technology". In particular, FORVIA SE encourages its partner recruitment agencies on the issue of gender diversity. FORVIA has an objective of the representation of women among the shortlisted candidates. Two out of four profiles must be female. Lastly, FORVIA SE launched a specific program to identify and recruit high-potential female executives to join the Top 300 FORVIA leaders immediately or in the short term.

Attracting talent to the industrial sector

In 2023, the Group joined forces with the 12th edition of the Women in Industry Awards. The Group sponsored the "Production Women" category in order to promote women in industrial jobs and make these positions more attractive to other women. This initiative made it possible to highlight the Group's women in various categories.

Promoting talented women

Every quarter, FORVIA SE organizes specific reviews of female talent ("Female quarterly talent review"). The Group ensures that women have regular development opportunities and identifies female employees who are ready to advance. Candidates identified by their managers as ready for a career move are systematically encouraged and promoted. This is what inspired the creation of the RISE program in 2022. The RISE program aims to prepare female talents identified as having the potential to join the Group's Top 300 leaders in the short or medium term. During a nine-month course, sponsored by a member of the Executive Committee, female talents cover the challenges of women's development within a company, define and affirm their ambition, remove potential barriers and build their influence and positioning strategies. They thus become role models and agents of change, particularly in terms of inclusion.

Supporting female leadership: training, coaching, mentoring, exchanges

On its five campuses, FORVIA University offers two training programs to strengthen female leadership: "Female leadership program young talent" and "Female leadership program experimented one". Delivered by diversity experts, these training courses are aimed at women who have the potential and the ambition to grow within the Group.

FORVIA SE is particularly attentive to the implementation of coaching and mentoring for female talent.

FORVIA SE supports a network of women, "Women at FORVIA". Its purpose is to connect women with each other as soon as they arrive, to encourage exchanges, co-development and to guide them in their careers within the Group.

At the same time, throughout the year, FORVIA SE hosts events and discussion sessions specifically targeting women:

1. local **Let's connect** sessions: in addition to existing processes aimed at ensuring and accelerating the promotion of women within our organizations, local meeting sessions are systematically organized at site level. The aim is to connect women working on the same site (or in a neighboring region) as soon as they arrive in order to facilitate exchanges and the sharing of experiences;
2. the presentations of inspiring career paths for women, **Her Way**: a digital event format that highlights inspiring women by inviting them to share their career paths and challenges, but also their successes;
3. **In Dialogue** discussions: inspirational conversations in small committees between a role model leader and a group of around ten women in the Group.

Increasing diversity within FORVIA SE's governing bodies



FORVIA SE has set itself the target of reaching 25% women in FORVIA SE's Top 300 leaders in 2027 (and 30% in 2030).

Several areas are being developed. The Vice President in charge of talent and organizational development in the Human Resources department is in charge of this mission.

Internally, during annual talent reviews, "People Review", the Group identifies women with such potential and provides individualized monitoring. An individual development plan is set up with mentoring and/or coaching and/or other specific actions.

The RISE program was launched in 2022 and welcomed its second class in 2023. It generates a virtuous circle for the internal promotion of women to FORVIA SE's Top 300 leaders. This nine-month support program includes collective coaching sessions, co-development exercises and networking events. It is sponsored by four members of the Executive Committee, including the Chief Executive Officer. By developing female talent at the highest level, the Group is developing more inclusive management, allowing female potential to be developed in turn by these role models.

Then, the Female quarterly talent reviews make it possible to identify those ready for the next stage and to put them forward for positions to be filled.

Externally, we have launched a specific program with two partners to identify high-potential women in the market who can immediately or in the short term take up positions in management bodies. This reinforcement plan increases the possibility of appointing women to FORVIA's Top 300 leaders.

In 2023, FORVIA received the silver trophy for the U Spring event (Paris), which brings together several thousand Human Resources and training professionals. This award recognizes the most innovative diversity initiatives. FORVIA was recognized for its progressive approach based on the development of women and the evolution of the Company's culture.

Diversity

Local employment

FORVIA SE promotes local jobs for management positions in order to better understand specific cultural contexts and thus strengthen its performance. The Group also strives to have a positive impact on the economic development of the regions where it operates, by employing and developing local talent around the world.

Inclusion of young people

FORVIA SE has included its commitment to the professional integration and development of young people in its Code of Ethics (1). The Group promotes access by young people to various types of contracts, including apprenticeship contracts, and has a policy of hiring them early in their careers (see 4.3.1.4. Talent management – **Early career hires**):

FORVIA SE strives to give them access to the training necessary to carry out their activity and build their career path.

In 2023, FORVIA SE received the **Happy Index Trainees** label worldwide, in Europe, Poland and France. This certification recognizes companies that take good care of the onboarding, support and management of their interns, work-study students and international volunteers (VIE).

Disability awareness

FORVIA SE launched an awareness-raising campaign on internal best practices, unconscious bias and possible blockages. In 2022, the Group also designed a library of 10 online courses on this subject. Its deployment continued in 2023, with seven new courses.

LEARNING ORGANIZATION



FORVIA SE is committed to supporting its employees in their learning and development. The Group ensures that employees acquire new skills through challenging positions. FORVIA SE also implements monitoring, coaching and training programs.

(1) FORVIA SE's Code of Ethics is available on the Group's website. It is not included in this Universal Registration Document.

Training policy

Supporting the Group's strategy

Training serves to implement the Group's strategic orientations. It also supports changes in organizational methods and operating principles in force within the Group. Changes induced by the Being FORVIA approach are integrated into the Group's training programs.

Among the priorities of the training plans, FORVIA SE has set itself the goal of improving the performance of plants, enhancing the appeal of its offerings to customers, increasing the technological expertise of products and processes, and strengthening the common culture and ethics, and combining the use of appropriate working methods.

Supporting the development and employability of employees

Training supports the development and employability of employees at all levels of responsibility. In conjunction with career management, it is a factor in terms of employee commitments.

The training plans aim notably to increase the professionalization of employees, promote their career development and strengthen their employability, develop managerial skills in line with FORVIA SE's managerial skills model (see below), and develop the ability to work in a global context.

For example, in Slovakia, in Europe, where more than 20% of employees at the Lozorno, Hlohovec & Kosice sites from non-European countries (Vietnam, India, Serbia and Ukraine) are supported in their individual development so that on their return to their respective countries, they can use the skills and know-how acquired within the Group to contribute to their economic development.

Training system

FORVIA SE's training offer is intended for all employees. It is organized by major theme (leadership, finance, sales, HR, diversity, inclusion, etc.), then rolled out by targets with appropriate methods.

The formats are adapted to the pace and requirements of the business lines: action-training methods, internal training, use of adapted digital tools, workshops around the sharing of experience and expertise. In order to be accessible to all, numerous training courses are available in face-to-face and digital format.

The main areas of training are:

1. plant performance and optimal production start-up;
2. offers to customers;
3. technological expertise;
4. managerial skills;
5. value creation and enterprising spirit;
6. working methods for excellence and creativity.

FORVIA University

The university is present on five regional campuses: in Europe (Nanterre), in China (Shanghai), in North America (Auburn Hills and Puebla) and in India (Pune). 23,000 managers and professionals have access to FORVIA University's programs and services. It aims to promote the development of managerial skills necessary for the Group's transformation by:

1. successful integration into the Group's culture;
2. acquisition of skills necessary for professional development in each function: sales, purchasing, human resources, HSE, etc.;
3. strengthening their management skills and leadership;
4. preparation for key positions: plant manager, program manager, engineering teams manager, etc.

It is enhanced by the constant presence of our managers or Executive Committee members who take part, speak to, or interact with participants.

FORVIA University continues the roll-out of the All on Board Connect program. This learning community is dedicated to helping all Group employees better understand the major issues and engage in the Group's transformation. Specific training courses and workshops have been developed to support the HELLA and FORVIA integration teams, who work together on a daily basis.

Since 2019, FORVIA University has been Corporate Learning Improvement Process (CLIP) accredited by the European Foundation for Management Development (EFMD). It is one of the 25 most mature corporate universities of major global groups (Siemens, L'Oréal, Telecom Indonesia, Grupo Santander, etc.). These companies share joint ambitions and best industry practices. In particular, they are considered as a reference in terms of the strength of top management's alignment with the role and mission of the FORVIA University, as well as the quality and speed with which the FORVIA University offer is being put online. This FORVIA University accreditation, issued for a period of five years, was successfully renewed in 2023.

The Learning Lab

The Learning Lab is a digital learning platform. Its library has over 620 courses available in more than 23 languages. Accessible to as many people as possible, the platform is available on professional and personal computers or smartphones. Since this year, the platform is directly accessible on Teams, and has been opened to all HELLA managers and professionals.

The offer includes business and managerial training courses, as well as many discovery modules (digitization, artificial intelligence, etc.). Some knowledge is validated by internal certificates, on subjects such as communication, artificial intelligence, creativity, time management and sustainable development. It also offers training on the Group's strategy and financial results.

In 2023, the Learning Lab had accumulated more than 422,000 million hours of training delivered (five hours per person) and continued to increase its level of activity by 16% compared to 2022.

TALENT MANAGEMENT



Talent acquisition and retention



Early career hires

FORVIA SE wants to ensure the Group's attractiveness and retain the talents of tomorrow.

The recruitment management centers, called "talent hubs", implement local recruitment programs for young graduates and early-career professionals. One of the key levers used by the Group to achieve its objectives of hiring young graduates is the international volunteer scheme in companies (VIE).

Recruitment of high potentials, particularly women

FORVIA SE has set up a recruitment program for high-potential profiles in France, Germany, the United States and China with the aim of preparing them, through an accelerated career plan, to become our future leaders. In addition, FORVIA SE carries out a specific recruitment plan aimed at detecting women who can join FORVIA SE's Top 300 leaders immediately or in the medium term.

Onboarding new employees

All new hires follow a specific onboarding program called Welcome On Board to discover the Group, its values, its strategy, its organization and to familiarize themselves with the culture and its operational systems. It is an application integrated into Teams, which offers them personalized notifications every day, adapted to their needs.

Some countries have held special events, such as orientation days, to expedite the integration of new hires.

Annual appraisals and skills development

Fair and evidence-based assessment of performance is an essential part of the "Being FORVIA" culture.

The managerial skills model

Aligned with FORVIA SE's transformation strategy, the managerial skills model encourages the development of agile and inclusive leadership. It presents the essential skills that a leader must acquire according to their level of responsibility within the organization. It encourages everyone to develop their own leadership potential by providing illustrations of the different levels of ability, and ideas for key actions to be implemented to achieve this. It provides benchmarks for the self-assessment and assessment made by managers during annual performance appraisals. It serves as a reference for employees to build their individual development plan.

The annual performance appraisal of managers and professionals



Each year, the Group launches a campaign to assess the performance of managers and professionals. The annual appraisal, which takes place between a manager and his or her employee, aims to assess the achievement of individual objectives over the past year, and managerial skills and behavior in relation to FORVIA's six new values defined in 2023.

The performance appraisal also makes it possible to define individual development plans. These enable everyone to define the development actions to be carried out over the coming year in order to develop the performance and potential of each employee.

It is also a key moment to discuss the coming year and jointly define the related individual objectives.

Anticipate and support jobs and career paths

FORVIA SE supports the needs of each manager and professional, with a particular focus on their expected potential over the coming years:

1. Once a year, the Executive Committee reviews the Group's high potentials with a particular focus on succession plans for executive managers. This Group succession plan is presented to the members of the Governance, Appointments and Sustainable Development Committee of the Board of Directors, then to the Board of Directors.;
2. the Group conducts an annual review of the teams (called "people reviews") at all levels; sites, divisions, Business Groups, and Group. It makes it possible to identify potential, define succession plans for key positions and discuss career opportunities for the Group's potential talents;
3. reviews (known as "key reservoirs") were organized in North America and Asia to develop promotion and internal mobility and optimize talent management at the local level;
4. monthly reviews are carried out at Group level in order to promote internal mobility of the top 300 leaders between the different Group entities;

FORVIA SE is also particularly attentive to emerging skillsets: data, artificial intelligence, etc. The Group anticipates the deployment of these skills by developing ad hoc training offers and identifying needs within the organization.

Coaching and mentoring

FORVIA SE offers its talents coaching and mentoring. The Group is particularly vigilant to ensure that these programs benefit female talent, in order to accelerate their careers.

Career opportunities

The Group's internal promotion policy is to offer career opportunities to managers and professionals who are successful and whose potential has been identified. It is based on:

- annual talent and succession plans reviews;
- individual development plans;
- the assessment of managerial skills according to the FORVIA SE managerial skills model;
- external assessments to best support potential and career choices.

FORVIA SE offers diverse career paths: inter-function or inter-division mobility, assignments to projects or short-term assignments, professional opportunities abroad or participation in international projects. The aim is to expose talents outside their comfort zone and enable them to develop their skills.

Lastly, FORVIA SE has a specific career management policy for its nearly 400 scientific and technical experts. The Group recognizes and particularly values their technical and technological expertise in order to strengthen business skills and the specificities of the products offers.

Talent retention

Development of leadership and career opportunities, but also training, coaching and mentoring help to retain talent.

In 2023, the resignation rate of managers and professionals in the FORVIA SE Scope decreased to 9.8% compared to 12.6% in 2022. On the FORVIA scope (including HELLA), the resignation rate of managers and professionals was 8.6% in 2023.

In order to limit the impact on the Business Groups, the Group has implemented:

- actions to retain key skills;
- a plan to strengthen and attract talent;
- a robust skills development plan through the internal University.

Compensation



The Group complies with the regulations in force in each country regarding minimum wages and compensation agreements.

In order to attract, retain and motivate talent, FORVIA SE's compensation policy is determined in a way to ensure it is competitive with the internal compensation practices of the local market for each of the Group's entities and complies with legal regulations. To this end, each year FORVIA SE examines market practices with firms specialized in compensation.

Compensation packages depend on several elements, including the level of responsibility exercised. Thus, the higher the level of responsibility, the greater the share of short-term and long-term variable components of total compensation.

Sustainable development criteria in variable compensation

In 2021, FORVIA SE reviewed the nature of the quantifiable criteria for annual variable compensation, which until then had focused solely on financial items, in order to harmonize the structure for all eligible employees.

Given the strategic importance of a climate transition via the reduction of greenhouse gas emissions, and the response to the expectations of stakeholders in terms of non-financial objectives, the Group has included a quantifiable environmental criterion since 2022 in line with the Group's carbon neutrality trajectory.

The criterion chosen is related to the reduction of CO₂eq emissions (measured in tCO₂eq for scopes 1 and 2) and energy consumption. This criterion, applied from 2022 for all eligible FORVIA SE employees, i.e. 4,800 managers & professionals, is a driver of motivation for the achievement of the objectives set by the Group.

Thus, in 2023, the short-term variable portion, FORVIA Variable Compensation (FVC) consisted of:

- for the Chief Executive Officer:
 - quantifiable criterion linked to the Group's financial results representing 60% of the FVC target, of which 50% linked to a net debt/EBITDA ratio target and 10% linked to FORVIA synergies,
 - a quantifiable criterion related to the reduction of CO₂ emissions representing 15% of the FVC target,
 - qualitative criteria covering strategic, business development and managerial objectives representing 25% of the FVC target;
- for the other eligible members (members of the FORVIA SE Executive Committee, Top 300 leaders belonging to the Group Leadership Committee and 4,800 managers and professionals), the structure has been harmonized as follows:
 - quantifiable criteria linked to the financial results of the Group or the Business Group representing 50% of the FVC target,
 - quantifiable criteria related to the reduction of CO₂ consumption and energy savings for the Group and Business Groups representing 15% of the FVC target,
 - qualitative criteria linked to the individual contribution to financial results representing 35% of the FVC target.

Grant of free shares subject to performance conditions

FORVIA SE has set up a free share allocation program subject to performance conditions. This is intended for members of the Top 300 leaders belonging to the Group Leadership Committee with a view to creating motivation and loyalty.

For HELLA, talent management is structured around different programs. One of the major axes is development planning between the employees and their managers as part of the annual "Performance Review" evaluation process.

As part of the annual talent review process, the HR function collaborates with managers to systematically identify the potential of employees according to standardized rules. On this basis, candidates are selected to follow development programs. HELLA also offers numerous programs and mentoring opportunities at the local level to promote talent. These programs enable talented individuals to network with each other and gain additional qualifications to systematically prepare them for later career stages. This approach also helps retain talent within the company.

Entitlement to these shares is subject to continued employment and the following five performance conditions:

- an internal performance condition, linked to the Group's operating income, representing 20%;
- a second internal performance condition, linked to the Group's net cash flow, representing 25%;
- a third internal performance condition linked to sustainable development, on the proportion of women among the Group's managers and professionals, representing 10%;
- a fourth internal performance condition linked to sustainable development, relating to the reduction of the Group's CO₂ emissions, representing 15%;
- an external performance condition linked to the growth of the Group's basic earnings per share compared to that of a peer group consisting of 12 comparable global equipment manufacturers, representing 30%.

HEALTH AND SAFETY AT WORK



FORVIA SE undertakes to guarantee a safe working environment for all staff working on its sites, whether they are employees, temporary employees or external parties. The Group takes actions that aim to reduce the main safety risks identified: that of physical injury related to production activities, and that of occupational illnesses related to the ergonomics of workstations.

FORVIA SE has set two priorities: protecting the health of employees and improving workplace safety. To this end, the Group is committed to implementing the policies and measures necessary to anticipate and manage the risks that could affect the safety of employees and subcontractors in their daily operations.

For the health of employees, FORVIA SE has identified three major risks. Musculoskeletal disorders (MSDs), which can be caused by poor ergonomics, inadequate posture or repetitive efforts, are the first risk. The second risk concerns

respiratory disorders that can result from exposure to chemicals or dust. The third and last risk identified concerns psychosocial risks (PSR) to which the Group's employees may be exposed.

In terms of employee safety, the Group has identified five major potential impacts:

- the first risk is related to road traffic outside the establishment, which can cause commuting accidents;
- the second risk concerns falls on the same level, such as slips or trips, which can cause injuries;
- another risk of accident comes from internal traffic on the site, related to logistics or the use of machinery;
- the fourth risk is directly related to the use of machines and various workstations, where risky operations, such as working at heights or in confined spaces, can also cause accidents. This risk also includes the risk of fire or chemical risk that can cause burns or suffocation;
- finally, the last danger is the manual transport of loads or sharp parts, which can cause serious injuries to employees.

FORVIA SE focuses on the proper application of the rules common to all, the "Seven Fundamental Principles for Safety", in particular in the sites that had the highest FR11 frequency rate during the previous year. Systematic audits have highlighted operational priorities and helped to support managers to accelerate the deployment of their accident prevention system.

FORVIA SE emphasizes the proper application of the rules common to all. In 2023, a fatal accident was reported within FORVIA SE, which led to reinforced the monitoring of the application of the "7 Fundamental Principles for Safety", which have become the "7 Mandatory Safety Rules". Such an accident has not happened since 2018. It prompted an adequate and immediate response. All measures have been taken to prevent such an accident from happening again. Systematic audits make it possible to target operational priorities and support managers to accelerate the deployment of their accident prevention system.

Excellence approach: FORVIA Excellence System



The health and safety of employees, in the same way as the protection of the environment, is the foundation of FORVIA SE's HSE management tool, the FORVIA Excellence System (FES) (see 4.2.1.4.). It is based on active methods of preventing risks that could affect employee safety, and makes it possible to regularly check their proper application and measure their effectiveness. It supports all production activities, where employees and subcontractors may be exposed to the risk of work-related accidents. It incorporates the quality, environmental and safety standards of the automotive industry, and thus helps to enable compliance with these standards: IATF 16949, ISO 14001, ISO 45001.

Updated in June 2023, the FORVIA Excellence System 4.0 now unites the respective approaches of FORVIA SE (FES x.0) and HELLA. A common reference framework for FORVIA SE and HELLA was developed during this update. This contributes to the alignment of practices within the Group.

Workplace safety deployment



By building on the HSE teams at the various sites, FORVIA SE ensures that communication with employees is ensured and that their expectations, requests or alerts are taken into account. To better identify feedback and improve working conditions for all, the unions and representatives provide extensive feedback from the field.

FORVIA SE ensures the safety of employees and carries out actions in this regard:

- establishing and maintaining a qualified global health, safety and environmental network;
- enabling each employee to formulate an alert in the event of a risk to health, safety or the environment (Alert Management System, or AMS);
- creating and promoting e-learning and training courses;
- deploying the "Seven Fundamental Principles for Safety" and 13 Highly Recommended Logistic Guidelines;
- sharing HEALTH (health, ergonomics), and CARE moments (safety);
- reporting on key safety performance indicators (FES audits, monthly performance review by the Executive Committee and the Operational Committee);
- promoting well-being at work through the right to disconnect and a psychological counseling service.

A qualified global network in health, safety and environment

Notably through the FORVIA Excellence System (FES), all employees are continuously trained in HSE rules.

On sites, several communication media (video, message, presentation) remind all employees on a daily basis of the "Seven Fundamental Principles for Safety", in particular the "Stop Work" principle, which authorizes all employees to stop working if safety conditions are not met. In a systematic way, all meetings begin with an aspect of safety.

In order to provide information that is always up-to-date, FORVIA SE makes continuous efforts such as the implementation of a national legal watch. The latter covers topics related to the environment as well as health and safety. The Group also works with local regulatory authorities (such as the French Labor Inspectorate or the Regional Departments for the Environment, Planning and Housing [DREAL] for the environment). In this way, its sites can check their compliance with the recent regulations in their country of operation and, if necessary, adjust their internal standards. This information is summarized and published in a quarterly monitoring newsletter by the Group Monitoring Committee and supplemented each quarter by an HSE regulatory monitoring which details the actions to be implemented on the sites.

Encouraging e-learning

An online platform enables the sharing of best safety practices, with nearly 1,000 best practices recorded in 2023. On a monthly basis, site HSE representatives vote for their best practice. These actions promote exemplary behavior and enhance the commitment of employees in the process of the continuous improvement of safety and the reduction of environmental impacts.

Safety rules

To guarantee the safety of all, the Group continued to apply the "Seven Mandatory Security Rules". Formerly called the "Seven Fundamental Principles for Safety", these golden rules have been renamed to reflect the mandatory aspect for all.

These rules are supplemented by specific rules for the logistics activity: 13 Highly Recommended Logistics Guidelines. Work is also planned for 2024 on this subject to simplify these rules and transform them into mandatory rules for logistics.

Workplace safety culture: the CARE program



In order to create a global culture of safety and ergonomics at work, FORVIA SE designed the CARE program. This program raises awareness and engages all employees and subcontractors on a daily basis and in the course of their work. After being rolled out at the FORVIA SE sites, the roll-out of the program began at the HELLA sites in 2023. It has reached a total of 300 sites worldwide and nearly 87,000 employees.

This program is based on the four fundamental principles of which it is the acronym:

- Compliance: compliance with Health, Safety, Security and Environment rules through training and audits;
- Attitudes: reflexes and practices for the safety of all employees;
- Risk Mitigation: risk prevention and detection. Note: the identification of hazards refers to the identification of physical, chemical, biological or psychosocial hazards that may occur for each of the Company's processes;
- Everyone's engagement: the commitment of everyone, from operators to executives, and including all levels of management.

The CARE moments published each week correspond to two communication pages that deal with different issues on a given security topic. The topics addressed in CARE Moments are generally closely related to the activity that took place within the Group or to events external to the Company such as World Days for example.

In addition to CARE moments, which are essentially informative and non-binding, FORVIA SE uses internal cross-sectional action notes. More formal, they convey important information in the event of an accident or near miss, the analysis of which would lead to immediate action on all or some of the Group's sites.

Monitoring of key performance indicators and risk assessment in the plant

Each year, an internal team conducts FES audits to verify compliance with the "Seven Fundamental Principles for Safety" and assess the level of risk at all sites. In 2023, 160 7SF audits were carried out.

In addition, FORVIA SE regularly launches actions to detect and prevent occupational safety risks in all its plants. Each "Autonomous Production Unit" aims to detect one risk per day. At the heart of the safety approach, employees participate directly in the daily identification of risks to better anticipate accidents. In 2023, more than 46,000 risks were detected and resolved each month on average across the Group.

Health and ergonomics

The main occupational illnesses reported throughout the Group are musculoskeletal disorders. In this context, FORVIA SE has been implementing measures for several years to better take into account and reduce the arduous nature of the workstations concerned, with each workstation being classified according to its level of arduousness. In France, the Group follows the "TMS Pros" approach of the *Caisse d'assurance retraite et santé au travail* (French retirement insurance and workplace health organization – Carsat), a four-step prevention approach to help companies reduce the impact of musculoskeletal disorders and back pain.

For the design of new workstations, the Group uses the "Ergonomic Memorandum" guide, which sets out all the ergonomic rules (posture, effort, repetition of operations, distances traveled, manual transport, work environment, light and noise).

Taken as a whole, this approach enables the Group to:

- reduce the risk of accidents;
- enable operators to ensure quality and performance under the best possible conditions;
- make workstations accessible to as many employees as possible.

Workstation ergonomics are systematically taken into account from the design stage of new products and production tools and checked on a daily basis and during production plant audits. These analyses, whose efficiency has been improved by the introduction of digital technology augmented by artificial intelligence, guide the implementation of workstation improvement solutions.

Employees at production sites and all operations and plant managers receive training in ergonomics. Ergonomics are also included in the Group's best practices collection process.

One of the objectives for 2023 was to improve ergonomics at work to deal with health-related risks and to enable monitoring, in particular on the percentage of critical workstations.

From 2018, a partnership was established with Moovency for the deployment of a digital workstation ergonomics assessment solution. The Kiméa solution proposed by Moovency makes it possible to save time in the evaluation of workstation ergonomics, by combining the flexibility of a smartphone and the precision of motion and position sensors.

FORVIA SE has also set up a network of ergonomists, experts on the subject, divided between the HSE and ME (Method and Engineering) teams, which intervene at the level of both existing workstations and new programs.

For HELLA, the ergonomic design of workstations takes work processes into account. The emphasis is placed on physical constraints (especially musculoskeletal), but also psychological and social. Workstation design is already at the center of production planning and is considered and improved, for example, by the use of simulation models.

Well-being at work and prevention of psychosocial risks

As part of its vigilance plan, FORVIA implements measures for well-being at work (see 4.3.2).

Right to disconnect: in France, FORVIA SE has taken specific measures to ensure that its employees have the right to disconnect. Indeed, the development of digital tools, levers of performance and responsiveness, can tend to blur the boundaries between private and professional life. FORVIA SE wishes to ensure respect for rest periods and holidays as well as personal and family life. All employees, including managers and professionals and Executive Management, have the right not to be contacted outside their normal working hours, whether by e-mail, messaging or telephone calls.

Psychological counseling service: as part of the psychosocial risk prevention plan, FORVIA SE, in France, has used an external service provider for the past ten years to provide its employees with a psychological counseling service. The specialist firm also conducts targeted training and interventions on the sites: support for employees, discussion groups, individual interviews, etc.

4.3.1.5. Metrics and targets

TARGETS

The objectives are presented in the roadmap (see 4.1.3.1. Sustainable development strategy) and in the indicators below.

WORK ORGANIZATION

WORK ORGANIZATION

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA*
Double shift	26,666	22,893		31,153	The organization of work aims to meet the needs of the Group's customers taking into account the production capacity of our plants. The so-called shift working hours ([1], [2] and [3]), which mainly concern the Group's production plants, represent 50% of our registered headcount.
Three shift	19,812	22,984		30,039	
Weekend (reduced weekend hours)	270	93		987	
Other	39,676	39,816		63,451	

*Excluding SAS activity.

SUBCONTRACTING

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA SE*
One-off subcontracting projects	1,381	1,561			Within the FORVIA SE Group scope, the call for subcontracting grew in 2023 in line with the resumption of activity in our production plants and greater use of security, cleaning and maintenance service providers.
Ongoing subcontracting	3,860	4,044			
TOTAL	5,241	5,605			

*Excluding SAS activity.

EMPLOYED WORKERS



Over the past few years, FORVIA SE has grown significantly, with a headcount of 85,800 people, including 22,600 managers and professionals at the end of 2023. The FORVIA group (including HELLA) has 125,600 registered employees, including 40,200 managers and professionals.

In 2023, FORVIA SE recorded an increase of 25,300 open-ended (CDI) and fixed-term contracts (CDD), i.e. 2.4% more than in 2022. The FORVIA group recorded 34,800 open-ended and fixed-term contract hires.

In a context of growing tension in labor markets, the teams of FORVIA SE's Talent Hubs, particularly in Mexico, the US, India and China, have stepped up their activities to attract the best talent. 2023 was marked by the full deployment of artificial intelligence into recruitment, with the use of matching, which significantly expands the identification of potential candidates aligned with the Group's needs.

This same technology also makes it possible to recruit young graduates and more experienced managers, through virtual recruitment campaigns, highlighting the Group's new employer brand and new mission.

In 2023, FORVIA SE received more than 150,000 *résumés* from young graduates during recruitment forums that were held in a number of countries (France, Mexico, India, etc.). The presence of women increased by 25% in our total candidate databases.

NEWS HIRES AND REGISTERED EMPLOYEES

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA*
NEW HIRES					
Open-ended contract hires	12,195	11,290		14,836	For the registered employees in the FORVIA scope, 34,833 hires were made in 2023, of which 42.6% on open-ended contracts and 57.4% on fixed-term contracts. Operators & workers accounted for 77% of hires in 2023, compared to 7% for technicians, foremen & administrative staff and 16% for managers.
Fixed-term hires	12,505	14,011		19,997	
TOTAL HIRES	24,700	25,301		34,833	
REGISTERED EMPLOYEES					
Registered employees	86,424	85,786	124,796	125,630	The FORVIA group's total headcount represents 153,462 employees and results from the consolidation of 109,352 FORVIA SE employees and 44,110 HELLA employees. The FORVIA group's registered headcount represents 125,630 employees and is the result of the consolidation of 85,786 Faurecia employees and 39,844 HELLA employees. The FORVIA group's temporary workforce represents 27,832 employees and is the result of the consolidation of 23,566 Faurecia employees and 4,266 HELLA employees. The proportion of temporary employees for the FORVIA scope was 18.1% at the end of 2023.
Temporary employees	22,309	23,566	27,584	27,832	
Number of employees	108,733	109,352	152,380	153,462	
% FORVIA SE employees	79.5%	78.4%	81.9%	81.9%	
% temporary employees	20.5%	21.6%	18.1%	18.1%	
REGISTERED WORKFORCE BY CATEGORY					
Operators & workers	54,401	54,479	71,968	72,262	The FORVIA group's registered workforce can be broken down into 57.5% for operators & workers, 10.5% for technicians, foremen & administrative staff and 32.0% for managers.
Technicians, foremen & administrative staff	9,350	8,702	13,822	13,159	
Executives	22,673	22,605	39,006	40,209	
NUMBER OF EMPLOYEES BY TYPE OF CONTRACT					
Open-ended contracts (CDI)	79,432	78,843	115,561	116,367	The FORVIA group's employees on open-ended contracts represented 92.6% of the Group's registered employees at the end of 2023.
Fixed-term contracts (CDD)	6,992	6,943	9,235	9,263	
REGISTERED EMPLOYEES OF ACQUISITIONS/DISPOSALS					
Operators & workers		(4,534)	17,567	(4,534)	As a reminder, the 2022 figures correspond to the acquisition of HELLA. The FORVIA group experienced four major disposals in 2023: disposal of the SAS business representing 4,473 employees to Motherson, disposal of the heavy goods vehicle decontamination activity to Cummins representing 1,001 employees, disposal of its activities in Russia representing 475 employees to Formatinvest, and sale of an internal activity to the Indian company TAFE representing 191 employees.
Technicians, foremen & administrative staff		(562)	4,472	(562)	
Executives		(1,044)	16,333	(1,044)	
Open-ended contracts (CDI)		(5,719)	36,129	(5,719)	
Fixed-term contracts (CDD)		(421)	2,243	(421)	

*Excluding SAS activity.

NON-SALARIED EMPLOYEES

The indicators on the Group's headcount (above) cover temporary employees. FORVIA SE will extend this scope to self-employed workers.

EMPLOYEE ENGAGEMENT

The response rate of employees to the 2023 survey for the FORVIA scope (including HELLA) was 87%. For the FORVIA SE Scope, the response rate in 2023 reached a record level of 90%.

Participation was homogeneous both within the Group's entities and countries. Employees in the managers and professionals category had the highest rating increase for 2.7% on average of the subjects addressed by the survey. The results related to the rest of the salaried population are stable with an increase of 1.1 points for the subjects addressed.

- **NFPD** The commitment index of FORVIA employees (including HELLA) reached 75%. For the FORVIA SE Scope, the index increased by 2% in 2023, reaching 75%, the first significant increase in two years. The result of FORVIA SE is two points higher than the benchmark index for the goods and equipment industries (survey conducted among one million employees working in the sector). FORVIA SE is also well positioned compared to other international groups with a result in line with the general industry benchmark (survey conducted among six million employees in the industrial sector).
- **The enablement index** (ability of employees to perform their work) of FORVIA (including HELLA) reached 76%. For the FORVIA SE Scope, the index increased by two points in 2023, reaching 76%, i.e. eight points above the benchmark for the goods and equipment industries and four points above the benchmark for industry in general.
- **The well-being at work index** is calculated only for managers and professionals. For FORVIA (including HELLA), it was 72%. For the FORVIA SE Scope, it was 74%, i.e. three points above the benchmark index for industry in general (GI) and six points above the benchmark index for the goods and equipment industries (GI).
- **The diversity & inclusion index** covers only managers and professionals. For FORVIA (including HELLA), it was 80%. The result for the FORVIA SE Scope was 80%, i.e. five points above the benchmark for industry in general and nine points above the benchmark for the goods and equipment industries (GI).

The results are analyzed at Group, country and plant level. It enables each level of FORVIA SE's management to analyze and compare the results internally but also externally via benchmarks. On the basis of these results, the management draws up specific action plans to respond to the points raised by their teams.

For example, the 2023 action plan, based on the 2022 results, focused on: pride in belonging and recommendation of the Company, training and career development, compensation and benefits, work-life balance. At each level of management, the Group imposes the review and definition of appropriate actions to improve the lives of employees within the Company. At site level, this is directly linked to the employee engagement, motivation and communication plan, which is a requirement of the FORVIA Excellence System (see 4.2.1.4.) The sites have also set up commitment and motivation plans to encourage the organization of events around sustainable development, sport, health, diversity, etc.

The 2023 results reflect the measures taken by the Group to meet the needs expressed by employees during the 2022 survey, such as the increase in the budget allocated to salary expenses and the share of individual performance bonuses, and the setting up of a flexible working policy to improve work-life balance.

COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

FORVIA SE in 2023:

- 421 company or establishment agreements were signed in 22 countries;
- 62% of the Company's employees were covered by company agreements, establishment agreements and/or collective agreements of regional and/or national branches, slightly lower than in 2022 due to the absence of the renewal and/or signing of new agreements, particularly with regard to the improvement of health conditions related to Covid-19 in certain countries;
- 66% of FORVIA SE's employees are represented by at least one employee representative body: European Works Council, France Group Works Council, Company or establishment Works Council, trade unions, etc.

DIVERSITY

FORVIA SE in 2023:

- 7,000 employees received diversity training.

FORVIA SE has set itself the goal of boosting the recruitment and internal promotion of women in order to increase the presence of women among managers and professionals and the Top 300 leaders.

FORVIA SE has set itself the target of reaching 25% women in the Top 300 leaders in 2027 (and 30% in 2030).

Targets for 2027 and 2030 (see table at the end of the section) have been put in place to ensure good progress, and are monitored by top management on a monthly basis. In particular, FORVIA SE's objective for 2027 is 30% women among managers and professionals. This objective is also included in the long-term bonuses of the Top 300 of FORVIA SE leaders, which places the Group among the leading companies that have made this priority one of those of top management.

FORVIA SE in 2023:

- 38.5% of external hires of managers and skilled professionals were women, up compared to 2022 (35.4%);
- in 2023, the internal promotion rate was 28.4%, up slightly compared to 2022. The aim is to align it with the growing presence of women at FORVIA SE, the principle of equal opportunity to which FORVIA SE is very committed;
- 42% women on the Board of Directors;
- 15% women on the Executive Committee.

<i>Inspired to care</i>	2019		2022		2023		Targets	
	FORVIA SE	FORVIA SE	FORVIA	FORVIA SE	FORVIA	FORVIA 2027	FORVIA 2030	
% of women hired among managers and professionals	30%	35.4%		38.5%	34.1%	/	/	
% of women among Top 300 leaders	15%	23%		27%	-	25%	30%	
% of women among managers and professionals	24.4%	28.9%		30.8%	28.6%	30%	35%	

In 2023, HELLA had 25.8% of women among managers and professionals.

Equal pay

Since 2016, FORVIA SE has analyzed pay equity between women and men in the Group's main countries. The results do not show any major differences at the statistical level. Differences at the individual level are corrected on a case-by-case basis.

Diversity

Diversity of nationalities

	2019	2022	2023	Target
	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE 2027
% of non-Europeans among the Top 300 leaders	34%	35%	33%	39%

Local employment

	2022	2023
	FORVIA SE	FORVIA SE
% of managers and professionals are recruited locally	93%	92%

FORVIA promotes local jobs for management positions in order to better understand specific cultural contexts and thus strengthen its performance. The Group also strives to have a positive impact on the economic development of the regions where it operates, by employing and developing local talent around the world.

Inclusion of young people

FORVIA SE in 2023:

- more than 1,600 young people worldwide benefited from apprenticeship contracts.

Age pyramid by gender

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA*
MEN					
< 20 years	639	659	832	886	Women represented 35.7% of the FORVIA group's registered headcount, an increase of +0.4 points compared to 2022. They represented 40.1% of operators & workers, 33.2% of technicians, foremen & administrative staff, and 28.6% of managers across the Group. FORVIA is a relatively young group with 56.0% of registered employees aged under 40 and 23.9% aged under 30. 24,327 registered employees are over 50 years old, i.e. 19.4%. For all age brackets, the breakdown by staff category is 57.5% of operators and workers, 10.5% of technicians, foremen & administrative staff and 32% of managers.
20-29 years	13,398	12,905	18,204	17,967	
30-39 years	17,577	17,278	25,879	25,899	
40-49 years	14,247	13,964	19,661	19,627	
> 50 years	11,237	11,270	16,222	16,396	
TOTAL	57,098	56,076	80,798	80,775	
WOMEN					
< 20 years	375	459	471	555	
20-29 years	7,664	7,822	10,420	10,674	
30-39 years	9,123	9,170	14,099	14,314	
40-49 years	7,624	7,572	11,280	11,381	
> 50 years	4,540	4,687	7,728	7,931	
TOTAL	29,326	29,710	43,998	44,855	

* Excluding SAS activity.

SOCIAL PROTECTION

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA SE*
Maternity leave	1,622	1,393			The number of employees who benefited from maternity leave decreased by -14.1% in 2023, particularly in Central Europe and the rest of the world. Those who benefited from paternity leave decreased by -7.9%, mainly in North America and Asia. Parental leave increased by +21.4% (mainly in Asia). The conditions and the length of maternity, paternity and parental leave are governed by legislation in each country.
Paternity leave	1,549	1,426			
Parental leave	1,111	1,349			
TOTAL	4,282	4,168			

* Excluding SAS activity.

PEOPLE WITH DISABILITIES

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA*
Disabled headcount	1,078	1,045		1,605	FORVIA group employs more than 1,600 people with disabilities, mainly in Europe. FORVIA SE employs more than 1,000 people with disabilities, mainly in Europe. This figure was down by 3.1% compared to 2022. The notion of employees with disabilities is defined by legislation in each country, with more proactive legislation in Europe, and particularly in France and Germany, than in other countries.

* Excluding SAS activity.

TRAINING AND SKILLS DEVELOPMENT

TRAINING HOURS



<i>Inspired to care</i>	2019	2022	2023	Target
	FORVIA SE	FORVIA SE*	FORVIA SE*	FORVIA 2030
Number of training hours per employee per year	21.6 h	23.1 h	26.9 h	25 h
Training hours	1,866,338 h	1,893,318 h	2,229,333 h	

* Excluding SAS activity.

In 2023, for the FORVIA SE Scope, the average number of training hours increased from 23.1 in 2022 to 26.9, an increase of 18% in the total number of training hours, due to the resumption of activity and a gradual return to face-to-face training.

Face-to-face training was partially offset by the provision for all Group employees of the Learning Lab digital training platform. In 2023, 420,039 hours of digital training were provided through MOOCs, representing nearly five hours per employee over the year for the FORVIA SE Scope. In 2023, the average number of training hours per HELLA employee was 18. In total, 680,000 hours of training were completed by HELLA employees over the same year.

TALENT MANAGEMENT

Early career hires

FORVIA SE in 2023:

- more than 750 hires of international volunteers in companies (VIE) were carried out between 2023 and 2022;
- 58% of international volunteers in companies (VIEs) at the end of their assignment were hired on fixed-term and open-ended contracts;
- 35% of managers and professionals hired were young graduates.

Recruitment of high potentials, particularly women

FORVIA SE in 2023:

- 30.8% women among managers and skilled professionals;
- 27% women among the Top 300 leaders, up two points compared to 2022.

The annual performance appraisal of managers and professionals

FORVIA SE in 2023:

- 99.1% of managers were assessed through performance appraisals.

CAREER OPPORTUNITIES

	2022	2023
	FORVIA SE	FORVIA SE
% of managers and professionals who benefited from internal mobility.	21%	22.6%

RESIGNATION RATE OF MANAGERS AND PROFESSIONALS

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA*
RESIGNATION RATE					
Resignation rate of managers and professionals	12.6%	9.8%		8.6%	<p>Within the FORVIA scope, the resignations of employees on open-ended contracts represented 33% of departures in 2023. Operator resignations accounted for 27% of total departures of operators. This figure is 31% for the technicians, foremen & administrative staff. Resignations of managers accounted for 61% of total departures of managers. 62% of these resignations concerned operators & workers, 7% technicians, foremen & administrative staff, and 31% managers. In 2023, HELLA's resignation rate for managers and professionals was 7%.</p>
Resignation rate all employees	11.1%	10.2%		9.5%	
DEPARTURES BY REASON					
Resignations (open-ended contracts)	8,585	7,822		10,676	<p>For all registered employees of the FORVIA scope, the number of departures amounted to 32,300 in 2023. 33% of them are resignations of employees on open-ended contracts, 37% individual or collective dismissals. The end of fixed-term contracts amounted to 1,853, or nearly 6% of departures.</p>
Individual layoffs	8,237	7,795		10,156	
Group layoffs	1,875	1,784		1,955	
Other	5,508	6,842		9,513	
TOTAL	24,205	24,243		32,300	

* Excluding SAS activity.

HEALTH AND SAFETY
Inspired to care

	2019		2022		2023		Targets
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA SE*	FORVIA*	FORVIA 2027	
NFPD Accidents per million hours worked with and without lost time (FR1t indicator)	2.05	1.44	2.06	1.14	2.70	1.5	
NFPD Accidents per million hours worked with lost time (FR0t indicator) involving an employee or temporary worker	0.82	0.78	1.30	0.50	1.22	0.8	

* Excluding SAS activity.

Occupational safety results

The change in the frequency rate of work-related accidents is analyzed in order to measure the effectiveness of actions carried out in this area. To guarantee the same level of workplace safety for all employees, temporary workers are included in the same manner as FORVIA SE employees in the monitoring of these indicators.

Each accident is analyzed according to a problem-solving method called the "Eight Disciplines" (8D). The analyses, based on best problem-solving practices, enable the implementation of preventive actions distributed to all sites.

The Group measures workplace safety through three indicators:

- **FR0t**: number of work-related accidents involving a FORVIA SE employee or a temporary worker and resulting in lost time per million hours worked; this definition corresponds to the equivalent of the TF1 commonly used in France;
- **FR1t**: number of work-related accidents involving a FORVIA SE employee or a temporary worker and with or without a lost time per million hours worked; this definition corresponds to the equivalent of the TF1 commonly used in France;
- **FR2t**: number of first aid procedures performed following an incident per million hours worked.

Monitoring the FR2t enables FORVIA SE sites with few accidents, with or without lost time, to focus on prevention and the corresponding priorities.

First aid is monitored at all production plants. A problem-solving guide is provided to all production managers, which helps them to make progress in the appropriation of accident analyses and to increase their responsiveness.

In order to better identify priorities for action in terms of prevention, FORVIA SE also monitors **an accident severity indicator**. In 2023, it reached **21 days** lost due to temporary disability per million hours worked, an improvement of 40% compared to 2022.

Thanks to the actions launched through the CARE project and the strengthening of specific audits implemented from the second half of 2022, the FR0t accident rate was reduced by more than 35% for the FORVIA SE Scope and nearly -6% for the FORVIA scope.

At the same time, the FR1t accident rate was reduced by 21% between 2022 and 2023 for the FORVIA SE scope, while it increased by nearly 31% for the FORVIA scope. This increase is mainly explained by a change in reporting methodology on the Hella scope as part of the alignment with FORVIA SE's calculation methods.

OCCUPATIONAL ILLNESSES BY NATURE

	2022	2023	2022	2023	2023 vs 2022
	FORVIA SE*	FORVIA SE*	FORVIA*	FORVIA*	FORVIA SE*
Musculoskeletal disorders of the arms	159	182			0.3% of FORVIA SE's registered employees had an occupational illness in 2023. This ratio is identical to that of 2022. Musculoskeletal disorders of the arms accounted for more than 74% of the occupational illnesses recorded within FORVIA SE. The conditions for recognition of these different pathologies are governed by legislation in each country.
Musculoskeletal back disorders	33	29			
Exposure to asbestos	-	-			
Deafness or hearing impairments	-	3			
Other	39	32			
TOTAL	231	246			

4 Environmental and social performance

Social

WORK-LIFE BALANCE

FORVIA SE in 2023:

- 11,400 employees eligible for remote working.

COMPENSATION

Change in compensation and benefits in 2023

- For FORVIA SE, the total amount of compensation, payroll taxes included, paid for the entire Group was €3,898.4 million.
- For FORVIA, the total amount of compensation, payroll taxes included, paid for the entire Group was €5,785.8 million

Grant of free shares subject to performance conditions

FORVIA SE in 2023:

- 2,147,720 maximum shares granted to all beneficiaries (Chief Executive Officer, members of the Executive Committee and the Top 300 leaders belonging to the Group Leadership Committee (see Chapter 3)).

CASES, COMPLAINTS AND SERIOUS HUMAN RIGHTS IMPACTS

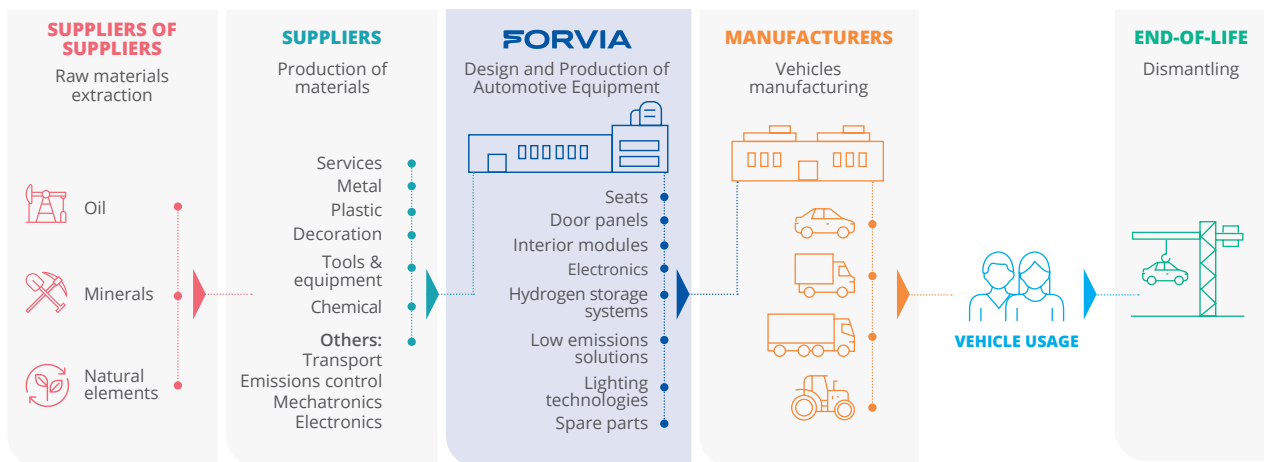
- Number of complaints filed through channels that allow company employees to raise concerns about discrimination: 57 cases.
- No serious human rights incidents related to company employees has been recorded during the reporting period.

4.3.2. Value chain



Within its supply chains, FORVIA SE also relies on risk analysis to prevent and eliminate violations of human and environmental rights, in particular via its partner EcoVadis, which enables the Group to assess its suppliers. FORVIA SE reserves the right to verify the compliance of its suppliers with the obligations imposed concerning these issues: supplier self-assessments, on-site visits and audits. In the event of violations, corrective measures are taken, and FORVIA SE may ultimately re-examine the business relationship.

4.3.2.1. FORVIA Value Chain



The responsible purchasing policy reflects FORVIA SE's commitment to respect the Universal Declaration of Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on the environment and development, as well as the United Nations Convention against Corruption. This policy is deployed by the Group Purchasing department. It includes the four fundamentals of the ISO 26000 international procurement standard: environmental protection, respect for human and labor rights, ethical business conduct and sharing of best practices in the Group's global supply chain.

Since 2013, FORVIA SE asks its suppliers to comply with its sustainable purchasing policy, and relies on its partner EcoVadis to assess the CSR performance of its direct suppliers.

In support of its convictions and its Code of Ethics, FORVIA SE has developed a Code of Conduct for sourcing and the supply chain. This describes the Group's expectations in its relations with its suppliers to promote responsible business practices from a social, environmental and economic point of view.

Inspired to care

NFPD % of direct purchasing volume assessed for CSR performance (representing around 2,000 direct suppliers)

NFPD Minimum EcoVadis score of the panel suppliers

	2019	2022	2023	Targets
	FORVIA SE	FORVIA SE	FORVIA	FORVIA 2025
NFPD % of direct purchasing volume assessed for CSR performance (representing around 2,000 direct suppliers)	80%	93%	84% ⁽¹⁾	85% ⁽²⁾
NFPD Minimum EcoVadis score of the panel suppliers	30/100	40/100	45/100	55/100

(1) FORVIA scope including the top 200 suppliers in the HELLA panel.

(2) FORVIA scope including all suppliers in the HELLA panel.

4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers


GRI 103-2, GRI 308-1, GRI 407-1, GRI 414-1

RISK MAPPING AND ASSESSMENT

All FORVIA SE suppliers that are aligned with the Group's convictions, and with which FORVIA SE has a long-term relationship, are subject to the supplier risk assessment process (1). These assessments are integrated into the purchasing process and systematically taken into account when contracts are awarded. They also feed into the supply chain risk mapping, which is then integrated into the Group risk mapping.

In 2022, FORVIA SE acquired a detection and alert tool open to its stakeholders, including its suppliers (see 4.3.2.4). It takes into account supplier assessment criteria (below), and additional criteria such as risks of natural disaster and geopolitical risks. This alert system offers several functionalities: visualize supply chain risks, monitor incidents, track geographical risk exposure, personalize alerts, mitigate risks and access analyzes and reports. It is also used to define action plans.

Detailed management of supplier risk is described in Section 2.1. In order to reduce these risks, FORVIA supports 100% of its tier-one suppliers in developing and reducing their risks, both industrial and financial, in particular by providing operational support to improve their performance in terms of production, quality, logistics and cost control:

- financial program: since 2017, FORVIA has set up a reverse factoring program for some of its suppliers, which allows them to access additional liquidity;
- buyer training: in 2023, more than 500 buyers took part in six online training courses on sustainable development, integrating human rights and fundamental rights;
- supplier training courses: in 2023, nearly 300 suppliers were invited to two online training sessions on sustainable development. This year, a special effort was made to raise awareness among HELLA suppliers;
- quality program: in connection with the Suppliers Development global network and the management teams of suppliers, FORVIA ensures a continuous reduction in incidents that can impact the final quality of the product;
- supplier disputes: FORVIA has an organization and processes in place to monitor and identify any supplier disputes through its global network of internal legal officers within the business entities. The main disputes that require the establishment of financial reserves are recorded by the Finance department and mentioned in Chapter 2. of this document. This information is audited by an external third party. At the same time, the Group has access through its internal screening platform, IndueD, to information concerning final sanctions and ongoing disputes, in particular those with suppliers;
- strategic partnerships: see Chapter 4.1 on relations and partnerships with stakeholders, as well as Chapter 0 "Leading the mobility revolution" on the strategic industrial partnerships set up by the Group.

(1) This process is described in the purchasing policy of FORVIA SE available on the website: <https://www.faurecia.com/sites/groupe/files/fournisseurs/Code%20of%20Conduct%20Sourcing%20and%20Supply%20Chain.pdf>

SUPPLIER ASSESSMENT

All FORVIA SE's buyers use quantitative criteria to which they add a qualitative assessment based on their own experience or view of the supplier. All these criteria enable the buyers to build a detailed action plan.

Two risk categories are taken into account:

- **internal risk factors** including risks to the financial health of our suppliers, risks related to their social responsibility, operational risks related to their performance as well as the risks of fire that may occur on their various sites;
- **external risk factors**, including risks of natural disasters, risks of political violence, political and social risks, social responsibility risks related to country of origin as well as risks related to changes in market prices.

Internal risk factors

- **Financial assessment:** the assessment, carried out by Standards & Poor's and Dun & Bradstreet, is based on the financial performance of the company in question (via general screening or more in-depth ad hoc studies); an alert process is set up for any major financial risk event. In addition to the classic financial assessment, FORVIA SE has added a financial stress test process that allows the financial health of a supplier to be projected based on stress scenarios.
- **Economic dependence assessment:** the assessment of the level of mutual dependence with suppliers makes it possible to weight the level of the action plan to be implemented.
- **Corporate Social Responsibility (CSR) assessment:** in partnership with EcoVadis, FORVIA SE assesses:
 - **ethical business practices:** assessment of the organization's ability to implement tangible actions to ensure data protection, fight corruption, fraud, anti-competitive practices and money laundering and avoid conflicts of interest;
 - **working conditions:** assessment of the organization's level of maturity in terms of employee health and safety, working conditions, labor relations, forced labor and child labor, discrimination and the respect for fundamental rights;
 - **the environment and sustainable procurement:** assessment of the formal policy, verification mechanisms and certifications obtained.

In 2023, FORVIA SE increased the minimum score required by its suppliers by five points, from 40 to 45, and will continue to increase it by five points per year to reach the target of 55/100 in 2025. In addition, since 2021, this minimum score is required for each of the three assessment pillars (and no longer on average).

As part of a continuous improvement approach, FORVIA SE regularly organizes training sessions for its suppliers, to help them improve their CSR performance and their EcoVadis score. This assistance is particularly targeted at suppliers

with a score below the minimum required. It is provided either individually, at the request of suppliers, or collectively, with support from our partner EcoVadis.

- **Operational risk assessment:** assessment of suppliers' operational performance.
- **Fire risk assessment:** in 2022, FORVIA SE developed a process for measuring the risk of fire in the most at-risk categories. This process was tested in 2023 on a sample of suppliers, with the prospect of being extended in 2024.

External risk factors

An alert system is built into the risk analysis tool enabling buyers to be alerted in the event of risks that could impact the supply chain.

In addition, discussions are underway at Group level to improve the prevention and response to the risk of cyberattacks by its suppliers.

Suppliers Council

Since 2020 and the start of the Covid-19 health crisis, FORVIA SE has had a Suppliers Council. Twice a year, it brings together representatives of 10 suppliers to share strategy, discuss the challenges of the future, changing markets and trends, as well as the carbon reduction policy. In 2021, in addition to discussions on strategy, the Council met to discuss three priority topics in terms of sustainable development: Power Purchase Agreements (PPAs), best practices in energy management to achieve CO₂ neutrality and, finally, alternative materials. In 2022 and 2023, the Council paid particular attention to best practices in energy management and control. At the end of 2023, the Council was extended to include HELLA partners.

SUPPLIER QUALIFICATION AND AUDIT



Supplier quality audits, which are a prerequisite for joining the FORVIA SE panel of "direct" suppliers are supplemented by a CSR assessment. Suppliers with an EcoVadis score above 62 are audited every three years. The others are audited annually. EcoVadis supports FORVIA SE in this CSR aspect.

Procedure for minerals from conflict zones

FORVIA SE pays particular attention to the origin of the minerals used in its products. The Group ensures that the minerals used do not fuel any conflicts and do not come from supply chains that do not meet its ethical criteria. Gold, tin, tantalum and tungsten are considered "conflict minerals" because they play a role in certain guerrilla groups in sub-Saharan Africa. Mica is also included in the procedure due to the human rights risks existing in this supply chain.

The procedure for minerals from conflict zones is managed by the Purchasing department, which systematically checks the use of materials that may be conflict minerals in its products.

Thanks to an international declaration platform, FORVIA SE is able to identify all the products containing these minerals (gold, tin, tantalum and tungsten) as well as the suppliers using them. FORVIA SE uses the Conflict Mineral Reporting Template (CMRT) questionnaire of the Responsible Minerals Initiative (RMI) for its annual supplier risk assessment campaign, and thus check the sources of supply validated by RMI. The Group also ensures that suppliers use channels approved by the automakers who are FORVIA SE customers. Otherwise, an action plan is requested from the supplier to change their supply source, going as far as exclusion from the panel if the latter does not modify its source of supply. FORVIA SE has not been faced with this situation up to now.

Responsible sourcing of leather

FORVIA SE takes care to use responsible sourcing, particularly for its leather-related activities for seat manufacturing. For this activity, the Group mainly works with around ten direct suppliers imposed and assessed by the manufacturer. These suppliers market byproducts of the food chain and are assessed via EcoVadis.

In addition, FORVIA SE is developing products to replace leather (see 4.2.7.2 Action: sustainable materials).

4.3.2.3. Sustainable supplier management

FORVIA's sustainable procurement roadmap has three objectives:

- 1.improve the monitoring accuracy and visibility of the environmental impact of FORVIA's purchases;
- 2.engage the supplier network on a robust and ambitious decarbonization trajectory aligned with the Group's objectives;
- 3.extend the sustainable approach to environmental and societal issues, in particular human rights.

Supply chain management is managed by the FORVIA Purchasing Department. Its responsibility is borne by the Vice President in charge of Group Purchasing, who reports to the Executive Vice President in charge of the seating Business Group and whose scope of responsibility has been extended to Group purchasing.

CSR ASSESSMENT OF SUPPLIERS

The CSR assessment of tier 1 suppliers is integrated into all stages of supplier relationship management.

Supplier referencing & qualification

The comprehensive assessment of risks, including the CSR assessment, is part of the entry process for suppliers to FORVIA's panel. This risk analysis, which includes the EcoVadis CSR assessment, determines the eligibility and the award of new projects.

Corrective action plans for at-risk suppliers

A discussion is organized with at-risk suppliers, who must then present an action plan. These corrective action plans are regularly monitored by commodities buyers until the risk is reduced to an acceptable level. Since 2021, they have also been reviewed monthly by the Commodities Director. If they are deemed insufficient, FORVIA may, as a last resort, delist a supplier.

Risk analysis of the materials used by suppliers

FORVIA takes part in the precise management of substances and systematically participates in the collection of data from the automotive sector, the International Material Data System (IMDS). This shared database for archiving, exchanging and managing materials helps prevent unauthorized use and facilitates the recycling and reuse of end-of-life vehicles and their components.

SUPPLIER SATISFACTION SURVEY

In order to assess the level of satisfaction of its relationship with its suppliers, FORVIA SE conducts an annual satisfaction survey. The index is established on a scale of one to four and measures supplier satisfaction in five areas: strategy, innovation, operational excellence, business ethics and decarbonization.

In 2023, the survey was conducted among ~1,700 direct suppliers of the FORVIA group representing two-thirds of the Group's direct industrial purchasing volume. The results of this survey show a satisfaction index of 2.99 compared to 2.97 in 2022 (survey conducted in January 2023 for 2022). More than two-thirds of suppliers surveyed report an improvement in relationships in 2023.

4.3.2.4. Towards CO₂ decarbonization in the supply chain

Suppliers with CO₂ targets in line with those of FORVIA SE are essential to reduce their CO₂ emissions by 45% for scope 3 (in absolute value) by 2030. Purchases represent 70% of controlled emissions in scope 3.

This cornerstone of the development of the supplier relationship is based on four pillars:

- supplier commitment to CO₂ targets;
- CO₂ impact assessment using a common IT platform;
- sharing of best practices and existing data on energy efficiency and CO₂ emissions in the plants;
- shared action plan to reduce the total CO₂ footprint.

FORVIA SE presented its climate commitment and strategy as well as the resulting purchasing approach to its suppliers during a webinar.

In 2023, FORVIA SE improved its carbon footprint measurement methodology for scope 3.1 through its CO₂ assessment consolidation tool, and has developed new tools to better collect supplier data and monitor the associated action plans.

FORVIA SE also continued to raise awareness among its suppliers on the need for a CO₂ commitment supported by Executive Management, and a gradual increase of their EcoVadis score. In 2023, the Group offered to make a financial contribution to 500 of its suppliers for their first participation in the CDP Supply Chain, an accelerator for climate issues. More than 300 suppliers responded positively to this invitation.

In addition, a particular focus was placed on the commodities with the highest emissions in order to collaborate with suppliers on measures to support this decarbonization trajectory.

Decarbonization and CSR are on the agenda of performance meetings with suppliers, and purchasing organizes regular innovation meetings with their suppliers to support the decarbonization of the Group's products.

4.3.2.5. Vigilance plan

The policies of FORVIA SE frame the Group's commitments and approach in terms of human rights, health and safety, climate and the environment (see 4.3.1.1. Human Rights Policy, Occupational Health and Safety Policy, and 4.2.1.1.)

This vigilance plan meets the regulatory obligations relating to the duty of care of parent and customer companies. It contains reasonable vigilance measures intended to prevent the risks of serious violations of human rights and fundamental freedoms, health, safety and the environment at FORVIA SE, as well as its suppliers and subcontractors.

VIGILANCE SYSTEM

As part of a continuous improvement approach, the vigilance plan is based on the mapping and identification of risks, and their prevention and monitoring, including the alert system.

Vigilance governance

FORVIA SE's commitment to human rights, fundamental freedoms, personal safety and the environment is supported at the highest level of the Group. The Executive Committee reviews the vigilance plan annually. Within the Executive Committee, the Committee in charge of sustainable transformation ensures quarterly monitoring.

The mapping of vigilance risks is included in the Group's risk mapping (see 2.2. Risk factors & Risk management).

Mapping of vigilance risks

FORVIA SE has set up a cross-functional working group on vigilance issues, made up of the purchasing, health, safety, environment, human resources, climate strategy and sustainable transformation, and Legal departments. The vigilance risks were identified and assessed on the basis of interviews, documentary analyzes and consultations.

VIGILANCE RISKS

Type of risk	Risks identified	Scope
Environment	<ul style="list-style-type: none"> Adaptation to climate change, including biodiversity 	Rank 0 (Internal)
Health and safety	<ul style="list-style-type: none"> Well-being at work 	Rank 0 (Internal)
Human rights	<ul style="list-style-type: none"> Discrimination Living wage Employee representation 	Rank 1 +

Regular assessments of the entities' situation

With regard to risk mapping, FORVIA SE regularly assesses the situation of its subsidiaries, subcontractors and suppliers with which it has a commercial relationship. The Group has a shared risk management tool, and integrates risk management into the qualification of subcontractors and suppliers.

Environment: biodiversity risk prevention and mitigation measures

In 2022, FORVIA SE joined Act4Nature and made concrete commitments for biodiversity, water, waste and the environment (see 4.2.6.3.).

Health & safety: measures for well-being at work

The action plan for well-being at work covers three major areas managed by the Group:

Physical health

It includes safety at work, a priority objective for all, monitored and managed by the HSE department and which is based on an adapted human organization.

Mental health

The Group relies on an alert system and health support in the field. The Group also conducts an annual performance review of all employees, and deploys its strong training capacity to manage the employability and work-life balance of its employees.

Societal commitment within the Company

Each year, the Group measures commitment through a survey sent to all employees, which aims to develop local action plans and listen to weak signals. FORVIA also offers a hybrid way of working for eligible employees. The FORVIA Foundation offers all employees the opportunity to take part in solidarity actions. Lastly, the Group encourages living well together by creating ties and conviviality in the life of the Company, and spaces for discussion.

To strengthen the scope of its action plan, the Group has developed several types of training within its in-house University, including:

- 14 MOOCs directly related to well-being at work and mental health that were made available to 25,000 employees by LearningLAB;
- a three-month coaching program was launched in June 2022 in cooperation with CoachHub, a provider of virtual coaching services. 96 people have participated since its launch.

Human rights: measures to prevent and mitigate risks

FORVIA SE has set up a process for assessing its suppliers with its partner EcoVadis, aimed at preventing and mitigating risks related to discrimination, a living wage and employee representation.

The purchasing vigilance plan consists of:

- prioritizing countries potentially at risk in terms of respect for human rights;
- identifying suppliers located in these at-risk countries;
- defining the criteria for selecting potentially at-risk suppliers;
- carrying out CSR assessments for the sites of suppliers identified as being at-risk;
- carrying out corrective action plans with suppliers identified as being at-risk.

Whistle-blowing systems

The whistle-blowing system set up by the Group aims to collect and process allegations of violations of regulations

and the Group's internal rules. This mechanism is accessible to all employees (including temporary employees, subcontractors, etc.), partners, suppliers, civil society: organizations, communities, etc. Confidential and free of charge, this system is equipped with measures to protect whistleblowers of any form of retaliation.

The Group ensures that these channels are available and that its stakeholders are aware of and have confidence in this system.

The existence of this system is communicated via various information channels. Employees are informed of the existence of this system through the Code of Ethics, internal communications and training courses. Suppliers are made aware through: the Supplier Code of Conduct, annual performance reviews with suppliers, the Group's annual satisfaction survey, supplier conferences, etc.

Employees are invited to contact their line manager, a human resources manager or a compliance manager.

Within the Group, the compliance team monitors and monitors the treatment of issues raised and addressed (see 4.4.1.2.).

4.3.3. Affected communities



4.3.3.1. Policies

For the Group, corporate citizenship is expressed at all levels:

1. through employee projects or partnerships with associations financially supported by the Foundation, which became the FORVIA Foundation in 2022;
2. through the Foundation's digital engagement platform, where each employee can take part in volunteer activities with local associations;
3. at industrial site level, through collective solidarity actions organized by the sites themselves.

4.3.3.2. Actions and assessment of their effectiveness

THE FORVIA FOUNDATION



Created in March 2020, the Faurecia Foundation became the FORVIA Foundation in 2022 and is therefore aimed at all employees worldwide including those of HELLA. It makes a positive contribution to society by supporting solidarity projects carried out by the Group's employees to promote education, mobility and the environment. Thanks to the expertise and collective energy of its employees, the FORVIA Foundation supports projects and associations in the countries where the Group operates. At the end

of 2023, it was estimated that more than 6,000 people in need had benefited from assistance through the Group's solidarity projects.

Projects led by employees

With more than 130 projects submitted by employees around the world, the FORVIA Foundation's 2022/2023 appeal for solidarity projects was a great success—mobilizing FORVIA employees for the fourth consecutive year.

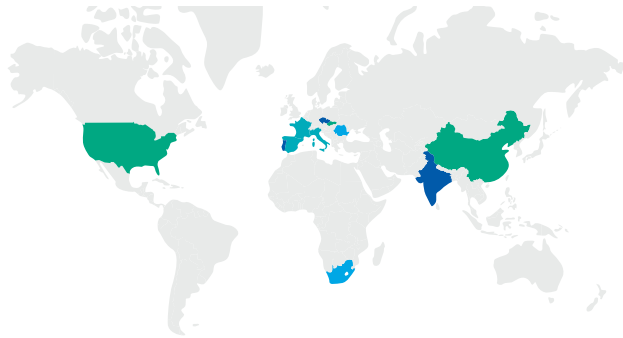
Within the Foundation's areas of intervention, 26 new projects were selected in 2023:

- 54% aim to advance education;
- 23% focus on environmental protection;
- 23% provide support to improve mobility.

The Foundation also continued to support five existing projects in the amount of €260,000 for 2023.

All these 2023 initiatives were rolled out by the Group's employees in partnership with non-profit organizations and were funded in the amount of €1,135,000 by the Foundation. They will benefit more than 2,000 people in 11 countries.

The FORVIA Foundation's new 2023/2024 campaign to appeal for solidarity projects was launched for the employees at the end of 2023. At the end of January 2024, the sites have shortlisted promising projects, currently being selected by the FORVIA Foundation's Board of Directors for a final selection in May 2024.



FORVIA Foundation

 **14** Education projects

 **6** Environmental projects

 **6** Mobility projects

80 children will play in their orphanage's **new eco-friendly playground**



60 students with **mental and physical disabilities** will be able to use their **new computer lab**

SLOVAKIA



SOUTH AFRICA



1 tunnel has been funded to facilitate the migration of frogs under road infrastructures in an area where their habitat is threatened by human activity

16 children benefit from the **renovation and equipment of educational materials** in their small rural preschool



35 young migrant minors can benefit from the expansion (boys) and creation (girls) of **dormitories within a center** for education and vocational training



FRANCE



95 children in institutions/hospitals benefit from **support in learning and connection** through physical and digital visits



100 young adults with disabilities benefit from a **new learning program** in their training center, thanks to the **funding** of a wildflower **garden** and a delivery **van**



150 children from Bragança schools will be **sensitized through reforestation actions** (2,000 indigenous trees), **riverbank cleanup**, and **preservation of wild pollinators** (5 green corridors)

PORTUGAL



100 disadvantaged students will develop new skills in the new **"trade school"** located in a high school



UNITED-STATES


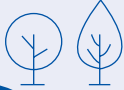


50 children are protected from street violence as volunteer teachers **safely take them home** after extracurricular activities, thanks to a **new minibus**




50 children with disabilities benefit from **the adaptation of their school** (elevator, extended bathrooms, and adapted furniture)

60 children with disabilities and their families enjoy **new activities** in summer camps





300 primary and secondary school students participate in **excursions to plant 12,500 trees** in a deforested local area

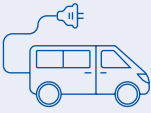
THE CZECH REPUBLIC




8 children with disabilities have been provided with **adapted bikes**




35 children with disabilities in a center can move thanks to a new **electric minibus**




SPAIN




50 children with cancer receive **educational and emotional support** in their primary schools



Children from **5** rural primary schools improve their reading and writing skills with **newly arranged reading corners and donated books**




CHINA

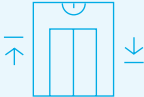


700 students from rural areas migrating to big cities benefit from digital inclusion **support with the creation of computer rooms** equipped with recycled "Green IT" equipment and the renewal of 2 existing IT classrooms


10 autistic children develop **computer skills to take advantage of opportunities** in the field of information technology




46 children with disabilities use the **new elevator** in their day center




ROMANIA




87 children benefit from a **computer lab with new equipment** adapted to their specific needs in their rural school




150 children from a rural area benefit from the **installation of solar panels in their boarding school**, now energy-independent




300 people with disabilities and coming from low economic backgrounds will receive **wheelchairs** designed and manufactured by **HELLA**




INDIA



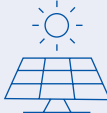
700 children from 20 isolated villages will enjoy, for one year, a **mobile library arranged in an electric truck** and receive a **book as a gift**



2,000 indigenous trees will be planted to create an urban forest



1,000 villagers will benefit from a **new 100 kW solar farm**



ITALY



Societal action partnerships

In addition to inspiring projects led by the employees, the FORVIA Foundation has forged eight partnerships with external players in order to strengthen its impact. In total, in 2023, funding of €1,410,000 was dedicated to these associations recognized for their societal action.

In 2023, in line with its strategy of sustainable transformation and more specifically carbon neutrality, the FORVIA Foundation forged two major partnerships for the protection of the oceans with the Maud Fontenoy Foundation and the Plastic Odyssey Foundation. With these two new partners, the FORVIA Foundation wants to raise awareness among its stakeholders about protecting the oceans, which are the planet's main reservoir of biodiversity. Their preservation and restoration is therefore a key focus in the fight against climate change.

These two new partnerships will encourage the education of young people in the protection of marine biodiversity, better knowledge of the challenges of plastic pollution in the oceans, and in the long term, the development of ever more environmentally-friendly industrial applications.

Education of young people to protect marine biodiversity with the Maud Fontenoy Foundation

Thanks to the partnership with FORVIA, the foundation can strengthen its initiatives to educate future generations about the importance of preserving marine ecosystems. This support includes more than 150 sea school programs for disadvantaged children.

In November 2023, the Maud Fontenoy Foundation and FORVIA set up the Climate and Biodiversity Awards. The objective of this initiative is to support student researchers focused on the research and development of solutions for and by the Ocean. The winners of the first edition of these trophies will be announced in June 2024.

Knowledge of the challenges of plastic pollution in the oceans and more responsible use of plastic resources with the Plastic Odyssey Foundation.

Plastic Odyssey's mission is to combat plastic pollution by promoting the circular economy through various initiatives. These initiatives include education on plastic pollution along the coasts, which accounts for more than 75% of ocean waste, awareness of recycling through professional communities, and the development of entrepreneurship in plastic waste recovery and transformation. Thanks to its partnership with the FORVIA Foundation, Plastic Odyssey can accelerate its activities while benefiting from FORVIA's technological and scientific expertise to optimize the quality of materials recycled from plastic waste. By exploring new paths, it will be possible to optimize manufacturing processes that will promote an increasingly sustainable use of plastic waste by giving it a second life.

Emergency aid related to the Covid-19 crisis, with the Fondation de France

As the pandemic had caused significant disruptions in financial, social and emotional terms, the FORVIA Foundation decided to help hard-hit populations by creating a partnership in 2020 with the *Fondation de France*, which is the leading philanthropic network in France. For the past three years, the partnership has been evolving according to emerging needs:

- **support for the French healthcare system in 2020:** the Foundation committed alongside the *Fondation de France* by contributing to the "All United Against the Coronavirus" alliance to support healthcare workers, research and those working with the most vulnerable populations;
- **support for French students in 2021:** the FORVIA Foundation contributed to the emergency aid given by the *Fondation de France* to support French students disadvantaged by the crisis—food, basic necessities, psychological help and long-term educational support;
- **support for vulnerable populations post-pandemic in 2022:** the partnership focused on post-pandemic issues, such as mental health support for young people and suicide prevention, daycare for children from families in difficulty in order to promote a return to employment, emergency shelters for women victims of violence and their children and, lastly, the financing of scholarships for young adults without family support;
- **support for vulnerable populations post-pandemic in 2023:** this year, the partnership continued on post-pandemic issues such as:
 - the financing of scholarships for young adults without family support,
 - funding for the youth mental health program with support for the development of an Escape Game on self-esteem for adolescents and their parents, the implementation of Virtual Reality Therapies for young people in the Addictology department at a Hospital Center and the implementation of a prevention program and access to mental healthcare for adolescents and young adults in 10 rural areas in eastern France,
 - funding for the Child and Family program to continue a mother-child daycare in a secure space in Orléans and the creation of a toy library for children in a social hotel in the Île-de-France region.

Support for young digital workers with the Simplon Foundation

The Simplon Foundation is a French organization whose mission is to accelerate the digital inclusion of vulnerable groups and support socio-professional integration into digital professions. Since 2021, the FORVIA Foundation has funded the program "Bac(k) on track", an intensive learning program for people with few or no qualifications that prepares them before they resume their qualifying studies, as well as emergency scholarships for the most vulnerable students. The Foundation's support benefited around one hundred students in 2023.

Refurbishment of medical equipment and social inclusion with *Envie Autonomie*

Envie Autonomie is a French association that applies the principles of the circular economy to provide a solidarity-based offer of reusable medical equipment that has been reconditioned. This innovative approach makes it possible to reduce the environmental impact of the production of medical equipment, and to increase the financial accessibility of these technical aids for people in need while promoting the professional integration of people who are excluded from the employment market. Since 2021, the FORVIA Foundation has supported the launch of two new operating sites in France.

Mobile school for street children, with *Mobile School*

Mobile School is an international NGO whose mission is to provide an educational and social connection for street children. Since 2021, the FORVIA Foundation has provided financial support to four mobile schools that organize regular visits to disadvantaged neighborhoods in Mexico, Romania and Poland. These sessions, run by volunteers, help to create a local social and health link (education, prevention of drug-use and prostitution, etc.) with street children.

In 2023, the Foundation supported the opening of a new mobile school in South Africa.

Preservation of biodiversity and ecosystems with *NOÉ*

NOÉ is a French association that works for the protection of endangered species, the management of protected areas and the restoration of biodiversity and natural environments in France and abroad.

Since 2022, the FORVIA Foundation has supported the *les prairies de NOÉ* program dedicated to the protection of wild pollinators in France. With the help of *NOÉ*, in 2023, the Foundation developed a wild pollinator restoration project on two FORVIA pilot sites in France: its production plant in Caligny and its registered office in Nanterre. The project focuses on the rehabilitation of natural spaces, change in green space management practices, and employee awareness. In 2024, this project will be developed at a third site in Germany.

Combining culture and inclusion with the *Théâtre des Amandiers de Nanterre*

In 2022, the Foundation supported the *Théâtre Nanterre-Amandiers* located near the Group's registered office. As a national drama center, the mission of the *Théâtre Nanterre-Amandiers* is to support creations by young people that will be the theater of tomorrow. The Foundation contributes to the *La Belle Troupe des Amandiers* program, a two-year training course in acting for twelve young artists. During this training program, the apprentice actors perform their own creations across the Nanterre area and the Île-de-France region to reach the widest and most dispersed audience possible in order to make culture accessible to all.

Exceptional support in the context of the earthquake in Morocco

In September 2023, the FORVIA Foundation decided to provide exceptional support to populations affected by the earthquake in Morocco. It donated €50,000 to the "Morocco solidarity" campaign led by the *Fondation de France*, which was working on the ground alongside local partner associations. The objective of this donation is to support long-term reconstruction by helping local populations to restore access to water, infrastructure and food supply or to rebuild houses and schools in the isolated High Atlas region. The first emergency actions were to buy tents and provide psychological support to the victims. An internal call for donations was also launched to support this solidarity initiative. This fundraising campaign raised nearly €1,500 in donations from employees, which the Foundation matched donation for donation, adding an additional €1,500 to the "Ukraine emergency" budget.

COMMITMENT OF LOCAL SITES

FORVIA encourages solidarity initiatives at all its sites by facilitating the solidarity and local involvement of its employees, and by making its expertise available to the regions where the Group operates. Each site is invited to design its own local and annual societal action plan. Employees make a significant contribution to local communities through local solidarity actions, which can take the form of programs, events or fundraising campaigns.

FUELS initiative to fight hunger

For example, the "FORVIA Unites with Employees for Local Services" (FUELS) initiative was created in 2010 by the North American employees to fight hunger. It has gradually spread to a greater number of causes and countries. Among all the actions carried out in 2023, the teams in the United States, Mexico and Canada were encouraged to perform two hours of community service during the FUELS campaign renamed "Solidarity Days". 150 activities were organized and more than 3,000 volunteer employees took part in this campaign.

Together, they volunteered more than 12,000 hours, planting trees, cleaning parks and rivers, setting up reading corners in schools, working in food banks, collecting plastics for recycling and writing letters to isolated seniors.

In Germany, 40 employees took part in a volunteer day with the Augsburg Water Rescue Service to install lifebuoys and collect waste at various bathing sites in Augsburg.

In Japan, employees of the Koriyama plant took part in the clean-up activities of the lake next to the site during the Inawashiro Lake Clean Action 2023.

Lastly, in China, more than 27 sites organized a “volunteer month” in November. Employees mobilized for fundraising, blood donation campaigns, and a solidarity walk “Backpack-on-the-Go” to donate 1,100 backpacks to children in need.

SOLIDARITY ENGAGEMENT PLATFORM

To increase its societal impact and facilitate the commitment of employees in actions for the benefit of local communities, the FORVIA Foundation has rolled out its digital volunteering platform, the FORVIA Solidarity Hub. Throughout the year, this centralizes and promotes solidarity actions. The platform also offers employees volunteer assignments with non-profit associations on their personal time. This digital platform bridges the gap between the employees’ desire to act and the volunteer assignments offered by local associations. Launched in 2021 in the United States, Mexico and France, it was rolled out to all sites where the Group operates.

In 2023, the platform recorded nearly 3,500 participations in solidarity actions worldwide and hosted several major initiatives such as:

- the FORVIA Foundation's annual appeal for projects;
- the “solidarity days” solidarity action campaign in North America, for which employees were able to register for the various missions offered on their respective sites;
- the campaigns appealing for donations launched among employees for the “earthquake emergency in Morocco” for the *Fondation de France* and “the earthquake emergencies in Turkey and Syria” for the non-governmental organization *Médecins du Monde*.

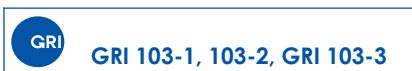
4.3.3.3. Metrics and targets

TARGETS

<i>Inspired to care</i>	2019	2022	2023	Target
	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA SE 2030
Percentage of employees involved in local societal actions	10%	15%	15%	20%

4.3.4. Consumers and end users

4.3.4.1. Policies



The product safety approach is the result of the zero defect quality policy and is part of the Total Customer Satisfaction (TCS) strategy. It aims to:

1. ensure the intrinsic safety of products and systems, thanks to their materials, their design, and the quality of their production processes with regard to criteria such as emissions of volatile organic compounds, mechanical resistance, etc.;
2. design products ensuring the active and passive safety of drivers and passengers.

FORVIA SE is committed to ensuring that all its products are irreproachable in terms of quality and safety, which are essential criteria for customer satisfaction. FORVIA SE's safety approach applies to its entire value chain: sourcing of components from suppliers, development, production, monitoring customer satisfaction and, where applicable, product recalls.

The information is processed and centralized at Group level, which makes it possible to capitalize on the errors made and to anticipate the issues raised.

4.3.4.2. Consideration of consumer and end-user perspectives

FORVIA SE is also committed to designing the safest products based on independent assessments conducted on the safety of drivers and passengers, in particular those conducted as part of the international New Car Assessment Program (NPAC). The tests carried out cover safety criteria such as the avoidance of accidents and the consequences of the various types of impacts. Finally, FORVIA SE is committed to implementing its quality and safety approach to meet the requirements and qualifications defined by the equipment manufacturers and which go beyond the regulatory framework.

FORVIA SE has introduced mandatory quality and safety rules in its processes. 14 fundamental criteria including essential criteria, preventive criteria and continuous improvement criteria governing quality and safety. They are rolled out by process and are managed within the FORVIA Excellence System (see 4.2.1.4. FORVIA Excellence System). In 2023, the Group continued to focus on customer satisfaction. FORVIA SE has thus strengthened its quality and safety approach by centralizing customer feedback at Group level and by developing a tool providing a global view of their satisfaction (see 4.3.4.4. Actions and assessment of their effectiveness – Product safety culture).

The Group manages quality in accordance with the strictest requirements of the automotive industry through certifications:

- **IATF 16949 – Quality Management:** this international standard defines the quality requirements of the automotive sector: continuous improvement, defect prevention, reduction of non-compliance and waste in the supply chain, etc. 100% of FORVIA plants are certified;
- **ISO 26262 – Functional and data security:** the Group has launched a pilot project to certify its electronic parts for some of its European customers;
- **TISAX Trusted Information Security Assessment eXchange:** this certification dedicated to the automotive industry defines the quality requirements on information security, physical, digital and management systems based on the ISO standard 27001. The Group has certified programs for some of its customers.

4.3.4.3. Remediation of adverse impacts and listening channels

ALERT AND PROBLEM RESOLUTION SYSTEM

The quality and safety alert system enables any employee to report a non-conformity. This generates a corrective action plan that may go as far as calling into question the specifications. Revised and strengthened in 2023, the Group's whistle-blowing procedure now includes more stringent environmental criteria as well as new security and cybersecurity criteria. It is being rolled out across the entire FORVIA SE Scope.

Recognized methods of problem-solving and continuous improvement, stemming from FORVIA SE's culture of lean manufacturing are used for safety issues among other aspects. Depending on the methods used, the various levels of the company concerned participate in the analysis of the problem, its root causes, corrective actions, associated management actions, etc.

4.3.4.4. Actions and assessment of their effectiveness

PRODUCT SAFETY CULTURE

Safety is a central component of the Total Customer Satisfaction strategy.

The Total Customer Satisfaction strategy (TCS)

The Total Customer Satisfaction Strategy (TCS) enhances and affirms FORVIA SE's competitive advantage in terms of quality and customer loyalty. Product safety occupies a central place in this strategy, which is deployed by the Group on all its sites through quality agreements and the sharing of the vision in all regions, while integrating local needs.

Following the acquisition of HELLA in 2022, the Group's quality teams are working closely together to share best practices and harmonize the processes of each entity.

To guarantee quality performance and thus improve the customer experience from the innovation phase to the after-sales guarantee, FORVIA SE focuses on four pillars:

1. program quality: ensuring quality from the innovation phase to mass production by designing products and processes that meet customer expectations;
2. launch quality: to start mass production with quality standards while meeting customer expectations;
3. operations quality: checking the absence of defects within internal operations and with our suppliers;
4. customer experience quality: aiming for benchmark performance and quality customer service.

Customer satisfaction index

The customer satisfaction index is used by FORVIA SE to assess its performance with regard to its customers. It combines relevant key performance indicators and customer perception:

- **performance:** main indicator for customers based on the number of incidents and customer complaints;
- **perception:** indicator based on a survey sent to all of the Group's customers, which includes a score from zero to five stars, zero being the lowest rating, five the highest.

Digitization for the customer experience

In 2023, FORVIA SE developed a tool for reporting end-to-end quality specifically designed to meet the requirements of its main customers. This tool provides a comprehensive overview of their level of satisfaction at each point of contact throughout the customer journey: from the acquisition phase, through the program phase to mass production.

In addition to this tool, various indicators related to the customer experience, such as external complaints, costs related to quality defects and alerts issued by the Alert Management System (AMS), are centralized at Group level. These indicators are monitored using a dashboard. In this way, the quality team can quickly deal with problems reported by customers, identify defective products internally, and monitor the performance of each Business Group by site month after month.

This automated feedback enables effective decision-making and the implementation of action plans without delay.

Anticipating potential problems

The Group's quality culture is characterized by its proactive approach and its desire for continuous improvement. The update of the 14 Quality Fundamentals of the FORVIA Excellence System in line with HELLA, makes it possible to put this "Built-In Quality" culture back to the center. The problem-solving tools were updated in 2023 to better cover process issues and product quality issues across our entire fulfillment chain (from innovation to warranty).

In particular, the Group uses a dedicated on-site problem-solving method, called "Eight Disciplines", to effectively solve problems, learn from them and prevent them from recurring.

This year, FORVIA SE launched an internal competition to mobilize around this method. During this event, several teams were assessed on the application of the problem-solving method. All are from one of FORVIA SE's Business Groups or cross-functional functions (e.g. IT).

Ensuring compliance with standards

Compliance with standards is a foundation of FORVIA SE's integrated quality culture. Employees are invited to take into account the applicable standards when creating products and services. Any problems or discrepancies identified must be verified for proper application of the standards in force. Any anomaly must be reported in the Group alert tool, Alert Management System (AMS).

Training and awareness

Upon joining FORVIA SE, all employees are required to undergo training in work standards, including product safety.

The FORVIA University Quality Academy, deployed at all Group sites, ensures that all employees are aware of and apply quality and safety rules. FORVIA SE enhances its quality academy offering each year. It offers a catalog of multi-format training courses on quality and safety: face-to-face training, MOOCs and e-learning, quizzes and Q&As, etc. The Group has also displayed posters and banners at its sites reaffirming the essentials of quality and safety. Each year, the Group runs a one-week communication campaign dedicated to quality and thus shares key information and best practices from its sites around the world. In 2023, the Group focused its communication on its problem-solving methods.

SAFETY MANAGEMENT



FORVIA SE integrates end-user security into its processes throughout its value chain. Safety is thus integrated into the management tool for the organization of production and operations: the FORVIA Excellence System (FES) (see 4.2.1.4. Forvia Excellence System). This notably includes the automotive industry quality and safety standard: IATF 16949.

Safety system

The Group relies on its Safety and Regulation (S&R) system, which plays an essential role in product safety and the protection of vehicle users. The quality milestones set for the production and product development stages make it possible to monitor, trace and verify the criteria set throughout the value chain.

Safety regulations and criteria

The Group ensures that its products comply with local regulations. These cover, depending on the country: mandatory equipment or qualifications, performance tests or impact tests. Regulatory compliance is validated, depending on local legislation, either by self-certification or by the certification of accreditation laboratories.

In some countries, voluntary commitment agreements, additional to the regulations, are signed at the national level between the countries and the automotive industry.

FORVIA SE also wants to play a leading role in safety in the automotive sector. In particular, the Group is committed to combating counterfeiting, a safety and health risk factor for consumers, and to continually improving product safety with regard to changes in mobility.

Safety of components and materials

Safety is a key criterion in the choice of suppliers, components and materials. FORVIA SE shares its goal of zero defects with its suppliers through its Supplier Quality Requirements described in Section 4.3.2. For each part, FORVIA SE defines the qualifications of the components and materials with regard to safety. The Group relies on existing qualifications or supports the qualification of new materials. FORVIA SE then ensures the safety of the samples and audits the development processes at the suppliers' sites to ensure the compliance of future parts. In the event of an incident, FORVIA SE carries out a root cause analysis at the supplier's premises. The Group works in partnership with its suppliers and promotes support and the establishment of corrective plans in the event of non-conformities. Nevertheless, FORVIA SE may be required to dismiss a supplier that does not comply with its safety requirements.

Safety built into design

As the transformation of components and materials has an impact on the safety of the product and end-users, each part is subject to safety design rules. The teams define the safety qualifications of products and their implementation throughout the product design process. The safety criteria are thus translated operationally by tool, by procedure, by production line and by plant.

During the launch of any new product, FORVIA SE conducts a preventive analysis of failure modes and their effects (Design/Process Failure Mode and Effects Analysis, D/P FMEA). In a continuous improvement approach, this method analyzes the total safety of the product through the design and the process, from the project phase to the delivery of products. FORVIA SE completed the deployment of this method in 2022. The Group thus meets the requirements of its customers and has already seen the benefits.

The safety qualifications validated by FORVIA SE enable the Group to capitalize on its know-how to innovate quickly and safely.

Hydrogen presents specific risks for the automotive industry. The Group, therefore, closely monitors hydrogen tanks using more than 120 control points and checks. These cover both product design and manufacturing processes.

Safety checks during production

Production includes the safety qualifications specifically intended for each part during the design phase. The production procedures thus include sections dedicated to safety.

Systematic control points punctuate production. Each operator checks the correct application of the safety criteria on his or her workstation, upon receipt and transmission of the product. Each team, at the start of its shift, checks the safety qualifications of products, procedures and workstations. Finally, product safety qualifications are checked at the end of the production line, before the product is released.

FORVIA SE also carries out regular checks and tests on the total compliance of products or complete systems with regard to safety. The Group pays particular attention to products that contribute to the active or passive safety of drivers and passengers.

Product cybersecurity

New regulations and standards such as UNECE R-155 and ISO/SAE 21434 require vehicles and their electronic control units to be secured against malicious attacks by hackers. In agreement with the automotive manufacturers, HELLA implements strict cybersecurity controls. Affected products include smart car access systems, electronic power steering units, radar sensors and battery management systems. These practices will be adopted by Clarion on a pilot basis, then by FORVIA SE.

Audit and continuous improvement

Site assessments



Under the direction of the Group Risk Committee, the organization ensures strict compliance with the automotive quality standard IATF 16949.

Several levels of assessment and audit make it possible to assess the level of compliance of FORVIA SE sites in terms of quality and safety:

- **self-assessments** carried out by the plant quality teams, at least monthly, at the level of each plant and production line;
- **standardized annual Internal Audits** for each site, covering all product manufacturing processes. FORVIA SE also carries out Internal Audits of its programs deemed to be at risk;

- **standardized annual external audits**, carried out on a sample of target plants and sites by process in partnership with a certifying body.

At-risk sites rate

FORVIA SE identifies potentially at-risk sites based on 16 criteria that assess site maturity, human resources management, number of programs managed, sales and customer satisfaction. Actions to mitigate risks are defined and monitored continuously.

Traceability

FORVIA SE ensures the traceability of each of its products and systems. The safety compliance of each part produced is traced digitally at each control point, with regard to the products and production procedures. Successive recordings, from the supplier to the customer, make it possible to associate each batch with production events, and each event with several batches. This cross-traceability of products and events enables FORVIA SE to analyze any problem with precision and anticipate recall campaigns, if necessary.

Sharing of expertise on product safety

Blockchain

Beyond its own scope, FORVIA SE wishes to participate in developing the blockchain of the automotive sector. FORVIA SE relies on the European electronic compliance certificate requirement ⁽¹⁾ and the desire to fight against fraud and counterfeiting to emphasize the importance of such sectoral traceability. FORVIA SE is already working with several suppliers and customers on a blockchain system. The Group presents this project to its partners as well as to sectoral bodies, such as the Federation of Vehicle Equipment Industries – FIEV, or European bodies.

In addition to product safety, the blockchain will measure the environmental and carbon impact of products throughout the value chain.

Research for safety tests

FORVIA SE contributes to safety assessment research. In particular, the Group is working to assess new types of dummies to further enhance the safety of vehicles and people. FORVIA SE uses innovative virtual dummies and human body models to identify and prevent specific types of injuries.

Air quality

FORVIA SE also participates in working groups on Vehicle Interior Air Quality at the United Nations, in collaboration with representatives of the manufacturers. The aim is to monitor the health of people on-board and improve the automotive industry's knowledge in measurement methodologies and the impact of products present inside vehicles.

(1) Regulation (EU) 2018/858 of the European Parliament and of the Council of May 30, 2018.

Innovation



FORVIA's technologies play a vital role in a safer driving environment. To reinforce public trust in automated and autonomous driving methods, the Group is developing cutting-edge solutions that guarantee occupant safety: sensors, intelligent lighting and innovative by-wire vehicle controls.

Innovating through new active safety management systems

In order to create an ever smarter and safer driving environment, FORVIA SE is developing a range of detection technologies to obtain a 360° view of a constantly changing environment, by effectively combining remote and near-vehicle detection. These technologies aim to protect everyone in and around the vehicle:

- hypovigilance control solutions (Driver Monitoring Systems), which monitor the driver's alertness and state of vigilance;
- occupant detection systems in the passenger compartment (Occupant Monitoring Systems) capable of detecting improper positioning of occupants putting them at risk or of alerting to the presence of living beings remaining in the passenger compartment when the vehicle is locked;
- electronic rear-view mirrors, known as e-mirrors, reduce cognitive load and enhance driver safety and comfort while improving visual perception;
- a panoramic vision thanks to the fusion of the data provided by the various sensors and cameras integrated in the vehicle to offer a global view of its environment.

In addition, FORVIA SE has a proactive approach to develop new technological applications for passenger safety and comfort through an ecosystem of open innovation and partnerships:

- FORVIA SE has formed a partnership with the German automotive supplier ZF to develop new active safety management systems, with a view to increasing vehicle automation. The connected seat cover Active Wellness Express™, for example, detects a state of fatigue or stress and applies countermeasures for greater safety, comfort and well-being at the wheel;
- FORVIA SE also collaborates with HumanFab, a partner with solid anatomical and physiological knowledge. The identification of specific fatigue markers linked to long journeys will make it possible to offer relief through comfort and well-being (seat massage, heating or cooling systems).

Anticipating the passive safety of autonomous vehicles

Autonomous driving will broaden the field of uses within the vehicle interior. As seats may no longer be fixed facing forward and upright, new solutions for seatbelts and air bags will be needed. FORVIA SE is working on adapting and developing safety systems that enable passengers to continue to travel in complete safety whatever the seat position, and whether driving to work or for pleasure.

In addition, FORVIA's vision systems, both inside and outside the vehicle, make it possible to see, assess and apprehend risks to help drivers and the automated driving functions make the right decisions.

4.3.4.5. Metrics and targets

TARGETS

FORVIA SE:

- reduction of customer complaints;
- customer satisfaction index: **perception** (customer survey and five-star score) target set at 4.5 for 2023.

CUSTOMER SATISFACTION INDEX

FORVIA SE:

- **performance** (customer complaints): in 2023, **complaints recorded has been reduced by 14% vs 2022**, considering the increase in sales;
- **perception** (customer survey and five-star score): in 2023, **the score is 4.7/5** vs a target set at 4.5. In 2023, the various surveys received 2,900 responses, an increase of more than 20% in the number of responses compared to 2022.

This customer-focused performance is constantly improving, in line with the goal set by the Group.

PRODUCT RECALL

In 2023, FORVIA SE recorded no significant product recalls.

4.4. Governance

4.4.1. Business conduct

4.4.1.1. Governance

THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Board of Directors oversees the corruption prevention and detection system. It is also responsible for monitoring the effectiveness of the internal control and risk management systems.

For several years, the Group has had a Governance, Nominations and Sustainability Committee, one of whose missions is to review the ethics and compliance policy with regard to best governance practices (see Chapter 3).

4.4.1.2. Management of impacts, risks and opportunities

PROCESS FOR IDENTIFYING IMPACTS, RISKS AND OPPORTUNITIES

In 2020, in the context of the Sapin II law in particular, the risk of corruption mapping was updated based on interviews and questionnaires sent to people exposed to the identified corruption risks. In 2021 and 2022, new compliance indicators (monitoring in particular of accounting data concerning donations, sponsorship, payment of commissions as well as cases reported in the Speak Up tool) were created and collected to update it. This mapping will be overhauled in 2024, notably to include the compliance indicators updated in 2023. These various figures made it possible to draw up remediation plans adapted to the level of residual risk.

The identification of these risks is integrated into FORVIA's overall risk mapping process (see Chapter 2).

The Compliance department works closely with legal experts on antitrust issues and with the control functions, whether permanent or periodic, in order to ensure effective control of the risks identified.

CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES



With a global presence and more than 153,000 employees in 2023, FORVIA is convinced of the importance of promoting a culture of integrity, safety and vigilance wherever the Group operates.

A member of the United Nations Global Compact since 2004, FORVIA is committed to respecting and promoting the international conventions of the International Labor Organization (ILO) on human rights, labor standards and the environment in its business practices.

FORVIA SE's Code of Ethics contains all of its rules and principles, which must be understood and respected in all countries, by all employees and partners, in each line of business.

FORVIA is therefore committed to:

- remaining vigilant and complying with the highest ethical standards: this is an essential part of the corporate culture, anchored in FORVIA SE's convictions and values;
- guaranteeing a safe working environment for all staff working on its sites (see Section 4.3.1), whether they are employees or external parties;
- building a responsible supply chain (see Section 4.3.2) through solid and lasting relationships with suppliers whose ethical and social values and environmental priorities are aligned with our own;
- developing products and services of irreproachable quality and safety and technologies for an ever safer and smarter driving environment (see Section 4.3.4).

This year, FORVIA SE and HELLA continued to align their management systems with a common FORVIA approach, taking into account, among other things, the French anti-corruption regulation (Sapin II) and the guidelines of the French Anti-Corruption Agency.

Ethics and compliance culture

FORVIA SE's ethics and compliance program helps to build a strong culture of integrity. It includes policies and procedures that are the subject of training and communication campaigns.

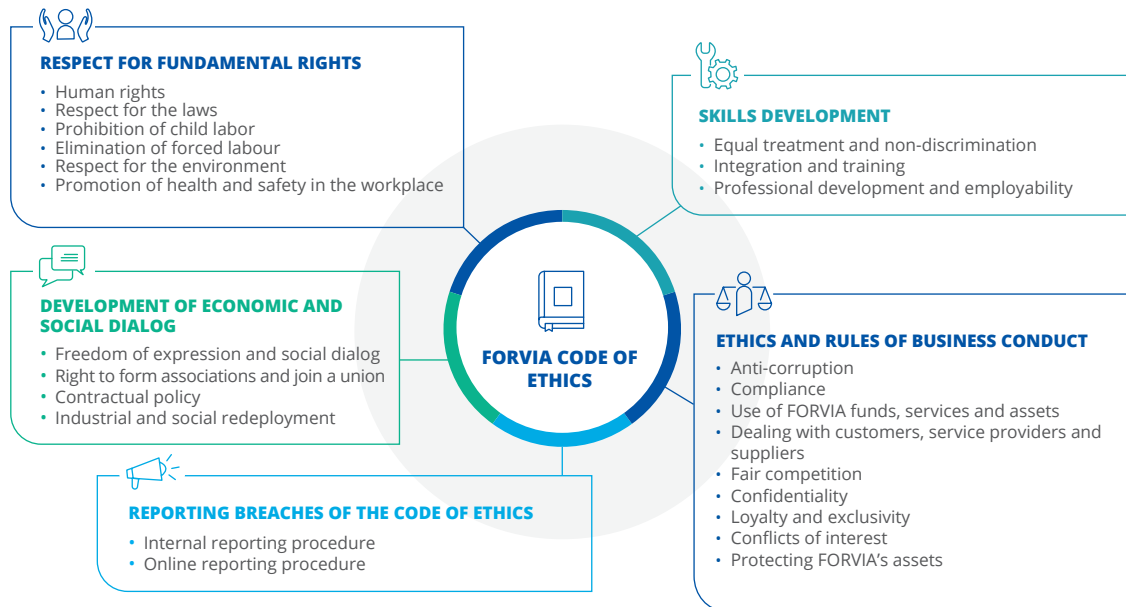
Code of Ethics

Created in 2005 and revised several times, FORVIA SE's Code of Ethics ⁽¹⁾ encompasses respect for human rights and fundamental labor rights, economic and social dialog, respect for the environment, ethics and rules of conduct – in particular those related to the prevention and detection of corruption.

(1) The Code of Ethics is available at: <https://www.faurecia.com/developpement-durable/documents-associés>.

It includes updates to FORVIA SE's compliance systems and tools resulting from the requirements of the Sapin II law. The Code is intended to strengthen the Group's ethical culture. The FORVIA SE Management Code and the other systems, such as the Anti-Corruption Code of Conduct and the Best

Practices Guide in the fight against anti-competitive practices, translate many of the principles set out in the Code of Ethics into operational requirements (see also Chapter 2 of this document).



Whistle-blowing procedure

In accordance with the Sapin II law and the law on the duty of care (see Section 4.3.2.5), FORVIA SE has set up an alert system to manage allegations of violations of regulations and the Group's internal rules. Thus, employees (including temporary employees, subcontractors, etc.), partners, suppliers, and civil society (NGOs), civil society organizations and local communities have access to the reporting system described in the Code of Ethics.

Internally, employees are invited to contact their line manager, the human resources manager or a compliance manager (including the Compliance Leaders identified within each division), orally or in writing.

The other method of reporting, accessible internally and externally to all stakeholders, is a dedicated whistle-blowing hotline—Speak Up, accessible via an internet link (<http://faurecia.ethicspoint.com>). Depending on the nature and importance of the events reported, additional investigations may be launched, an inquiry may be set up or an Internal Audit decided upon.

The identity of any person using the hotline, as well as all the details enabling them to be identified, are protected and kept confidential by the persons responsible for them within FORVIA SE. These people are specially trained to receive and investigate this type of alert. Alerts can be entered into the tool in the desired language by the whistle-blower. Upon receipt of this request, the investigation procedure is initiated in order to deal with it in accordance with the applicable internal and local rules. At

the end of the investigation, corrective actions can be taken. The Compliance department (see Section 2) monitors the implementation of these actions and periodically reports on the trends identified.

This entire system is the subject of regular communications, notably in 2023 through a communication campaign at the time of the International Anti-Corruption Day, launched among all Group employees, in order to strengthen the culture of compliance. The Group has also communicated internally on the Group's core values, one of which is RESPECT, which refers to compliance.

MANAGEMENT OF SUPPLIER RELATIONS

To assess the level of satisfaction of the relationship between FORVIA SE and its suppliers, the Group conducts an annual satisfaction survey. The index is established on a scale of one to four and measures supplier satisfaction in five areas: strategy, innovation, operational excellence, business ethics and decarbonization.

The 2023 survey was conducted among more than 1,700 direct suppliers of the FORVIA group representing two-thirds of the Group's direct industrial purchasing volume. The level of satisfaction reached a score of 2.99 on a scale of 1 to 4, up compared to 2022 (score of 2.97). More than two-thirds of suppliers have perceived an improvement in our relationships and a majority of them see the creation of the FORVIA group as an opportunity. The main areas of progress that emerge are better visibility on future projects and better consideration of supplier innovations.

CORRUPTION PREVENTION AND DETECTION



In order to maintain a strong compliance culture, the Compliance department has set up different training sessions accessible to all employees (including part-time employees, interns, consultants, etc.). These training courses are tailored to FORVIA SE's risk profile with which local teams may be confronted.

Along with the Human Resources, Internal Audit and Control teams, the Compliance department ensures that all the identified people are effectively trained in the internal rules, in order to maintain a strong ethics and compliance culture in the Group.

- Over the last three years, a total of 47,600 employees (employees, consultants, interns, etc.) have taken Ethics (25,900) and Antitrust (21,600) training modules (MOOCs).
- By the end of 2023, 46,700 employees (employees, consultants, interns, etc.) had taken the Anti-corruption MOOC, including 97.7% of the target population.
- Refresher training sessions are regularly organized at the industrial sites and in the divisions, in particular on the risks of breaches of best practices in the fight against anti-competitive practices.

Employees also have access to practical guides on anti-competitive practices, reporting and managing conflicts of interest and the internal whistle-blowing procedure on allegations of non-compliance with the Code of Ethics. Significant communication efforts have ensured that these guides are widely distributed.

Inspired to care

	2019 Year of reference	2022	2023		Target
	FORVIA SE	FORVIA SE	FORVIA SE	FORVIA	FORVIA 2025
NFPD Percentage of targeted employees trained on the Code of Ethics	93%	96.7%	98.1%	97%	100%

PREVENTION OF TAX EVASION

In support of its overall business strategy and objectives, FORVIA SE's tax policy complies with the Code of Ethics. It is entrusted to a global team of tax professionals and is based on a firm set of principles.

Regulatory compliance

FORVIA SE complies with the letter and spirit of applicable laws and regulations, and relies on the relevant international standards (for example, the OECD guidelines).

FORVIA SE ensures that tax filings and payments are made in accordance with all local regulations. The Group also maintains all tax records and performs tax reporting as required by any law in countries in which the Group operates.

Integrity and transparency

FORVIA SE is committed to showing integrity and total transparency and to establishing constructive relationships with the tax authorities. In the event of a legal interpretation that does not agree with the tax authorities, FORVIA SE is prepared to refer the matter to the competent court to defend the interpretation of the law made by the Group.

Absence of subterfuges on structures and transfers between companies

FORVIA SE manages tax affairs in a proactive manner and does not use contrived or abnormal tax structures that are intended for tax avoidance, have no commercial substance and do not meet the spirit of local or international law. FORVIA SE does not use secret jurisdictions or so-called "tax havens" for tax avoidance.

The aim is to pay an appropriate amount of tax according to where value is created within the normal course of industrial or commercial activity. Consequently, all transfers of goods and services between companies within the Group are conducted on an arm's length basis. The pricing of such transactions between Group companies is based on fair market terms and reflects the commercial nature of the transactions.

Meeting stakeholder expectations

The assessment of taxes respects shareholder value and fully complies with all legal and regulatory obligations, in line with stakeholders' expectations.

4.4.1.3. Metrics and targets

CASES OF CORRUPTION OR PAYMENT OF BRIBERY

In 2023, there were no convictions or fines against FORVIA SE with regard to the fight against corruption and acts of corruption.

POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

In 2023, FORVIA adopted a policy on government relations and advocacy ⁽¹⁾ which sets out its commitment to responsible lobbying and political commitment. This policy aims to ensure that FORVIA's advocacy and government relations activities are conducted in an ethical, transparent and honest manner, and in compliance with applicable laws and regulations. This policy applies globally and for the entire Group.

FORVIA engages with governments and other public players to support the Company's strategy, in particular with regard to:

- the strengthening of its industrial and technological centers, in order to guarantee its competitiveness and its ability to meet market needs;
- its commitment to sustainability and climate action, supported by its roadmap to achieve net zero emissions by 2045;
- the promotion of research and innovation, in order to guarantee its future development;
- the protection of fundamental human rights.

FORVIA's lobbying strategy includes interaction with its stakeholders, including political decision-makers and other public authorities in the regions where FORVIA operates.

The Group takes into account the impact studies of draft regulations or legislation on a series of important issues for its activities, in particular:

- the environment, including measures to combat climate change;
- tax rules;
- social issues.

FORVIA communicates its positions on policy, regulatory and legislative proposals to policy-makers directly or through its professional associations to answer their questions or propose adjustments to take into account the interests of all FORVIA's stakeholders.

FORVIA maintains regular discussions with its professional associations: CLEPA in Brussels, PFA in France, VDA in Germany and MEMA in the USA.

FORVIA is committed to conducting its lobbying activities in an ethical and responsible manner. Its anti-corruption Code of Conduct requires risk-based due diligence for intermediaries who are considered to be at high risk of corruption. Depending on the information obtained, it may be decided not to enter into relations with these intermediaries, in particular lobbyists. Training on the Anti-Corruption Code of Conduct is mandatory for the entire Group. In accordance with its internal rules on the management of third parties in terms of compliance, the main internal stakeholders must share the relevant information in order to implement the required prior assessment.

Within the Board of Directors and the Executive Committee, the Executive Vice President in charge of Communications, Public Affairs and Sustainable Development is responsible for monitoring lobbying activities.

In order to ensure the dissemination of information on subjects that may be considered sensitive, the Group is registered in the European Union Transparency Register under the number 963186850826-94.

FORVIA does not fund political parties, does not make financial contributions to political campaigns and is not actively involved in political campaigns.

PAYMENT PRACTICES

Details by late payment tranche are available in Section 1. Financial and accounting information (see Note 27.1 – Trade payables and related accounts).

The Group has not been involved in any legal proceedings for late payments.

(1) The policy is available on the Group's website: <https://www.forvia.com/forvias-policy-government-relations-and-advocacy>

4.5. Appendices

4.5.1. Report by one of the independent third-party organization on the verification of the consolidated non-financial statement included on a voluntary basis in the Group management report

For the year ended December 31, 2023

This is a free translation into English of the independent third-party organization's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our capacity as independent third-party organization, member of Mazars Group and accredited by COFRAC Inspection under number 3-1895 (scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated, hereinafter respectively the "**Information**") of the consolidated extra-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "**Guidelines**") for the financial year ended December 31, 2023, presented in the management report of the group (hereinafter the "**Statement**"), in application of the provisions of Article L. 310-1-1-1 of the Insurance Code which refers to Article L225-102-1 of the Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that Statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the entity's procedures, the main elements of which are presented in the Statement and are available on request from the entity's head office.

Restrictions due to the preparation of the Information

The Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for:

- selecting or setting appropriate criteria for the provision of the Information;
- preparing the Statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also, the Information required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- and implementing internal control procedures deemed necessary to preparation of information, free from material misstatement, whether due to fraud or error.

The Declaration was established by applying the Company's Standards as mentioned above.

Responsibility of the Statutory Auditor

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the Information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

We have carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information, observed or extrapolated.

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

This is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852, the due diligence plan and the fight against corruption and tax evasion);
- the truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000 (reviewed) ⁽¹⁾.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional.

Means and resources

Our work was carried out by a team of around 10 people between November 2023 and February 2024.

We conducted approximately 30 interviews with the people responsible for preparing the Statement.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We are convinced that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;

(1) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.

- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Concerning certain risks such as social dialogue, business ethics, sustainable supply chain, product quality and safety, climate transition, for the others risks, our work was carried out on the consolidating entity and on a selection of entities ;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities ⁽¹⁾ and covers between 16% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

The independent third-party organization,

Mazars SAS

Paris La Défense, February 19th, 2024

Tristan MOURRE

Sustainability Associate

Grégory Derouet

Associate

(1) FCM Bavans, FIS Puebla, FAS Caligny, FCE Fengcheng, HFK Bremen

Appendix 1: Information considered most important

QUALITATIVE INFORMATION (ACTIONS AND RESULTS)

- Safety in the workplace
- Talents attraction and retention
- Social dialogue
- Employee commitments
- Business ethics
- Responsible supply chain
- Product quality and safety
- Environmental impact of sites and climate change

QUANTITATIVE INDICATORS (INCLUDING KEY PERFORMANCE INDICATORS)

- Total number of employees recorded and split by contract
- FR0t (Accidents with lost time per millions of hours worked) by employees and temporary workers
- FR1t (Accidents without lost time per millions of hours worked) by employees and temporary workers
- Turnover rate of managers and professionals
- Employee Engagement Index
- Percentage of M&P having received training on the Code of Ethics
- Share of direct suppliers assessed for CSR performance
- Customer satisfaction index
- Part of ISO 14001-certified production plants
- Energy consumption (MWh)/€m of sales
- Tons of waste/€m of sales
- Tons of CO₂ equivalent/€m of sales (scopes 1 and 2)
- Carbon footprint (scope 1, 2, 3)

4.5.2. Methodological note

GRI GRI 102-48, GRI 102-49, GRI 102-50, GRI 102-51

FORVIA consolidates and discloses indicators according to the guidelines proposed by the Global Reporting Initiative (GRI).

The period covered by this Non-Financial Performance Declaration corresponds to 2021. The previous Non-Financial Performance Declaration was published in Faurecia's Universal Registration Document and made available at <https://www.faurecia.com>.

The social, environmental and societal information contained in this chapter meets the requirements of Article L. 225-102-1 and Articles R. 225-105 et seq. of the French Commercial Code, transposing Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014: the "Non-Financial Performance Declaration" (NFPD). Given the nature of FORVIA's activities, the following themes do not constitute major CSR risks and do not warrant further development in this management report: food waste, combating food insecurity, animal welfare, responsible, fair, and sustainable food, and actions aimed at promoting the Nation-army link and supporting engagement in reserves.

The scope, as well as the methodologies for calculating the social, environmental and societal indicators are described in Sections 4.3 and 4.2 respectively. Changes made to previous data or adjustments are specified in each section.

4.5.2.1. Specificities related to the scope of environmental reporting and methodologies for calculating CO₂ and volatile organic compound emissions

GRI GRI 102-48, GRI 102-49, GRI 102-50, GRI 102-51

FORVIA consolidates and discloses indicators according to the guidelines proposed by the Global Reporting Initiative (GRI).

The period covered by this Non-Financial Performance Declaration corresponds to 2023. The previous Non-Financial Performance Declaration for 2022 was published in FORVIA's Universal Registration Document made available at <https://www.faurecia.com> at the end of March 2023.

The social, environmental and societal information contained in this chapter meets the requirements of Article L. 225-102-1 and Articles R. 225-105 et seq. of the French Commercial Code, transposing Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014: the "Non-Financial Performance Declaration" (NFPD). Social and societal information is published in the People and Business Sections.

ENVIRONMENTAL REPORTING SCOPE

GRI GRI 102-52

The scope of this reporting covers 190 production plants (technological plants), 43 assembly sites (called "Just in Time" sites), 14 R&D sites and four registered office sites, i.e. a total of 251 sites. Compared to 2020, 15 new sites were included in the reporting scope and 54 sites were removed. See the list of sites subject to ICEP authorization (1).

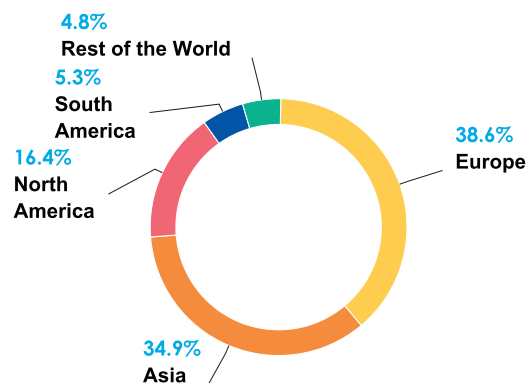
The SAS activity, integrated within the FORVIA SE group in 2020 and included last year in the reporting scope, was sold in 2023. The exclusion of this activity from the reporting scope represents 29 of the 54 exits.

The reporting covers the period from November 1, 2022 to October 31, 2023 to enable sites to collect, validate and publish data in a timely manner.

The Group's sales figures correspond to the results generated during the environmental reporting period, i.e. from November 1, 2022 to October 31, 2023.

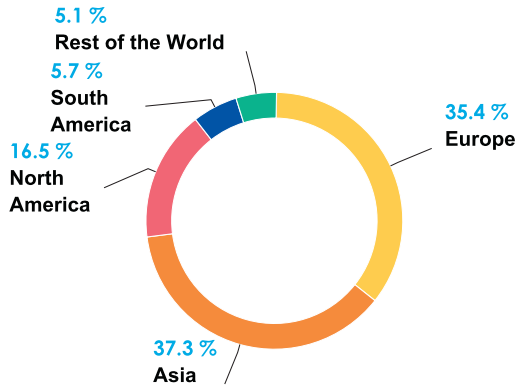
The reporting scope for GHG emissions covers more sites (398 sites in total for FORVIA SE, 139 sites for HELLA on scopes 1 and 2).

ENVIRONMENTAL REPORTING SCOPE: BREAKDOWN OF FORVIA'S PRODUCTION PLANTS BY CONTINENT (2023 SCOPE)

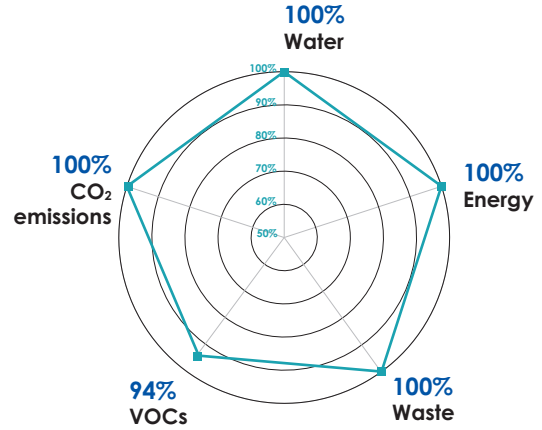


(1) Installation Classified for Environmental Protection

ENVIRONMENTAL REPORTING SCOPE: BREAKDOWN OF FORVIA S.E.'S PRODUCTION PLANTS BY CONTINENT (2023 SCOPE)

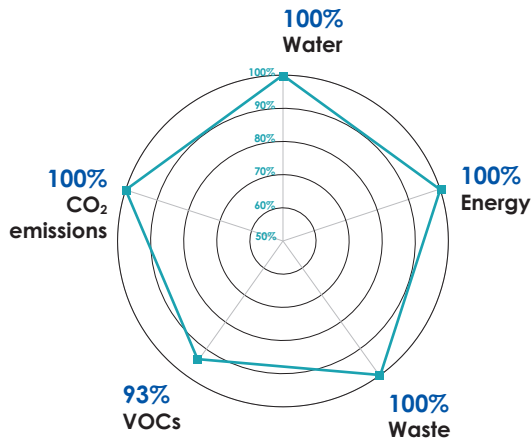


COVERAGE RATE OF FORVIA S.E. ENVIRONMENTAL INDICATORS



* The coverage rate corresponds to the number of sites that have provided numerical data compared to the number of sites concerned by the subject.

COVERAGE RATE OF FORVIA ENVIRONMENTAL INDICATORS



The environmental scope covers all active production, assembly and R&D sites, as well as head offices (HQ). Only sites that had started their activities since July 1 of the reporting period are included in the scope.

In view of their small environmental footprint, offices, sites with fewer than 20 employees, sites closed before September 1 of the reporting period, assembly sites located on customer premises and with fewer than 100 employees, and head office sites with a surface area of less than 10,000 m² are not included.

SITES ICEP (INSTALLATION CLASSIFIED FOR ENVIRONMENTAL PROTECTION)

Site name	Adress 1	Adress 2	ZIP code	City	Current regime	SEVESO status	Date of last inspection
FAURECIA Siedoubs	14 avenue d'Helvétie	BP 91115	25201	MONTBELIARD	Authorization	Non Seveso	01/06/2021
TRECIA (Faurecia Intérieur Systèmes)	835 avenue Oehmichen	BP 52	25461	ETUPES	Authorization	Non Seveso	05/04/2022
FAURECIA SYSTEMES ECHAPPEMENT SASU	Allée Henri Hugoniot BP		25490	Allenjoie	Registration	Non Seveso	22/03/2022
FAURECIA SIEDOUBS (SEATING / SIEGES)	ZA Technoland II		25490	Allenjoie	Registration	Non Seveso	
FAURECIA Systèmes d'Echapmt (R&D Center)	Bois sur Prés		25550	BAVANS	Authorization	Non Seveso	16/07/2020
FAURECIA Intérieur Industries - FR23	Les Landes de Tournebride		35600	BAINS SUR OUST	Authorization	Non Seveso	13/10/2023
FAURECIA AUTOMOTIVE COMPOSITES	Le Petit Lojon - Départementale 2020	Route d'Orçay	41300	THEILLAY	Authorization	Non Seveso	31/05/2023
FAURECIA Sièges d'automobiles	28, rue de Varennes	BP 4	45290	NOGENT-SUR-VERNISSON	Authorization	Non Seveso	14/06/2023
FAURECIA INTERIEUR INDUSTRIE	11 rue du 12 mai 1967		60110	MERU	Registration	Non Seveso	10/07/2023
FAURECIA SIEGES D'AUTOMOBILE	Le Pont de Vère	Le Pont de Vère	61100	Caligny	Registration	Non Seveso	21/02/2023
FAURECIA SYSTEMES D'ECHAPPEMENT	Usine de Messei	Rue de l'Industrie	61440	MESSEI	Authorization	Non Seveso	05/03/2020
FAURECIA INDUSTRIE	Parc d'Activité du Pommier		62110	HENIN BEAUMONT	Authorization	Non Seveso	17/10/2023
FAURECIA INTERIEUR INDUSTRIE	Boulevard de Mailing	Zone Industrielle	62260	AUCHEL	Authorization	Non Seveso	15/09/2020
FAURECIA - SIELEST	ZA de la THUR	fermé s1-2023	68840	PULVERSHEIM	Registration	Non Seveso	4/26/22
FAURECIA	17 rue de la Forge - BP 69		70200	MAGNY VERNONIS	Autorisation	Seveso seuil bas	25/08/2023
FAURECIA SYSTEMES D'INTERIEUR St Michel	2 Parc d'activités		88470	ST MICHEL SUR MEURTHE	Authorization	Non Seveso	24/06/2021

CO₂ EMISSIONS CALCULATION METHODOLOGY



Scopes 1 and 2

Direct greenhouse gas emissions are calculated in CO₂ equivalent. Emissions related to the consumption of scope 1 fuels are calculated based on emission factors taken from the French Environment and Energy Management Agency (ADEME) and the department for Environment, Food and Rural Affairs (DEFRA).

Fugitive emissions are calculated using emission factors from the sixth report of the Intergovernmental Panel on Climate Change (IPCC).

Indirect emissions related to electricity are calculated using the market-based approach, in line with the trajectory declaration to the SBTi. In order of data availability, the emission factor used on each site is that of market instruments (Power Purchase Agreement, on-site or off-site renewable electricity production, Energy Attribute Certificates), electricity suppliers, and the country's or the region's residual mix and, finally, the national production mix with data from the latest IEA report.

For some of the sites (for FORVIA around 15% of the total number of sites considered during the period, representing around 1% of scopes 1 and 2 emissions), energy and refrigerant consumption are estimated. These are generally sites with low energy consumption, or which have either recently opened or closed during the reporting period. To do this, for each energy vector, we use an average energy intensity (in MWh/m²) from similar sites (e.g. same type of site in the same country or region) that report actual consumption data. A conservative approach is used because only sites that consume said energy/refrigerant vector are considered average.

Emissions related to company cars are estimated, for FORVIA SE, on the basis of reporting from one of FORVIA SE's main long-term car rental agencies, the expenditure with this agency, and the total expenditure on company vehicles. For HELLA, fuel consumption is tracked in Germany using a fuel card. In other countries, emissions are estimated based on the number of vehicles.

Scope 3

Emissions are calculated by following the GHG Protocol. They include all categories except downstream leasing and franchises which do not concern the Group's activity. The uncertainties in the calculation of CO₂ emissions were assessed taking into account the precision of the input data and the uncertainties in the emission factors.

Description of the methodology for the three most important scope 3 categories in terms of emissions:

Scope 3, category 1 on purchases of goods

The focus below concerns purchases of goods.

FORVIA SE: FORVIA SE uses the Octopus tool, which directly calculates emissions for each purchasing line based, in order of data availability, on a:

- specific approach by quantities: using emissions or energy consumption transmitted by certain suppliers and approved (manufacturing emissions of Tier 1 suppliers) and a measurement of weight per material multiplied by the related emission factors (for upstream emissions of Tier 1 suppliers);
- semi-specific approach by quantities: using an estimate of manufacturing emissions from Tier 1 suppliers and a measurement of weight per material multiplied by the related emission factors (for upstream emissions of Tier 1 suppliers);
- expenditure approach and similar purchases emissions: by multiplying the expenditure in € thousands by an average carbon monetary intensity (in tCO₂eq/€ thousand of expenditure) of similar purchases (same purchasing segment or same sub-commodity) whose emissions were estimated using one of the two methodologies above;
- ADEME expenditure approach and monetary ratios: by multiplying the expenditure in € thousands by a monetary CO₂ intensity (in tCO₂ eq/€ thousand) taken from ADEME's Footprint Database®.

HELLA: HELLA uses extracts from its purchasing data consolidation tool. For certain purchase categories, the quantity data (in kg) are multiplied by, in order of availability of the data:

- an emission factor transmitted by the supplier;
- an emission factor calculated from similar purchases at FORVIA SE, also expressed in kg;
- an emission factor from a generic database (e.g. ADEME's Footprint Database®).

For the rest of the purchasing lines, not expressed in kg, the expenditure data are multiplied by a monetary emission factor (in tCO₂eq/€ thousand of expenditure) taken from FORVIA SE (weighted average of similar purchases) or ADEME's Footprint Database®.

Scope 3, categories 4 and 9 on the transport of FORVIA goods

FORVIA SE: for some of the goods purchased and sold for which FORVIA SE pays for transport, the data are taken from a transport management system (TEO, Transport Management System – TMS) which makes it possible to trace the distances (in km) and the tonnages transported of the transport flows covered by the tool. The emission factor used is that of the Global Logistics Emissions Council (GLEC), adjusted for transport by truck with the average loading rate of FORVIA SE. For the rest of the goods purchased and sold for which FORVIA SE pays the transport costs, and which are not covered by the TMS, the t.km are estimated on the basis of the expenses by category of transport and a corresponding ratio in t.km/€ spent calculated from data in TEO. The emission factors used are those of the GLEC. For inbound/outbound transport for which transport is paid for by the supplier/customer, the

associated emissions are estimated by extrapolating the GHG emissions from inbound/outbound transport paid by FORVIA SE, through the share (as a %) of expenses for goods purchased for which transportation is paid by the supplier/customer.

HELLA: the reporting of the main carriers are used (top four suppliers representing around 50% of transport-related expenses). On the basis of this data, the calculations are carried out either:

- based on emissions calculated directly by suppliers;
- by the distance and the tons transported (t.km) multiplied by a GLEC emission factor of the corresponding transport category.

If these data are not available, emissions are estimated from the expenses associated with each shipment. Finally, these emissions are extrapolated for all expenses that are not covered by these reports for the top four carriers (i.e. around 50% remaining).

Scope 3, category 11 on the use of FORVIA products

There are two types of emissions considered in this category:

- emissions linked to the indirect use of products sold, corresponding to a mass allocation of emissions from vehicles in the use phase, in proportion to the weight of the FORVIA products included in each vehicle;
- emissions linked to the direct use of the products, corresponding to emissions linked to the electricity consumption of **FORVIA** products.

The first case (indirect use) represents the majority of emissions. To carry out this calculation, several parameters are considered: the vehicle's lifespan (set at 150,000 km), the weight of the parts sold by FORVIA per vehicle, the weight of the vehicle equipped with the products sold by FORVIA, and the vehicle emissions factor (in gCO₂eq/km). The latter includes the direct emissions during the use of the vehicle (fuel combustion) and indirect emissions (extraction and production of fuel and electricity production, also including upstream of the latter's production). The emission factors for internal combustion vehicles, electricity consumption for electric vehicles, and weight data for the vehicles used come from various regional databases, depending on the country in which the vehicle is sold. When information for a vehicle is not available in the databases, an average of similar vehicles is taken (e.g. average weight of an electric vehicle of the same segment for an electric vehicle). For electric and plug-in hybrid vehicles, the electricity emission factors are taken from the IEA assuming that the vehicle is used in the country where it was sold. In addition, to take into account the actual emissions related to the use of vehicles, a correction coefficient is applied to the vehicle emission factors calculated with the Worldwide harmonized Light vehicles Test Procedures, or WLTP.

To quantify emissions linked to the direct use of products sold, the power, the estimated useful life of the products, the efficiency of the alternator and the vehicle's emission factor are used.

Changes in the reporting scope

The reference year 2019 and 2022 have been recalculated to remove the entities/sites sold from the scope in order to be consistent with the scope of 2023, in line with the GHG Protocol.

To harmonize financial and environmental reporting, only activities/products whose sales are recognized under IFRS 15 led to greenhouse gas emissions estimates. Thus, the emissions linked to the chemical reactions that take place inside the catalytic converter, and which represent nearly 22 MtCO₂eq in 2020 in relation to sales made by FORVIA SE, according to estimates made internally, are not included in the Group's carbon footprint. In fact, under IFRS 15, FORVIA acts as an agent in the supply of catalytic converter components, responsible for chemical reactions, to manufacturers. The manufacturers select the technical specifications for the part and supplier. Furthermore, FORVIA does not have the right to set the prices and conditions of sale of the part, nor is it responsible for the technical performance of the part. Finally, the Group has no inventory risk (by contract or de facto). In particular, in consistency with the GHG Protocol, scope 3.11 – use of sold products – has been divided into two parts which cover the following:

- emissions linked to the indirect use of products sold, corresponding to a mass allocation of emissions from vehicles in the use phase, in proportion to the weight of the FORVIA products included in each vehicle;
- emissions linked to the direct use of the products, corresponding to emissions linked to the electricity consumption of **FORVIA** products.

Methodological improvements

As part of a continuous improvement process, FORVIA seeks to improve the quality of its greenhouse gas emissions estimates. With the support of Deloitte, several methodological improvements were made, in particular on significant carbon footprint items:

- for category 3.1 (purchasing), the Octoplus tool now includes FCE, making it possible to refine the calculations for this Business Group;
- for category 3.3 (upstream of energy), more detailed emission factors for upstream electricity were used thanks to the publication in September 2023 of dedicated emission factors by the IEA;
- for categories 3.4 and 3.9 (goods transport), on FORVIA SE, the Transport Management System TEO tool covers a wider scope, making it possible to trace transport flows more precisely (more robust t.km). Also, thanks to new data:
 - conversion ratios t.km/€ (categorized to the finest mesh possible) more accurate than previous years were used, building on data in TEO,

- the total t.km are no longer the sum of the t.km estimated from the total expenses and the conversion ratios but by taking the sum of the t.km from TEO and the t.km estimated from the remaining expenses (multiplied conversion ratios),
- emissions from transport not financed by FORVIA SE are estimated with finer ratios, particularly for transport financed by customers.

The 2019 and 2022 emissions were recalculated using this new methodology, and the ratios valid for these years;

- for category 11, several changes were applied. Among them:
 - the sale by HELLA of products equipping electric and plug-in hybrid vehicles was considered (vs. an average of thermal vehicles previously),
 - for electric and plug-in hybrid vehicles, emissions upstream of electricity production have been taken into account, in addition to emissions related to electricity production,
 - the allocation ratio of the electric vehicle's electricity consumption due to the vehicle's weight has been adjusted compared to internal combustion vehicles,
 - finer emission factors for hybrid vehicles (standard and plug-in) were used,
 - the average weight, average emission factor (or average electricity consumption for electric vehicles) of the vehicle used for vehicles for which information cannot be found in regional databases depends on its segment and its engine (e.g., average weight of an electric vehicle of the same segment for an electric vehicle),
 - for FCM CVI and HELLA Trucks, the emission factors and underlying assumptions use GLEC data to be consistent with the source used for categories 4 and 9 of the carbon footprint.

The years 2019 and 2023 have been recalculated accordingly;

- for category 12 (end-of-life of products sold), more precise tCO₂eq conversion ratios for emissions related to purchases (scope 3.1) to metric tons of material were used. To estimate scope 3.12 emissions, the tons of material purchased are multiplied by a waste treatment emission factor (which varies according to the material purchased). However, as not all purchases are expressed in a unit of weight, the remaining weight of purchases is estimated for the scope 3.12 calculations. For this, ratios in t/tCO₂e are used from scope 3.1. They are estimated by taking a weighted average of the emission factor of the purchase lines of the same commodity for which the quantities purchased are by weight. The years 2022 and 2019 have also been recalculated.

All the calculations of the CO₂ footprint and the identification of the associated uncertainties were prepared with the assistance of Deloitte and audited by Mazars.

METHODOLOGY FOR CALCULATING VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS



The annual reference emissions for Volatile Organic Compounds (VOCs) is calculated using the Solvent Management Plan (SMP) required by the European Council Directive 1999/13/EC of March 11, 1999 on the reduction of volatile organic compound emissions caused by the use of organic solvents in certain activities and facilities. The SMP is a mass balance for quantifying the inputs and outputs of solvents in an installation.

4.5.3. Cross-reference tables

4.5.3.1. Non-Financial Performance Declaration

FORVIA's business model is presented in the introductory section.

The table below provides a summary of FORVIA's main non-financial risks and opportunities, as well as the associated policies and indicators to meet the requirements of the NFPD. The Sections (4.2, 4.3 and 4.4) set out in detail the policies and results using indicators over the last three years. Chapter 2 on risk factors and risk management also sets out the non-financial risks integrated into the main risks used for the Group's risk mapping.

Information	Main risks and opportunities <i>*Non-financial risks integrated into the Group's main risks</i>		Approach and actions	Indicators <i>**Indicators integrated into the CSR roadmap Inspired to care</i>
SOCIAL	Workplace safety	*R	<ul style="list-style-type: none"> ■ Existence of an HSE network at all levels of the organization ■ Systematic accident analysis ■ Mandatory training in HSE rules ■ Regular audits of all sites and systematically in the event of an alert ■ Ergonomic analysis of all workstations ■ "Safer Together" program set up in the context of the Covid-19 crisis 	<ul style="list-style-type: none"> ■ FR0t (number of accidents with lost time per million hours worked) ■ **FR1t (number of accidents with and without lost time per million hours worked)
SOCIAL	Talent acquisition and retention	*R	<ul style="list-style-type: none"> ■ Partnerships with more than 100 post-secondary institutions ■ Onboarding program directed specifically at new hires ■ Internal mobility policy (including abroad) ■ Regular reviews of the compensation policy ■ Quantitative indicators through dedicated reporting 	<ul style="list-style-type: none"> ■ Resignation rate of managers and professionals
SOCIAL	Social dialogue	R	<ul style="list-style-type: none"> ■ Existence of a European Works Council ■ Integral part of the duties of the site HR manager ■ Annual survey of employee satisfaction, including social climate 	<ul style="list-style-type: none"> ■ Number of establishment or enterprise agreements signed during the period ■ Percentage of employees covered by a collective agreement
SOCIAL	Employee commitments	O		<ul style="list-style-type: none"> ■ Employee commitment index
SOCIAL	Diversity	O	<ul style="list-style-type: none"> ■ Program for the hiring and promotion of talented women ■ Annual pay equity review 	<ul style="list-style-type: none"> ■ **% of women among managers and professionals ■ % of women hired among managers and professionals ■ **% of women among the Top 300 leaders ■ % of non-Europeans among the Top 300 leaders
SOCIAL	Employability	O		<ul style="list-style-type: none"> ■ **Number of training hours per employee per year

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Environmental and social performance

Appendices

Information	Main risks and opportunities <i>*Non-financial risks integrated into the Group's main risks</i>		Approach and actions	Indicators <i>**Indicators integrated into the CSR roadmap Inspired to care</i>
SOCIAL	Commitment to communities	O		<ul style="list-style-type: none"> ■ Percentage of employees involved in local solidarity projects
SOCIETAL	Business ethic	*R	<ul style="list-style-type: none"> ■ Human Rights Policy ■ Global network of Compliance Officers ■ Employee training & awareness raising ■ Code of Ethics/internal procedures ■ Existence of a whistle-blowing system 	<ul style="list-style-type: none"> ■ **Percentage of targeted employees trained on the Code of Ethics
SOCIETAL	Responsible supply chain	*R	<ul style="list-style-type: none"> ■ Responsible purchasing policy ■ Code of Conduct for sourcing and the supply chain ■ Systematic CSR analysis of suppliers in all new programs ■ Required minimum score ■ Quality audit of suppliers covering all aspects of CSR ■ Suppliers Council including the 12 main suppliers ■ Whistle-blowing procedure ■ Vigilance plan 	<ul style="list-style-type: none"> ■ **% of suppliers assessed on their CSR performance ■ **Minimum EcoVadis score required to join the FORVIA supplier panel
SOCIETAL	Product Quality and Safety	*R	<ul style="list-style-type: none"> ■ IATF 16949 certification ■ Existence of a designated Quality Control department at all levels of the organization ■ Total Customer Satisfaction program ■ Whistle-blowing procedure and culture of documentation and conflict resolution ■ World Quality Day ■ Specialized and independent auditors 	<ul style="list-style-type: none"> ■ Customer satisfaction index ■ At-risk sites rate

	Main risks and opportunities		Approach and actions	Indicators
Information	<i>*Non-financial risks integrated into the Group's main risks</i>			<i>**Indicators integrated into the CSR roadmap Inspired to care</i>
ENVIRONMENTAL	Environmental impact of production plants and climate transition	*R	<ul style="list-style-type: none"> ■ Analysis and control of local environmental risks based on ISO 14001 ■ Monthly HSE committee meetings ■ Network of HSE managers at all levels including at each FORVIA site ■ HSE requirements integrated into the FORVIA Excellence System (FES) ■ Regular internal and FES audit of sites 	<ul style="list-style-type: none"> ■ Percentage of ISO 14001-certified production plants ■ **Energy intensity (MWh/€ millions of sales) ■ **Waste intensity (t/€ millions of sales) ■ Water intensity (m³/€ millions of sales)
ENVIRONMENTAL	Climate transition	*R	<ul style="list-style-type: none"> ■ CO₂ neutrality project ■ Analysis of Axa-Climate on the evolution of climate hazards on its sites, by 2030 and 2050 ■ Mapping of its sites with regard to their exposure to two types of climate risks by 2030: acute climate risks and chronic climate risks 	<ul style="list-style-type: none"> ■ **CO₂ emissions scopes 1 & 2 (MtCO₂eq) ■ **CO₂ emissions scopes 1, 2, and controlled scope 3 (MtCO₂eq) (excluding use of sold products) ■ CO₂ intensity (MWh/€ millions of sales) ■ CO₂ footprint of scopes 1, 2 and 3 emissions (including those resulting from the use of products sold)
ENVIRONMENTAL	Innovation of products to improve air quality and reduce the CO ₂ footprint	O	<ul style="list-style-type: none"> ■ Development of hydrogen technologies and battery systems for zero-emission mobility ■ MATERI'ACT, a new Group entity to develop and produce sustainable materials* ■ Two initiatives to accelerate the development of sustainable solutions: "Interiors for the planet" and "Seats for the planet" 	<ul style="list-style-type: none"> ■ Share of revenue aligned with the taxonomy

It should be noted that some of these risks are related to the duty of care, for which FORVIA meets the regulatory requirements set out in law No. 2017-399 of March 27, 2017 relating to the duty of care of parent companies and instructing companies on the identification of risks and the prevention of serious violations of human rights and fundamental freedoms, human health and safety, and the environment.

4.5.3.2. GRI Content Index and Global Compact Principles



This report has been prepared in accordance with the GRI standards: core compliance option.

The elements required by the GRI standards are indicated in this report with the following logo:

GRI standard	Information element	Chapter number	Global Compact
GENERAL INFORMATION			
GRI 101: Foundation 2016 Disclosures associated with the use of GRI standards	Reporting principles defining the content of the report	4.1.1. General preparation basis 4.1.3.2. Stakeholders' interests and points of view	
	Reporting principles defining the quality of the report	4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO ₂ and volatile organic compound emissions 4.3.1.5 Metrics and targets	
	Statements related to the use of GRI standards	4.5.3. Cross-reference tables	
Organization's profile			
GRI 102: General Disclosures 2016	102-1 – Name of the organization	6. Legal information	
	102-2 – Activities, brands, products and services	Introductory chapter	
	102-3 – Location of the registered office	6. Legal information	
	102-4 – Location of the business sites	Introductory chapter	
	102-5 – Ownership and legal form	6. Legal information	
	102-6 – Markets served	Introductory chapter	
	102-7 – Scale of the organization	Introductory chapter	
	102-8 – Information on employees and other workers	4.3.1.5. Metrics and targets	
	102-9 – Supply chain	4.3.2. Value chain	
	102-10 – Significant changes to the organization and its supply chain	1. Notes to the consolidated financial statements	
	102-11 – Precautionary principle or preventive approach	2. Contributors and systems	Principle 7
	102-12 – External initiatives	4.1.1.2. Disclosure of information relating to specific circumstances	
	102-13 – Membership of associations	4.1.1.2. Disclosure of information relating to specific circumstances	
Strategy			
102-14 – Statement by the most senior decision-maker	Introductory chapter		
Ethics and integrity			
102-16 – Values, principles, standards and rules of conduct	Introductory chapter		
Governance			
102-18 – Governance structure	Introductory chapter		
	4.1.2.1. ESG governance bodies		
102-19 – Delegation of authority	4.1.2.1. ESG governance bodies		
	4.1.2.2. Information provided to CSR governance		
102-20 – Executive-level responsibility for economic, environmental, and social topics.	4.1.2.1. ESG governance bodies		
	4.1.2.2. Information provided to CSR governance		

GRI standard	Information element	Chapter number	Global Compact
	Stakeholder involvement		
	102-40 – List of stakeholder groups	4.1.3.2. Stakeholders' interests and points of view	Principle 3
	102-41 – Collective bargaining agreements	4.1.3.2. Stakeholders' interests and points of view 4.3.1.2. Interactions with company workers and their representatives	
	102-42 – Identification and selection of stakeholders	4.1.3.2. Stakeholders' interests and points of view	
	102-43 – Stakeholder engagement approach	4.1.3.2. Stakeholders' interests and points of view	
	102-44 – Key topics and concerns raised	4.1.3.2. Stakeholders' interests and points of view	
	Reporting practice		
	102-45 – Entities included in the consolidated financial statements	1. Subsidiaries and affiliates	
	102-46 – Definition of report content and topic boundaries	4.1.1 General preparation basis 4.1.3.2 Stakeholders' interests and points of view	
	102-47 – List of material topics	4.7.1. Non-Financial Performance Declaration	
	102-48 – Restatements of information	4.5.3. Cross-reference tables	
	102-49 – Changes in reporting	4.5.3. Cross-reference tables	
	102-50 – Reporting period	4.5.3. Cross-reference tables	
	102-51 – Date of the most recent report	4.5.3. Cross-reference tables	
	102-52 – Reporting cycle	4.3.1.5. Metrics and targets 4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO ₂ and volatile organic compound emissions	
	102-53 – Contact point for questions regarding the report	6. Declaration by the person responsible for the Universal Registration Document and the information officer	
	102-54 – Claims of reporting in accordance with the GRI Standards	4.5.3.2. GRI Content Index and Global Compact Principles	
	102-55 – GRI content index	4.5.3.2. GRI Content Index and Global Compact Principles	
MATERIAL TOPICS			
Business ethic			
	103-1 – Explanation of the material topic and its scope	4.1.4. Management of impacts, risks and opportunities 4.3.2.5. Vigilance plan 4.4.1. Business conduct	Principle 10
	103-2 – The management approach and its components	4.1.4. Management of impacts, risks and opportunities 4.3.2.5. Vigilance plan 4.4.1. Business conduct	
	103-3 – Evaluation of the management approach	4.4.1. Business conduct	
	205-2 – Communication and training about anti-corruption policies and procedures	4.4.1.2. Management of impacts, risks and opportunities – Corporate culture and business conduct policies 4.4.1.2. Management of impacts, risks and opportunities – Corruption prevention and detection	

GRI 102: General Disclosures 2016

GRI 103: The management approach 2016

GRI 205: Anti-corruption 2016

GRI standard	Information element	Chapter number	Global Compact
Environmental impact of production plants and climate change			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.2.1. Environmental policy and culture	Principles 8 and 9
	103-2 – The management approach and its components	4.2.1. Environmental policy and culture	
	103-3 – Evaluation of the management approach	4.2.1. Environmental policy and culture	
GRI 302: Energy	302-1 – Energy consumption within the organization	4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3	Principles 8 and 9
	302-3 – Energy intensity	4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3	
	302-4 – Reduction of energy consumption	4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3	
Environmental impact of production plants and climate change			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.2.7.1. Strategy (Management of impacts, risks and opportunities)	
	103-2 – The management approach and its components	4.2.7.1. Strategy (Management of impacts, risks and opportunities)	
	103-3 – Evaluation of the management approach	4.2.7.1. Strategy (Management of impacts, risks and opportunities)	
GRI 303: Water and effluents 2018	303-1 – Interactions with water as a shared resource	4.2.4.1. Management of impacts, risks and opportunities	Principle 8
	303-2 – Management of impacts related to water discharge	4.2.7.1. Management of impacts, risks and opportunities	
	303-4 – Water discharge	4.2.4.1. Management of impacts, risks and opportunities	
	303-5 – Water consumption	4.2.4.1. Management of impacts, risks and opportunities	
Environmental impact of production plants and climate change			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.2.3.1. Strategy 4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3	Principles 8 and 9
	103-2 – The management approach and its components	4.2.3.1. Strategy 4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3	
	103-3 – Evaluation of the management approach	4.2.3.1. Strategy 4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3	
GRI 305: Emissions 2016	305-1 – Direct GHG emissions (scope 1)	4.2.3.5. Metrics and targets – GHG emissions 4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO ₂ and volatile organic compound emissions	
	305-2 – Indirect GHG emissions (scope 2)	4.2.3.5. Metrics and targets – GHG emissions 4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO ₂ and volatile organic compound emissions	
	305-3 – Other indirect GHG emissions (scope 3)	4.2.3.5. Metrics and targets – GHG emissions 4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO ₂ and volatile organic compound emissions	
	305-7 – Emissions of nitrogen oxides (NO _x), sulfur oxides (SO _x) and other significant atmospheric emissions	4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO ₂ and volatile organic compound emissions	

GRI standard	Information element	Chapter number	Global Compact
Environmental impact of production plants and climate change			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and repairability of products	
	103-2 – The management approach and its components	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and repairability of products	
	103-3 – Evaluation of the management approach	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and repairability of products	
GRI 306: Effluents and waste 2016	306-2 – Management of significant impacts related to waste	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and repairability of products	
	306-3 – Waste generated	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and repairability of products	
	306-4 – Waste not intended for disposal	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and repairability of products	
Responsible purchasing and duty of care			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.2. Value chain	
	103-2 – The management approach and its components	4.3.2. Value chain	
	103-3 – Evaluation of the management approach	4.3.2. Value chain	
GRI 308: Supplier environmental assessment 2016	308-1 – New suppliers that were screened using environmental criteria	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers	
	308-2 – Negative environmental impacts in the supply chain and actions taken	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers	
Talent acquisition and retention			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.1.4. Actions and assessment of their effectiveness	Principle 6
	103-2 – The management approach and its components	4.3.1.4. Actions and assessment of their effectiveness	
	103-3 – Evaluation of the management approach	4.3.1.4. Actions and assessment of their effectiveness	
GRI 401: Employment 2016	401-1 – New employee hires and employee turnover	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets	
	401-2 – Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.3.1.4. Actions and assessment of their effectiveness	
	401-3 – Parental leave	4.3.1.5. Metrics and targets	
Workplace safety			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	103-2 – The management approach and its components	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	103-3 – Evaluation of the management approach	4.3.1.4. Actions and assessment of their effectiveness	

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GRI standard	Information element	Chapter number	Global Compact
GRI 403: Occupational health and safety 2018	403-1 – Occupational health and safety management system	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	403-5 – Worker training on occupational health and safety	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	403-7 – Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	403-9 – Occupational accidents	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets	
	403-10 – Occupational illnesses	4.3.1.5. Metrics and targets	
Employee engagement/Talent acquisition and retention			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	Principle 6
	103-2 – The management approach and its components	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	103-3 – Evaluation of the management approach	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
GRI 404: Training and education 2016	404-1 – Average number of training hours per year per employee	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Training and skills development	Principle 6
	404-2 – Programs for upgrading employee skills and transition assistance programs	4.3.1.4. Actions and assessment of their effectiveness	
	404-3 – Percentage of employees receiving regular performance and career development reviews	4.3.1.4. Actions and assessment of their effectiveness	
Promotion of diversity			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	Principle 6
	103-2 – The management approach and its components	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness	
	103-3 – Evaluation of the management approach	4.3.1.4. Actions and assessment of their effectiveness	
GRI 405: Diversity and equal opportunity 2016	405-1 – Diversity of governance bodies and employees	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets	
Social dialogue			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.1.2. Interactions with company workers and their representatives 4.3.1.1. Policies 4.3.2.5. Vigilance plan	Principle 3
	103-2 – The management approach and its components	4.3.1.1. Policies 4.3.1.2. Interactions with company workers and their representatives 4.3.1.3. Compensation for adverse impacts and listening channels for employees 4.3.2.5. Vigilance plan	
	103-3 – Evaluation of the management approach	4.3.1.1. Policies 4.3.1.2. Interactions with company workers and their representatives 4.3.2.5. Vigilance plan	
GRI 407: Freedom of association and collective bargaining 2016	407-1 – Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.3.1.1. Policies 4.3.1.2. Interactions with company workers and their representatives 4.3.2.5. Vigilance plan	

GRI standard	Information element	Chapter number	Global Compact
Business ethic			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.4.1. Business conduct	Principle 5
	103-2 – The management approach and its components	4.3.1.1. Policies 4.4.1. Business conduct	
	103-3 – Evaluation of the management approach	4.3.1.1. Policies 4.4.1. Business conduct	
GRI 408: Child labor 2016	408-1 – Operations and suppliers at significant risk for child labor	4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities	
Business ethic			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.4.1. Business conduct	Principle 4
	103-2 – The management approach and its components	4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities	
	103-3 – Evaluation of the management approach	4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities	
GRI 409: Forced or compulsory labor 2016	409-1 – Operations and suppliers at significant risk for forced or compulsory labor	4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities	
Business ethic			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.4.1. Business conduct	Principles 1 and 2
	103-2 – The management approach and its components	4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities	
	103-3 – Evaluation of the management approach	4.4.1.2. Management of impacts, risks and opportunities	
GRI 412: Human Rights Assessment 2016	412-2 – Employee training on human rights policies or procedures	4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities	
Responsible purchasing and duty of care			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.2 Value chain	Principle 2
	103-2 – The management approach and its components	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers	
	103-3 – Evaluation of the management approach	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers	
GRI 414: Supplier social assessment 2016	414-1 – New suppliers that were screened using social criteria	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers	
	414-2 – Negative social impacts in the supply chain and actions taken	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers 4.3.2.3. Sustainable supplier management	
Product Quality and Safety			
GRI 103: The management approach 2016	103-1 – Explanation of the material topic and its scope	4.3.4.1. Policies	
	103-2 – The management approach and its components	4.3.4.1. Policies 4.3.4.4. Actions and assessment of their effectiveness	
	103-3 – Evaluation of the management approach	4.3.4.1. Policies 4.3.4.4. Actions and assessment of their effectiveness	
GRI 416: Consumer Health and Safety 2016	416-1 – Assessment of the health and safety impacts of product and service categories	4.3.4.4. Actions and assessment of their effectiveness 4.3.4.5. Metrics and targets	

4.5.3.3. Cross-reference table of the Women's Empowerment Principles

In support of



Women's Empowerment Principles	Chapter number
Principle 1: Establish high-level corporate leadership for gender equality.	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Diversity
Principle 2: Treat all women and men fairly at work – respect and support human rights and non-discrimination.	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Diversity 4.3.1.1. Policies 4.4.1.2. Management of impacts, risks and opportunities 4.3.2.5. Vigilance plan
Principle 3: Ensure the health, safety and well-being of all women and men employees.	4.3.1.1. Policies 4.3.1.4. Actions and assessment of their effectiveness
Principle 4: Promote education, training and professional development for women.	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Diversity
Principle 5: Implement enterprise development, supply chain and marketing practices that empower women.	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Diversity
Principle 6: Promote equality through community initiatives and advocacy.	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Diversity
Principle 7: Measure and publicly report on progress to achieve gender equality.	4.3.1.4. Actions and assessment of their effectiveness 4.3.1.5. Metrics and targets – Diversity

4.5.3.4. TCFD cross-reference table



Topics	TCFD recommendation	Chapter number
Governance	a) Board of Directors' approach to climate-related risks and opportunities.	4.2.3.1. Strategy 4.2.3.2. Management of impacts, risks and opportunities
	b) Description of management's role in assessing and managing climate-related risks and opportunities.	4.2.3.2. Management of impacts, risks and opportunities
Strategy	a) Description of climate-related risks and opportunities over the short, medium and long term (respectively one to three years, three to five years and five to ten years).	4.2.3.2. Management of impacts, risks and opportunities
	b) Description of the impact of climate-related risks and opportunities on the business model, strategy and financial planning.	4.2.3.2. Management of impacts, risks and opportunities
	c) Description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C scenario.	4.2.3.2. Management of impacts, risks and opportunities
Risk management	a) Description of the process for identifying climate-related risks.	4.2.3.2. Management of impacts, risks and opportunities
	b) Description of the processes for managing these risks.	4.2.3.2. Management of impacts, risks and opportunities
	c) Description of how these processes are integrated into a more global risk management strategy.	4.2.3.2. Management of impacts, risks and opportunities
Indicators and targets	a) Publication of indicators to assess climate-related risks and opportunities in line with the Company's strategy and risk management.	4.2.3.1. Strategy 4.2.3.5. Metrics and targets
	b) Disclosure of scopes 1 and 2 and, if appropriate, of scope 3 and related risks.	4.2.3.1. Strategy 4.2.3.5. Metrics and targets
	c) Description of the objectives set by the Company to manage climate-related risks, opportunities and performance.	4.2.3.1. Strategy 4.2.3.2. Management of impacts, risks and opportunities

4.5.3.5. SASB cross-reference table – indicators for the transportation sector, automotive spare parts



SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Information	Accounting metric	Category	Unity of measure	SASB Code	Chapter number
Energy Management	(1) Total energy consumed (2) Percentage of electricity from the grid (3) Percentage of renewable energy	Quantitative	Gigajoules (GJ), Percentage (%)	TR-AP-130a.1	4.2.3.3. Climate actions and resources: scopes 1 & 2 4.2.3.4. Climate actions and resources: scope 3 4.2.3.5. Metrics and targets
Sustainable management of waste	(1) Total amount of waste from production (2) Percentage of hazardous waste (3) Percentage of waste recycled	Quantitative	Metric tons (t), Percentage (%)	TR-AP-150a.1	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and reparability of products 4.2.7.4. Metrics and targets 4.5.2.1. Specificities related to the environmental reporting and methodologies for calculating CO2 and volatile organic compound emissions
Product Safety	Number of recalls issued, total units recalled	Quantitative	Number	TR-AP-250a.1	4.3.4.1 Policies 4.3.4.5. Metrics and targets
Design for Fuel Efficiency	Sales from products designed to increase fuel efficiency and/or reduce emissions	Quantitative	Reporting currency	TR-AP-410a.1	Introductory chapter
Material Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	TR-AP-440a.1	4.3.2.2. Assessment of subsidiaries, subcontractors and suppliers 4.2.3.2. Management of impacts, risks and opportunities 4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and reparability of products
Materials efficiency	Percentage of products sold that are recyclable	Quantitative	Percentage (%)	TR-AP-440b.1	4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and reparability of products 4.2.7.4. Metrics and targets
Materials efficiency	Percentage of input materials from recycled or remanufactured content	Quantitative	Percentage (%)	TR-AP-440b.2	4.2.7.1. Strategy (Management of impacts, risks and opportunities) 4.2.7.2. Action: sustainable materials 4.2.7.3. Action: recyclability and reparability of products 4.2.7.4. Metrics and targets
Competitive behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	TR-AP-520a-1	2.4.2. Contingent liabilities
Activity Metrics	Number of parts produced	Quantitative	Number	TR-AP-000.A	Introductory chapter
	Area of manufacturing plants	Quantitative	Square meters (m ²)	TR-AP-000.C	Introductory chapter

4.5.4. Information relating to the allocation of funds raised through the green bond issued by FORVIA SE

In 2021, the Group issued a €400 million green bond (XS2312733871) to help develop solutions for hydrogen mobility.

A full description of eligible projects can be found in the March 2021 Green Bond Framework available on the FORVIA investor page:

www.faurecia.com/sites/groupe/files/investors/Faurecia_Green_Bond_framework_MAR_2021.pdf

FORVIA presents here its report on the allocation of funds and the estimated impact linked to the inaugural green bond of April 2021.

Use of proceeds

FORVIA SE is committed to allocating funds from its green bond to finance investments in hydrogen projects. Projects eligible for green bond financing, as detailed in the Green Bond Framework, are:

- the development and production of hydrogen fuel cell systems for light and commercial vehicles and other applications: mainly through Symbio, its JV with Michelin and Stellantis;
- the development and production of hydrogen tank systems aimed at developing:
 - high pressure storage tanks and auxiliary devices,

- new industrial processes to accelerate production,
- innovative materials and smart tanks with incorporated IoT sensors improving safety, sustainability and recyclability.

The Green Bond Framework provides that the funds will be able to finance eligible projects, which have not already been financed by a green bond issue, within three years before the issuance of the green bond (look-back clause).

Likewise, the funds can be used to acquire an activity or technology directly associated with hydrogen mobility.

Reporting

ALLOCATION REPORT

The funds raised in April 2021 for an amount of 400 million euros following the issuance of the first green bond issued by FORVIA SE were allocated to the tune of 400 million euros, the allocation is therefore 100% to December 31, 2023. Projects that were funded by proceeds from the April 2021 Green Bond and that meet the conditions of the Green Bond Framework are listed in the following table:

Projects	Amount allocated in 2023	Amount allocated in 2022	Amount allocated in 2021	Look-back before 2021	Total
Symbio (financing Capex and R&D + acquisition)	0	37.9	34.2	111.5	183.6
Capex (and acquisition) Tanks	0	20.4	14.7	23.4	58.5
R&D Tanks	23.2	55.7	37.6	41.4	157.9
TOTAL	23.2	114	86.5	176.3	400

The FORVIA legal entity bringing together the hydrogen tank activities participates in centralized cash pooling at the level of FORVIA SE and automatically received the green bond funds via cash pooling.

The allocation to Symbio was made via funds provided by FORVIA as shareholder to finance capex and R&D as described above.

IMPACT REPORT

Based on a projection to 2030, the projects should help avoid emitting greenhouse gases to the tune of 18.7 million tonnes of CO₂

The impact table was produced on the basis of revised and adapted hypotheses.

- The scope considered covers hydrogen vehicles (FCEV) in the segments of light vehicles (LV), light commercial vehicles (LCV) and heavy commercial vehicles (CV) sold in 2030. The volumes of FCEV vehicles sold in 2030 are the volumes of the 2023 Strategic Plan.

- The methodology for calculating emissions avoided per vehicle is based on a comparison between the life cycle analysis (LCA) of the CO₂ emissions of a hydrogen vehicle with that of a diesel vehicle sold in 2030 that it replaces (analysis Ricardo)

4 Environmental and social performance

Appendices

The calculation methods are as follows:

- Project life cycle analysis (LCA) of CO₂ emissions = CO₂ emissions linked to vehicle production, energy production, CO₂ emissions during use, maintenance, and end of life
- The avoided emissions are calculated for FORVIA and Symbio in proportion to the economic value of their technology (fuel cell for Symbio, Hydrogen storage for Forvia) compared to the value of the fuel cell traction chain of the vehicle (which also contains battery, converter, electric motor).

- Since Symbio is 33% owned by FORVIA, Symbio's contribution is considered at 33%.
- Hydrogen production is 50% ensured by electrolysis (half coming from the grid and half coming from green electricity) and 50% blue hydrogen (SMR process with CCUS CO₂ capture).

	Segment		
	Light vehicles (LV)	Light commercial vehicles (LCV)	Heavy commercial vehicles (CV)
#veh.sold by FORVIA in 2030 <i>(kveh)</i>	25	24	55
#veh.sold by Symbio in 2030 <i>(kveh)</i>	52	168	15
% FCEV powertain value FORVIA	20%	31%	25%
% FCEV powertain value Symbio	66%	42%	29%
Average LCA CO ₂ emissions for diesel vehicles sold in 2030 <i>(gCO₂/km for LV and LCV, gCO₂/tkm for CV)</i>	197	335	142
Average LCA CO ₂ emissions for fuel Cell vehicles sold in 2030 <i>(gCO₂/km for LV and LCV, gCO₂/tkm for CV)</i>	20	34	10
Lifetime mileage <i>(million km for LV, million tkm for CV)</i>	0.225	0.225	8

AVOIDED CO₂ EMISSIONS CALCULATED BY COMPARING HYDROGEN VEHICLES (FECV) EQUIPPED BY FORVIA AND SYMBIO TO THE VEHICLES THEY REPLACE SOLD IN 2030-MTCO₂

	Segment			TOTAL
	Light vehicles (LV)	Light commercial vehicles (LCV)	Heavy commercial vehicles (CV)	
FORVIA	0.2	0.5	14.5	15.2
Symbio (33%)	0.4	1.6	1.5	3.5
TOTAL	0.6	2.1	16	18.7

Limited Assurance Report from one of the Statutory Auditors on a selection of information published in the universal registration document for the green bonds issue

Year ended December 31, 2023

This is a free translation into English of the Limited Assurance Report from one of the Statutory Auditors issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Chief Executive Officer,

In our capacity as statutory auditor of Forvia (hereinafter the "**Company**"), and in accordance with your request, we have undertaken a limited assurance engagement on a selection of information as of December 31, 2023 (hereinafter the "**Information**"), presented in the Company's universal registration document (section 4.5) and prepared in accordance with the *Green Bond Framework* (hereinafter the "**Framework**"), attached to this report and as set forth in the *Second Party Opinion* issued by the non-financial rating agency ISS ESG.

Our assurance does not extend to information in respect of earlier and later periods or to any other information, notably the qualitative information included in Forvia's Non-Financial Statement.

CONCLUSION

Based on the procedures we have performed as described under the section "*Summary of the work we performed*" and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Information is not prepared, in all material respects, in accordance with the Framework.

UNDERSTANDING HOW THE COMPANY HAS PREPARED THE INFORMATION

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time. Consequently, the Information needs to be read and understood together with the Framework attached to this report.

RESPONSIBILITIES OF MANAGEMENT

Management of the Company are responsible for:

- Establishing a suitable Framework for preparing the Information;
- Preparation of the Information in compliance with the Framework;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

STATUTORY AUDITOR'S RESPONSIBILITIES

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Directors of the Company.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

However, we have no responsibility for:

- Challenging the eligibility criteria and the Framework reviewed by the extra-financial rating agency ISS ESG;
- The use of funds allocated to eligible projects after their allocation;
- The impact of eligible projects in the effort against greenhouse gas emissions.

PROFESSIONAL STANDARDS APPLIED

We performed a limited assurance engagement in accordance with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board.

OUR INDEPENDANCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the French Code of Ethics for Statutory Auditors (*Code de Déontologie*) as well as the provisions set forth in Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de Commerce*) and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectivity, professional competence and confidentiality diligence and professional conduct.

In addition, our firm applies International Standard on Quality Control 1 and accordingly we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and professional standards.

Our work was carried out by an independent and multidisciplinary team with experience in sustainability reporting and assurance. We remain solely responsible for our assurance conclusion.

SUMMARY OF THE WORK WE PERFORMED

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- Obtained an understanding of the procedures implemented by the Company for producing the Information by inquiries of management;
- Assessed the compliance, in all significant aspects, of eligible projects with the eligibility criteria of the Framework;
- Verified the amount of funds collected and their allocation to eligible projects as presented in the Information attached to our report;
- Verified the consistency of the amounts allocated to eligible projects with the accounting records and the data underlying the accounting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement both in terms of the risk assessment procedures, including the understanding of internal control, and the procedures performed in response to the risk assessment. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Paris La Défense, February 19th, 2024,

One of the Statutory Auditors

Mazars SA

Grégory Derouet

5

Capital stock and shareholding structure

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5.1. Shareholding structure

5.1.1. Changes in capital stock

All issued shares are representing the Company's capital stock.

As of December 31, 2023, the Company's capital stock amounted to €1,379,625,380, divided into 197,089,340 fully paid-up shares with a par value of €7 each, all in the same class.

The total number of double voting rights existing within the Company represents less than 7% of the total number of voting rights as of December 31, 2023.

The breakdown of FORVIA's capital stock and voting rights as of December 31, 2023 and over the last three fiscal years is as follows:

Shareholding structure at December 31, 2023

	Number of shares	% capital stock	Theoretical voting rights ⁽⁴⁾	% theoretical voting rights	Exercisable voting rights ⁽⁵⁾	% exercisable voting rights
Major shareholders⁽¹⁾						
HELLA Family Pool	17,959,574	9.11	17,959,574	8.51	17,959,574	8.51
Franklin Resources, Inc. ⁽²⁾	15,859,175	8.05	15,859,175	7.51	15,859,175	7.51
Exor	9,948,904	5.05	9,948,904	4.71	9,948,904	4.71
PEUGEOT 1810	6,110,494	3.10	10,810,874	5.12	10,810,874	5.12
Bpifrance Participations	4,266,020	2.16	7,547,574	3.58	7,547,574	3.58
Dongfeng	3,880,379	1.97	6,865,288	3.27	6,865,288	3.25
SUB TOTAL	58,024,546	29.44	68,991,389	32.69	68,991,389	32.69
Company shareholding						
Corporate officers ⁽³⁾	173,494	0.09	297,761	0.14	297,761	0.14
Employee shareholding (including FCP Faur'ESO) ⁽⁴⁾	3,578,896	1.82	4,869,906	2.31	4,869,906	2.31
Treasury stock	5,091	0.00	5,091	0.00	0.00	0.00
o/w liquidity contract	-	-	-	-	-	-
SUB TOTAL	3,757,481	1.91	5,172,758	2.45	5,167,667	2.45
Floating shareholding						
Other shareholders (registered and bearer)	135,307,313	68.65	136,902,872	64.86	136,902,872	64.86
TOTAL	197,089,340	100.00	211,067,019	100.00	211,061,928	100.00

(1) The major shareholders mentioned are those (i) holding more than 5% of the capital stock or voting rights as of December 31 and/or (ii) resulting from the distribution of FORVIA shares held by Stellantis or from the HELLA acquisition.

(2) On the basis of the information given by Franklin Resources Inc. in its threshold crossing notification sent to the Company dated December 19, 2023, Franklin Resources Inc. declares acting on its own behalf and on behalf of its affiliated investment funds and client accounts under management (and in particular Templeton Global Advisors Limited. See Section 5.1.2.).

(3) Excluding PEUGEOT 1810, Board member, whose shareholding is indicated above. However, this figure includes the shares held personally by Robert Peugeot, who was an individual Board member until May 31, 2021 and then has been the permanent representative of PEUGEOT 1810 since that date. Taking into account the stake held by PEUGEOT 1810, the percentages of capital stock, theoretical voting rights and voting rights exercisable at the Annual General Meeting would be 3.19% and 5.26% respectively.

(4) Calculated in accordance with Article L. 225-102 of the French Commercial Code. This figure includes the shares held by Faur'ESO International Employees as part of the Stock Appreciation Rights (SAR) plan.

(5) Theoretical voting rights = total number of voting rights attached to the total number of shares, including shares deprived of voting rights (including treasury shares). It is reminded that, in accordance with applicable regulations on the crossing of thresholds, the thresholds related to voting rights are calculated on the basis of theoretical voting rights (and not on the basis of exercisable voting rights).

(6) Exercisable voting rights = number of voting rights attached to the shares with voting rights.

Changes in the main shareholders over the last three fiscal years

	Situation at December 31, 2023					Situation at December 31, 2022			Situation at December 31, 2021		
	Number of shares	% capital stock	Theore- tical voting rights ⁽⁷⁾	% theore- tical voting rights ⁽⁸⁾	% of voting rights exerc- isable at GM ⁽⁹⁾	Number of shares	% capital stock	% theore- tical voting rights	Number of shares	% capital stock	% theore- tical voting rights
Major shareholders⁽¹⁾											
Stellantis ⁽²⁾	-	-	-	-	-	-	-	-	1,166,434	0.85	0.83
HELLA Family Pool	17,959,574	9.11	17,959,574	8.51	8.51	18,162,790	8.95	8.93	-	-	-
Franklin Resources, Inc. ⁽³⁾	15,859,175	8.05	15,859,175	7.51	7.51	-	-	-	-	-	-
Exor	9,948,904	5.05	9,948,904	4.74	4.74	9,948,904	5.05	4.98	7,653,004	5.54	5.47
PEUGEOT 1810 ⁽⁴⁾	6,110,494	3.10	10,810,874	5.12	5.12	6,110,494	3.10	3.31	4,700,380	3.41	3.36
Bpifrance Participations	4,266,020	2.16	7,547,574	3.58	3.58	4,266,020	2.16	2.13	3,281,554	2.38	2.35
Dongfeng	3,880,379	1.97	6,865,288	3.25	3.25	3,880,379	1.97	1.94	2,984,909	2.16	2.13
SUB TOTAL	58,024,546	29.44	68,991,389	32.69	32.69	42,368,587	21.23	21.29	19,786,281	14.33	14.14
Company shareholding											
Corporate officers ⁽⁵⁾	173,494	0.09	297,761	0.14	0.14	368,389	0.19	0.23	125,767	0.09	0.12
Employee shareholding (including FCP Faur'ESO) ⁽⁶⁾	3,578,896	1.82	4,869,906	2.31	2.31	3,752,754	1.90	2.21	3,765,155	2.73	2.97
Treasury stock	5,091	0.00	5,091	0.00	0.00	147,093	0.07	0.07	84,171	0.06	0.06
o/w liquidity contract	-	-	-	-	-	70,000	0.04	0.04	-	-	-
SUB TOTAL	3,757,481	1.91	5,172,758	2.45	2.45	4,268,236	2.17	2.51	3,975,093	2.88	3.15
Floating shareholding											
Other shareholders (registered and bearer)	135,307,313	68.65	136,902,872	64.86	64.86	150,452,517	76.60	76.20	114,274,427	82.79	82.70
TOTAL	197,089,340	100	211,067,019	100	100	197,089,340	100	100	138,035,801	100	100

(1) The main shareholders mentioned are those (i) holding more than 5% of the capital stock or voting rights as of December 31, (ii) resulting from the distribution of FORVIA shares held by Stellantis completed on March 22, 2021 or (iii) resulting from the acquisition of the majority interest in HELLA.

(2) The interest in FORVIA was held by Peugeot S.A. (PSA) until the completion of the merger between FCA and PSA on January 16, 2021 to create Stellantis. As part of this merger, the interest in FORVIA was transferred to Stellantis. On March 8, 2021, the General Meeting of Stellantis approved the distribution of the interest in FORVIA to the shareholders of Stellantis, it being specified that upon completion of this distribution, on March 22, 2021, Stellantis retained approximately 0.85% of the capital stock in order to be able to meet the commitments made by PSA to General Motors, and taken over at the time of the merger, upon the purchase of Opel (delivery of FORVIA shares in the event of the exercise by General Motors of share subscription warrants issued by PSA). As of December 31, 2023, Stellantis no longer holds any FORVIA shares.

(3) On the basis of the information given by Franklin Resources Inc. in its threshold crossing notification sent to the Company dated December 19, 2023, Franklin Resources Inc. declares acting on its own behalf and on behalf of its affiliated investment funds and client accounts under management (and in particular Templeton Global Advisors Limited. See Section 5.1.2.).

(4) The stake of 510,000 shares was initially held by Peugeot Invest. It was contributed to PEUGEOT 1810 as part of the internal reclassification carried out by the Peugeot family prior to the merger with Stellantis.

(5) Excluding PEUGEOT 1810, Board member since May 31, 2021, whose shareholding is indicated above. However, this figure includes the shares held personally by Robert Peugeot, who was an individual Board member until May 31, 2021 and then has been the permanent representative of PEUGEOT 1810 since that date. Taking into account the stake held by PEUGEOT 1810, the percentages of capital, theoretical voting rights and voting rights exercisable at the Annual General Meeting would be 3.19% and 5.26% respectively.

(6) Calculated in accordance with Article L.225-102 of the French Commercial Code. This figure includes the shares held by Faur'ESO International Employees as part of the Stock Appreciation Rights (SAR) plan.

(7) Theoretical voting rights = total number of voting rights attached to the total number of shares, including shares deprived of voting rights (including treasury shares). It is reminded that, in accordance with applicable regulations on the crossing of thresholds, the thresholds related to voting rights are calculated on the basis of theoretical voting rights (and not on the basis of exercisable voting rights).

(8) Exercisable voting rights = number of voting rights attached to the shares with voting rights.

(9) The difference between the percentage of capital held by the shareholder and the percentage of voting rights results from the holding by the shareholder of double voting rights.

5.1.2. Crossing of legal thresholds

The following disclosures regarding crossing of legal thresholds have been made since the beginning of the 2023 fiscal year and until the date of this Universal Registration Document. It is reminded that, in accordance with applicable regulations on the crossing of thresholds, the investment thresholds related to voting rights are calculated on the basis of theoretical voting rights. Information provided below is based on thresholds crossing notices published by the *Autorité des Marchés Financiers* (AMF).

Shareholder's name	N° and date of AMF publication	Date of the crossing	Threshold crossed	Updowns / downwards	Number of shares/ voting rights (depending on thresholds crossed) afterwards	% capital stock afterwards	% theoretical voting rights afterwards
Peugeot 1810	224C0242 / February 12, 2024	February 5, 2024	5% of voting rights	Downward	10,810,874 voting rights	3.10%	4.82%
Templeton Global Advisors Limited ⁽¹⁾	223C2017 / December 8, 2023	December 6, 2023	5% of voting rights	Upward	10,871,689 voting rights	5.52%	5.15%
Templeton Global Advisors Limited ⁽¹⁾	223C1993 / December 6, 2023	December 4, 2023	5% of capital stock	Upward	10,050,719 shares	5.10%	4.76%
Peugeot 1810	223C1936 / November 28, 2023	November 26, 2023	5% of voting rights	Upward	10,810,874 voting rights	3.10%	5.12%
Franklin Resources, Inc. ⁽¹⁾	223C1933 / November 28, 2023	November 22, 2023	5% of capital stock and voting rights	Downward	0 share / 0 voting rights	0.00%	0.00%
Peugeot 1810	223C0559 / April 11, 2023	April 6, 2023	5% of voting rights	Downward	10,438,874 voting rights	3.10%	4.97%
Peugeot 1810	223C0490 / March 24, 2023	March 22, 2023	5% of voting rights	Upward	10,438,874 voting rights	3.10%	5.12%
Franklin Resources, Inc. ⁽¹⁾	223C0477 / March 22, 2023	March 16, 2023	5% of capital stock and voting rights	Upward	10,222,857 shares representing same voting rights	5.19%	5.11%

⁽¹⁾ Pursuant to its threshold crossing declaration submitted to the AMF on November 28, 2023 (223C1933), Franklin Resources Inc. indicated its decision to no longer aggregate the shareholding of its affiliates, namely Templeton Global Advisors Limited, Franklin Templeton Investments Corp. and Templeton Investment Counsel LLC. As of that date, Franklin Resources Inc. stated that none of its affiliates held more than 5% of the Company's share capital or voting rights, thereby resulting in this declaration of downward threshold crossing. On December 6 and 8, 2023 (223C1993 and 223C2017), one of these companies, Templeton Global Advisors Limited, individually declared its crossing of the 5% threshold of the Company's share capital and voting rights.

To the Company's knowledge, at the date of publication of this Universal Registration Document, no other threshold crossing has been made.

5.1.3. Shareholdings of shareholders representing more than 5% of the capital stock or voting rights

To the Company's knowledge, with the exception of the HELLA Family Pool, Exor NV and Franklin Resources, Inc. company (together with its affiliates), no other shareholder holds, directly or indirectly, alone or in concert, more than 5% of the Company's capital or voting rights, as of December 31, 2023.

It should be noted that, as of the date of the Universal Registration Document, and to the Company's knowledge, there has been no significant change in the shareholding base since the end of the fiscal year.

In accordance with applicable regulations, the Company is entitled to request at any time, either from the central custodian that maintains the issuance account for its securities or directly from one or more registered intermediaries, information on the holders of securities conferring immediate or future voting rights at its own

General Meetings, such as the identity of the holder, nationality, year of birth or establishment, the postal and, where applicable, electronic address, the number of securities held by each of them and the type of holding of these securities, the date on which they began to be held as well as, where applicable, any restrictions that may apply to the securities.

To the best of the Company's knowledge, no shareholder has pledged the FORVIA shares they hold (for more information, see Chapter 3 "Corporate governance", section 3.5.2 "Transactions in the Company's securities by corporate officers").

To the Company's knowledge, there are no agreements referred to in Article L.233-11 of the French Commercial Code.

5.2. Capital stock

5.2.1. Authorized capital stock

The table below summarizes the financial authorizations and delegations for capital increases and cancellations of shares granted by the General Meeting held on May 30, 2023, as well as the use made of them during the 2023 fiscal year and since the beginning of the 2024 fiscal year up to the date of this Universal Registration Document.

Type of authorization/delegation	Maximum amount/nominal value	Term	Utilization
Resolution no. 16 Delegation of authority to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to the share capital of the Company and/or of a Subsidiary, with preferential subscription rights (suspension during tender offer periods)	<ul style="list-style-type: none"> ■ Capital: 40% (assessed on the day of the General Meeting; total capital ceiling) ■ Debt securities: €1 billion (total debt ceiling) 	26 months	No
Resolution no. 17 Delegation of authority to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to the share capital of the Company and/or a Subsidiary, without preferential subscription rights through a public offering (excluding offers referred to in 1° of Article L.411-2 of the French Monetary and Financial Code) and/or as compensation for securities as part of a public exchange offer (suspension during tender offer periods)	<ul style="list-style-type: none"> ■ Capital: 10% (ceiling shared with Resolutions 18 and 20; to be deducted from the total capital ceiling) ■ Debt securities: €1 billion (deducted from the total debt ceiling) 	26 months	No
Resolution no. 18 Delegation of authority to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to the share capital of the Company and/or a Subsidiary, without preferential subscription rights through an offer exclusively targeting a restricted circle of investors acting for their own account or qualified investors (suspension during tender offer periods)	<ul style="list-style-type: none"> ■ Capital: 10% (ceiling shared with Resolutions 17 and 20; to be deducted from the total capital ceiling) ■ Debt securities: €1 billion (deducted from the total debt ceiling) 	26 months	No
Resolution no. 19 Authorization to increase the amount of issues provided for in Resolutions no.16, no.17 and no. 18 (suspension during tender offer periods)	<ul style="list-style-type: none"> ■ Up to a limit of 15% of the initial issue and deducted from the maximum amounts authorized by the delegations under which the initial issue is made (Resolutions 16 to 18) 	26 months	No
Resolution no. 20 Delegation to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to the share capital of the Company, without preferential subscription rights, in order to remunerate contributions in kind to the Company (suspension during tender offer periods)	<ul style="list-style-type: none"> ■ Capital: 10% (ceiling shared with Resolutions 17 and 18; to be deducted from the total capital ceiling) ■ Debt securities: €1 billion (deducted from the total debt ceiling) 	26 months	No
Resolution no. 21 Delegation of authority to be granted to the Board of Directors to increase the Company's share capital by incorporation of reserves, profits, premiums or other amounts whose capitalization would be allowed (suspension during a public tender offer period)	<ul style="list-style-type: none"> ■ Capital: €175 million (ceiling independent of other resolutions) 	26 months	No

5 Capital stock and shareholding structure

Capital stock

Type of authorization/delegation	Maximum amount/nominal value	Term	Utilization
<p>Resolution no. 22 Authorization to be granted to the Board of Directors to grant, for free, existing shares and/or shares to be issued to employees and/or certain corporate officers of the Company or of affiliated companies or economic interest groups, with waiver by the shareholders of their preferential subscription rights</p>	<ul style="list-style-type: none"> ■ <u>Number of shares</u>: 3,000,000 (ceiling independent of other resolutions) ■ <u>Sub-ceiling for executive and non-executive corporate officers</u>: 10% of the above-mentioned ceiling 	26 months	Authorization used by the Board of Directors on July 26, 2023 in a maximum amount of 2,116,540 shares for the implementation of plan no. 15
<p>Resolution no. 23 Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital through the issue of shares and/or securities giving access to the share capital, with removal of preferential subscription rights for the benefit of members of a company or group savings plan</p>	<ul style="list-style-type: none"> ■ <u>Capital</u>: 2% (assessed on the day of the General Meeting) 	26 months	No
<p>Resolution no. 24 Delegation of authority to be granted to the Board of Directors for the purpose of carrying out share capital increases, with removal of preferential subscription rights in favor of a category of beneficiaries</p>	<ul style="list-style-type: none"> ■ <u>Capital</u>: 0.6% (assessed on the day of the General Meeting; to be deducted from the ceiling of Resolution 23 or any resolution that may replace it at a later date) 	18 months	No
<p>Resolution no. 25 Authorization to be granted to the Board of Directors for the purpose of reducing the capital stock by cancellation of shares</p>	<ul style="list-style-type: none"> ■ 10% of the shares comprising the Company's capital stock per period of 24 months 	26 months	No

5.2.2. Potential capital stock

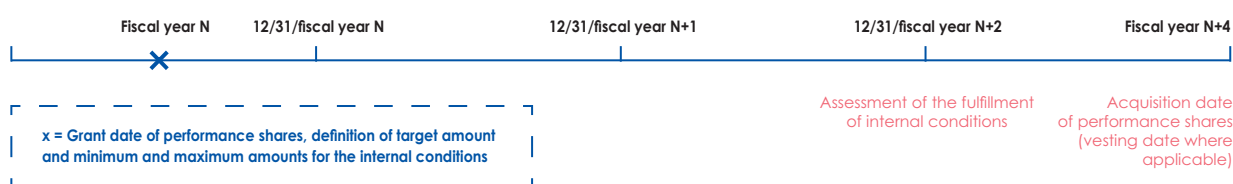
As of December 31, 2023, the potential capital stock was comprised only of performance shares (1).

The Company's policy on the allocation of performance shares, which aims to benefit the Chief Executive Officer, the members of the Executive Committee, as well as the Group Leadership Committee comprising **267** members at December 31, 2023, is described in the Chief Executive Officer's compensation policy (Chapter 3, "Corporate governance", Section 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of this Universal Registration Document).

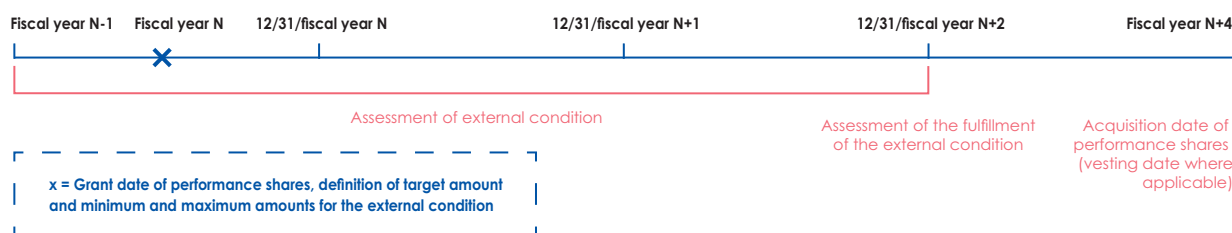
Performance share plans

The plans are constructed as follows:

Internal conditions



External condition (net earnings per share)



The charts above summarize the current performance share plans (or those expired) during the fiscal year ended December 31, 2023.

In view of the decision of the Board of Directors on July 22, 2022 to adjust the rights to free shares subject to performance conditions not yet vested (as a result of the capital increase carried out by the Company in June 2022), the number of shares of Plans 11, 12, 13 and ESPI were multiplied by 1.0788.

It is reminded that, for information purposes and to allow a consolidated reading of the data on the performance conditions selected and their rate of achievement, the definitive vesting of the performance shares is subject to fulfilment of the following performance conditions:

Plans no. 12, and 13

- an internal performance condition related to the Group net income after tax, before taking into account capital gains from disposal of assets and changes in the Group's structure. This internal condition is measured by comparing the net income for the third fiscal year ending after the grant date of the performance shares with that forecast for the same fiscal year in the strategic plan. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the targets set, with a range around the target (minimum, target, maximum) (2);

(1) No stock subscription options plans have been in force since April 16, 2017. Consequently, tables No. 8 of the AFEP-MEDEF Code and AMF recommendation No. 2021-02 ("History of allocations of stock options") and No. 9 of the AMF recommendation No. 2021-02 ("Stock subscription or purchase options granted during the period to the top ten non-corporate officer employees and options exercised by them during the year") are not applicable.

(2) As of Plan No. 10, the plans provide for an adjustment in the event that it appears (i) that the Group's sales for the last fiscal year ended of the reference period (2022 for Plan No. 12 and 2023 for Plan No. 13) would be lower or higher (in value) than +/- 5% compared to the sales forecast for the fiscal year concerned in the strategic plan adopted by the Board of Directors and (ii) that this variation would be due to exogenous factors such as changes in vehicle production volumes at the global level or exchange rates. In such a case, the level of the Group net income (after tax) target to be achieved under the plan for the last period ended of the reference period would remain unchanged but the gap between the performance threshold and the maximum target would be doubled.

- an internal condition on corporate social and environmental responsibility (CSR) related to gender equality, and more precisely the percentage of women within the "Managers & Professionals" ("management") category of the Faurecia group for the third fiscal year ending after the date on which the performance shares are granted, compared to the targets set by the Board of Directors. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
- an external performance condition, i.e., growth of the Company's net earnings per share assessed between the last fiscal year before the grant date of the shares and the third fiscal year ended after the grant date of the shares. This condition is assessed against the weighted growth of a reference group made up of 12 comparable international automotive suppliers over the same period. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets (minimum, target, maximum) according to the methods described below:
 - minimum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 125% of this weighted growth; (ii) if the weighted growth in net earnings per share of the reference group is between -20% and +20%, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is less than 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 75% of this weighted growth;
 - target: if the reference group's weighted growth in net earnings per share is in line with the growth in Forvia's net earnings per share, the target external condition is fulfilled;
 - maximum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater or equal to 75% of this weighted growth; (ii) if the weighted growth of the net earnings per share of the reference group is between -20% and +20%, the external condition is achieved at the maximum if the growth of Forvia's net earnings per share is greater than or equal to 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater than or equal to 125% of this weighted growth.
- 50% of the number of shares expressed at target provided the minimum objective threshold of the performance condition is reached;
- 100% of the number of shares expressed at target provided the target objective threshold of the performance condition is reached;
- 130% of the number of shares expressed at target provided the maximum objective threshold of the performance condition is reached;
- between these thresholds, the progression is linear.

Plan no. 14

For the Chief Executive Officer

The performance conditions applicable to the Chief Executive Officer for Plan 14 are the same as for plans no.12 and no.13 (see chapter 3.3.4.1.3 of the 2022 Universal Registration Document):

- an internal condition related to the Group net income after tax, before taking into account capital gains from disposal of assets and changes in scope. This internal condition is measured by comparing the net income for the third fiscal year ending after the grant date of the performance shares with that forecast for the same fiscal year in the strategic plan. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the targets set, with a range around the target (minimum, target, maximum);
- an internal condition on CSR related to gender equality, and more precisely the percentage of women within the "Managers & Professionals" ("management") category of Faurecia for the third fiscal year ending after the date on which the performance shares are granted, compared to the targets set by the Board of Directors. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the targets set, with a range around the target (minimum, target, maximum);
- an external performance condition, i.e., growth of the Company's net earnings per share assessed between the last fiscal year before the grant date of the shares and the third fiscal year ended after the grant date of the shares. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets (minimum, target, maximum) according to the methods described below:
 - minimum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 125% of this weighted growth; (ii) if the weighted growth in net earnings per share of the reference group is between -20% and +20%, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is less than 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 75% of this weighted growth,

Depending on the achievement of the performance conditions, the definitive allocation of shares is carried out as follows:

- target: if the reference group's weighted growth in net earnings per share is in line with the growth in Forvia's net earnings per share, the target external condition is fulfilled,
- maximum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater or equal to 75% of this weighted growth; (ii) if the weighted growth of the net earnings per share of the reference group is between -20% and +20%, the external condition is achieved at the maximum if the growth of Forvia's net earnings per share is greater than or equal to 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater than or equal to 125% of this weighted growth.

For beneficiaries excluding the Chief Executive Officer

For the other beneficiaries excluding the Chief Executive Officer, the nature and number of performance conditions have been adapted in order to support the Group's strategy and in particular the objective of carbon neutrality by 2025. The performance conditions are as follows:

- an internal criterion relating to the Group's Operating Income (including the Company and the companies belonging to the scope of consolidation) for the fiscal year ended December 31, 2024 (the "Internal Operating Income Criterion"). The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
 - an internal criterion relating to the Net Cash Flow of the Group (including the Company and the companies belonging to the scope of consolidation) for the fiscal year ended December 31, 2024 (the "Internal Net Cash Flow Criterion"). The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
 - an internal condition on CSR related to gender equality, and more precisely the percentage of women within the "Managers & Professionals" ("management") category of the Faurecia group for the third fiscal year ending after the date on which the performance shares are granted, compared to the targets set by the Board of Directors. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
 - an internal CSR criterion relating to the reduction of CO₂ emissions and aimed at the Group's carbon neutrality objective (the "Internal CSR Criterion Reduction of CO₂ Emissions"). Reduction in CO₂ emissions means the reduction compared to the baseline on December 31, 2019, for the Group scope. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
- an external performance condition, i.e., growth of the Company's net earnings per share assessed between the last fiscal year before the grant date of the shares and the third fiscal year ended after the grant date of the shares. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets (minimum, target, maximum) according to the methods described below:
 - minimum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 125% of this weighted growth; (ii) if the weighted growth in net earnings per share of the reference group is between -20% and +20%, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is less than 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 75% of this weighted growth,
 - target: if the reference group's weighted growth in net earnings per share is in line with the growth in Forvia's net earnings per share, the target external condition is fulfilled,
 - maximum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater or equal to 75% of this weighted growth; (ii) if the weighted growth of the net earnings per share of the reference group is between -20% and +20%, the external condition is achieved at the maximum if the growth of Forvia's net earnings per share is greater than or equal to 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater than or equal to 125% of this weighted growth.

In a context of high uncertainty regarding automotive production volumes, the Board of Directors, on the recommendation of the Compensation Committee, has the option of adapting the performance conditions by means of an adjustment mechanism for the internal financial criteria targets, in the event of significant variances in global automotive production volumes compared to the Company's strategic plan for the year in question, as follows:

- net income: in the event of a significant variance in global automotive production volumes compared to the Company's strategic plan, the target would be adjusted downward or upward for each variance of one million vehicles produced. The minimum and maximum of the achievement of the criterion would therefore be adjusted upwards or downwards by the same value in millions of euros;

- operating income: in the event of a significant variance in global automotive production volumes compared to the Company's strategic plan, the target would be adjusted downward or upward for each variance of one million vehicles produced. The minimum and maximum of the achievement of the criterion would therefore be adjusted upwards or downwards by the same value in millions of euros;
- net cash flow: in the event of a significant variance in global automotive production volumes compared to the Company's strategic plan, the target would be adjusted downward or upward for each variance of one million vehicles produced. The minimum and maximum of the achievement of the criterion would therefore be adjusted upwards or downwards by the same value in millions of euros.

Depending on the achievement of the performance conditions, the definitive allocation of shares is carried out as follows:

- 50% of the number of shares expressed at target provided the minimum objective threshold of the performance condition is reached;
- 100% of the number of shares expressed at target provided the target objective threshold of the performance condition is reached;
- 130% of the number of shares expressed at target provided the maximum objective threshold of the performance condition is reached.

Between these thresholds, the progression is linear.

Plan no. 15

The performance conditions applicable to all beneficiaries are:

- an internal criterion relating to the Group's Operating Income (including the Company and the companies belonging to the scope of consolidation) for the fiscal year ended December 31, 2025 (the "Internal Operating Income Criterion"). The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
- an internal criterion relating to the Net Cash Flow of the Group (including the Company and the companies belonging to the scope of consolidation) for the fiscal year ended December 31, 2025 (the "Internal Net Cash Flow Criterion"). The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
- an internal condition on CSR related to gender equality, and more precisely the percentage of women within the "Managers & Professionals" ("management") category of the Faurecia group for the third fiscal year ending after the date on which the performance shares are granted, compared to the targets set by the Board of Directors. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
- an internal CSR criterion relating to the reduction of CO₂ emissions and aimed at the Group's carbon neutrality objective (the "Internal CSR Criterion Reduction of CO₂ Emissions"). Reduction in CO₂ emissions means the reduction compared to the baseline on December 31, 2019, for the Faurecia group. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets, with a range around the target (minimum, target, maximum);
- an external performance condition, i.e., growth of the Company's net earnings per share assessed between the last fiscal year before the grant date of the shares and the third fiscal year ended after the grant date of the shares. The number of shares that will be definitively granted in respect of this criterion varies according to achievement of the set targets (minimum, target, maximum) according to the methods described below:
 - minimum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 125% of this weighted growth; (ii) if the weighted growth in net earnings per share of the reference group is between -20% and +20%, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is less than 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved as a minimum if the growth in Forvia's net earnings per share is equal to 75% of this weighted growth,
 - target: if the reference group's weighted growth in net earnings per share is in line with the growth in Forvia's net earnings per share, the target external condition is fulfilled,
 - maximum: (i) if the weighted growth in net earnings per share of the reference group is less than or equal to -20%, i.e. negative, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater or equal to 75% of this weighted growth; (ii) if the weighted growth of the net earnings per share of the reference group is between -20% and +20%, the external condition is achieved at the maximum if the growth of Forvia's net earnings per share is greater than or equal to 5% of this weighted growth; (iii) if the weighted growth in net earnings per share of the reference group is greater than or equal to +20%, i.e. positive, the external condition is achieved at the maximum if the growth in Forvia's net earnings per share is greater than or equal to 125% of this weighted growth.

In a context of high uncertainty regarding automotive production volumes, the Board of Directors, on the recommendation of the Compensation Committee, has the option of adapting the performance conditions by means of an automatic adjustment mechanism for the internal financial criteria targets, in the event of significant variances in global automotive production volumes compared to the Company's strategic plan for the year in question, as follows:

- operating income: in the event of a significant variance in global automotive production volumes compared to the Company's strategic plan, the target would be adjusted downward or upward for each variance of one million vehicles produced. The minimum and maximum of the achievement of the criterion would therefore be adjusted upwards or downwards by the same value in millions of euros;
- net cash flow: in the event of a significant variance in global automotive production volumes compared to the Company's strategic plan, the target would be adjusted downward or upward for each variance of one million vehicles produced. The minimum and maximum of the achievement of the criterion would therefore be adjusted upwards or downwards by the same value in millions of euros.

Depending on the achievement of the performance conditions, the definitive allocation of shares is carried out as follows:

- 50% of the number of shares expressed at target provided the minimum objective threshold of the performance condition is reached;
- 100% of the number of shares expressed at target provided the target objective threshold of the performance condition is reached;
- 130% of the number of shares expressed at target provided the maximum objective threshold of the performance condition is reached.

Between these thresholds, the progression is linear.

Single Executive Super Performance Initiative (ESPI) plan

An external relative Total Shareholder Return (TSR) condition, i.e. Forvia's TSR compared to the TSR for the same period of a reference group made up of 12 comparable global automotive suppliers (the "Relative TSR"). This Relative TSR condition is assessed as follows:

- an annual assessment of the Relative TSR (the "Annual Relative TSR") (1), with a level of achievement recorded each year over a period of five years, giving rise to a maximum annual partial vesting of 20%. The total amount of the definitive allocation in respect of the Relative Annual TSR will be equal to the sum of the five years of partial vesting;
- an assessment of the average relative TSR at the end of the reference period of five years (the "Average Relative Five Year TSR"), not giving rise to any partial vesting, the achievement level being calculated at the end of the reference period of five years and taking into account all of the Relative Annual TSRs for the period - this valuation method only applies to the Chief Executive Officer.

The percentage of the vesting, whether partial under the Relative Annual TSR (therefore for year N) or under the Average Relative Five-Year TSR, is determined by measuring the position of the percentile of Forvia's TSR relative to that of the reference group for the same period:

- if the TSR performance of Forvia is strictly below the 50th percentile: 0%;
- if the TSR performance of Forvia is on the 50th percentile (trigger threshold): 50%;
- if the TSR performance is higher than or equal to the 75th percentile (target): 100%.

Between the trigger threshold and the target, the progression of allocation is linear.

(1) The value used to calculate the TSR is the average share price over the year (12 months) preceding the valuation.

DETAILED HISTORY OF PERFORMANCE SHARE PLANS (1)

Table no. 9 of the AFEP-MEDEF Code and table no. 10 of AMF position-recommendation no. 2021-02

Information on performance shares grant	Plan no. 11 of October 9, 2019 (1) (2) (3)	Plan no. 12 of October 22, 2020 (1) (4)
GM date	May 28, 2019	June 26, 2020
Board of Directors date	October 9, 2019	October 22, 2020
Total number of shares allocated during the relevant fiscal year by threshold, of which:	Min.: 439,930 Target: 881,930 Max.: 1,147,260	Min.: 531,220 Target: 1,064,670 Max.: 1,384,630
Corporate officers	0	0
Michel de ROSEN	Min.: 21,620	Min.: 23,510
Patrick KOLLER	Target: 43,250 Max.: 56,220	Target: 47,030 Max.: 61,140
Number of beneficiaries	274	282
Vesting date	October 9, 2023	October 22, 2024
Availability date	October 9, 2023	October 22, 2024
Performance conditions	Internal condition on Group net income (after tax) (weighting of 60%), with a required achievement rate between 90% and 110%, the target being 100% ⁽⁵⁾ Internal CSR condition related to gender equality (weighting of 10%) with an achievement rate between -1 and +2 pts, the target being 100% External condition on net earnings per share (weighting of 30%), according to the assessment methods described in the introductory section	Internal condition on Group net income (after tax) (weighting of 60%), with a required achievement rate between 90% and 110%, the target being 100% Internal CSR condition related to gender equality (weighting of 10%) with an achievement rate between -1 and +2 pts, the target being 100% External condition on net earnings per share (weighting of 30%), according to the assessment methods described in the introductory section
Achievement rate of performance conditions	Internal condition Group net income (after tax): 0% Internal CSR condition related to gender equality: 115% External condition on net earnings per share: 0% Overall vesting rate: 11.5%	Internal condition Group net income (after tax): 94.7% Internal CSR condition related to gender equality: 129.7% External condition on net earnings per share: 0% Overall vesting rate: 69.6%
Number of shares relating to adjustment further to the capital increase of June 2022	6,268	67,824
Number of shares vested at December 31, 2023	71,188	3,388
Accumulated number of shares cancelled or forfeited as of December 31, 2023	817,010	607,833
Performance shares outstanding at December 31, 2023	0	521,273

(1) As the performance conditions of plans no. 11 and no. 12 are known, the actual number of shares vested, cancelled or lapsed is indicated in this table after application of the decision of the Board of Directors of July 22, 2022 to adjust the rights to free shares subject to performance conditions not yet vested.

(2) The Board of Directors meeting of October 9, 2019, based on the authorization given by the General Meeting of May 28, 2019, decided to grant a complementary plan (Plan 11b) to six beneficiaries who are not corporate officers of the Company in relation to a geographical zone of the Group, for a maximum number of shares of 33,240 and subject to specific performance conditions in relation to said geographical zone. The other characteristics of this complementary plan and the acquisition date are the same as the ones of plan no. 11.

(3) Given the impact of the COVID-19 health crisis and the consequences on economic activity and on the Group, the internal condition numerical targets became unreachable. In this context, at a meeting held on October 22, 2020, on a recommendation of the Compensation Committee, the Board of Directors resolved, without modifying the performance conditions and their respective weighting, to make an adjustment to the internal numerical targets of plan no. 11 to reflect the influence of the new economic and market data on the numerical targets while keeping the same achievement curve.

(4) The impact of the integration of HELLA into Forvia's accounts as from 2022, as well as exceptional events such as the war in Ukraine and the level of vehicle production, have been restated from the internal target criterion for net income after tax under plan no. 12 by decision of the Board of Directors on July 22, 2022, while maintaining the same attainment curve.

(1) The tables below present the current plans (or those expired) during the 2023 fiscal year. Plans No.1 to 10, which have expired, have not been included in this Universal Registration Document. For more information on these plans (including performance conditions, objectives set and achievement of these objectives), please refer to the 2018 Universal Registration Document, page 209, the 2019 Universal Registration Document, page 330, the 2020 Universal Registration Document, page 378, the Registration Document, page 398. For information however, please note that for Plans No. 1 to 10, subject to performance condition(s), the performance conditions (i) were met for six Plans (Plans No. 1, 5, 6, 7, 8 and 9), at the maximum rate for three of them (except for Plans No. 7 and 8), and (ii) were not met for four Plans (Plans No. 2, 3, 4 and 10) and therefore no shares were definitively vested for the beneficiaries of these four plans.

Information on performance shares grant	ESPI Plan of July 23, 2021	Plan no. 13 of October 25, 2021 ⁽⁶⁾
GM date	June 26, 2020	May 31, 2021
Board of Directors date	July 23, 2021	October 25, 2021
Total number of shares allocated during the relevant fiscal year by threshold, of which:	Min.: 336,775 ⁽⁷⁾ Target: 673,549 ⁽⁸⁾	Min.: 532,730 Target: 1,067,730 Max.: 1,389,000
Corporate officers	0	0
■ Michel de ROSEN	Min.: 35,971 ⁽⁹⁾	Min.: 36,980
■ Patrick KOLLER	Target: 71,941 ⁽⁹⁾	Target: 73,960 Max.: 96,150
Number of beneficiaries	13	298
Vesting date	July 23, 2026	October 25, 2025
Availability date	July 23, 2026	October 25, 2025
Performance conditions	Relative Annual TSR (weighting of 50% for the Chief Executive Officer and of 100% for the members of the Executive Committee), according to the assessment methods described in the introductory section Average Five-Year TSR (weighting of 50% for the Chief Executive Officer and 0% for the members of the Executive Committee), according to the assessment methods described in the introductory section	Internal condition on Group net income (after tax) (weighting of 60%), with a required achievement rate between 90% and 110%, the target being 100% Internal CSR condition related to gender equality (weighting of 10%) with an achievement rate between - 1 and + 2 pts, the target being 100% External condition on net earnings per share (weighting of 30%), according to the assessment methods described in the introductory section
Achievement rate of performance conditions	Plan being vested Annual relative TSR 2022-2023: 0%	Internal condition Group net income (after tax): 58.3% Internal CSR condition related to gender equality: 130% External condition of net earnings per share: not known at the time of filing of this Universal Registration Document
Number of shares relating to adjustment further to the capital increase	53,088	78,646
Number of shares vested at December 31, 2023	0	3,345
Accumulated number of shares cancelled or forfeited as of December 31, 2023 ⁽⁵⁾	401,754	280,738
Performance shares outstanding at December 31, 2023 ⁽⁵⁾	324,883 ⁽¹⁰⁾	862,293

(5) Plan expressed at target after application of the decision of the Board of Directors of July 22, 2022 to adjust the rights to free shares subject to performance conditions not yet vested.

(6) On July 26, 2023, the Board of Directors decided to adjust the net income after tax target of plan no. 13 in order to take into account these exceptional circumstances related to the integration and financing of the acquisition of HELLA, inflation, the impact of the ecological transition.

(7) Including 307,685 shares subject to performance conditions and 29,090 phantom shares subject to performance conditions.

(8) Including 615,370 shares subject to performance conditions and 58,179 phantom shares subject to performance conditions.

(9) Only shares subject to performance conditions were granted to the Chief Executive Officer.

(10) As the performance condition of the first and second tranche are known, the number of shares remaining is indicated accordingly.

5 Capital stock and shareholding structure

Capital stock

Information on performance shares grant	Plan no. 14 of July 28, 2022	Plan no. 15 of July 26, 2023
GM date	June 1, 2022	May 30, 2023
Board of Directors date	July 28, 2022	July 26, 2023
Total number of shares allocated during the relevant fiscal year by threshold, of which:	Min.: 924,140 Target: 1,848,920 ⁽¹¹⁾ Max.: 2,402,810	Min.: 824,880 Target: 1,651,300 ⁽¹²⁾ Max.: 2,147,720
Corporate officers	0	0
■ Michel de ROSEN	Min.: 65,320	Min.: 56,260
■ Patrick KOLLER	Target: 130,640 Max.: 169,830	Target: 112,520 Max.: 146,270
Number of beneficiaries	302	282
Vesting date	July 28, 2022	July 26, 2023
Availability date	July 28, 2026	July 26, 2027
Performance conditions	<p>For the Chief Executive Officer</p> <ul style="list-style-type: none"> Internal condition on Group net income (after tax) (weighting of 60%), with a required achievement rate between 90% and 110%, the target being 100% Internal CSR condition related to gender equality (weighting of 10%) with an achievement rate between - 1 and + 2 pts, the target being 100% External condition on net earnings per share (weighting of 30%), according to the assessment methods described in the introductory section <p>For other beneficiaries</p> <ul style="list-style-type: none"> Internal condition on Group Operating Income (weighting of 20%), with a required achievement rate between 90 and 110%, the target being 100% Internal condition on Group net cash flow (weighting of 25%), with a required achievement rate between 90 and 110%, the target being 100% Internal CSR condition related to gender equality (weighting of 10%) with an achievement rate between - 1 and + 2 pts, the target being 100% Internal CSR condition related to the reduction of CO₂ emissions (weighting of 15%) with an achievement rate between - 5 and + 5 pts, the target being 100% External condition on net earnings per share (weighting of 30%), according to the assessment methods described in the introductory section 	<ul style="list-style-type: none"> Internal condition on Group Operating Income (weighting of 20%), with a required achievement rate between 90 and 110%, the target being 100% Internal condition on Group net cash flow (weighting of 25%), with a required achievement rate between 90 and 110%, the target being 100% Internal CSR condition related to gender equality (weighting of 10%) with an achievement rate between - 1 and + 2 pts, the target being 100% Internal CSR condition related to the reduction of CO₂ emissions (weighting of 15%) with an achievement rate between - 5 and + 5 pts, the target being 100% External condition on net earnings per share (weighting of 30%), according to the assessment methods described in the introductory section
Achievement rate of performance conditions	Plan being vested	Plan being vested
Number of shares relating to adjustment further to the capital increase of June 2022		
Number of shares vested at December 31, 2023	0	0
Accumulated number of shares cancelled or forfeited as of December 31, 2023 ⁽⁵⁾	356,210	119,820
Performance shares outstanding at December 31, 2023 ⁽⁵⁾	1,492,710	1,531,480

(11) Including performance-related shares granted by the Chief Executive Officer, in accordance with the decision of the Board of Directors and on the latter's sub-delegation, to employees hired after the aforementioned date. A minimum of 5,580 shares, a target of 11,170 shares and a maximum of 14,520 shares. Apart from the grant date, the other conditions are identical to those of plan no. 14 of July 28, 2022, including for the acquisition date.

(12) Including performance-related shares granted by the Chief Executive Officer, in accordance with the decision of the Board of Directors and on the latter's sub-delegation, to employees hired after the aforementioned date. A minimum of 11,980 shares, a target of 23,970 shares and a maximum of 31,180 shares. Apart from the grant date, the other conditions are identical to those of plan no. 15 of July 26, 2023, including for the acquisition date.

The maximum number of shares allocated free of charge pending vesting as at December 31, 2023 (5,899,639 shares) represent 2.99% of the Company's capital stock at this date⁽¹⁾.

(1) This amount corresponds to the number of shares for plan no. 12 calculated on the basis of actual performance and the maximum number of free shares granted under (i) of Plans Nos. 13, 14, 15 and (ii) of the one-off ESPI Plan.

5.2.3. Change in capital stock over five years

Year and type of transaction	Shares created/ canceled during the transaction <i>(in number of shares)</i>	Nominal amount of the transaction <i>(in euros)</i>	Amounts of capital stock after the transaction <i>(in euros)</i>	Shares comprising the capital stock after the transaction <i>(in number of shares)</i>
07/2021 Capital increases reserved for employees and a category of beneficiaries under the Faur'ESO employee share ownership plan	2,756,942	19,298,594	985,549,201	140,792,743
07/2021 Capital reduction (cancellation of shares) intended to neutralize the dilutive effect resulting from the capital increases implemented as part of the Faur'ESO employee shareholding plan.	2,756,942	19,298,594	966,250,607	138,035,801
01/2022 Issue of new shares in consideration for a contribution in kind of shares by the members of the family pool as part of the combination between Faurecia and HELLA	13,571,385	94,999,695	1,061,250,302	151,607,186
06/2022 Capital increase with preferential subscription rights as part of the refinancing of the acquisition of HELLA	45,482,154	318,375,078	1,379,625,380	197,089,340
Capital stock at December 31, 2023			1,379,625,380	197,089,340

5.2.4. Employee share ownership

At December 31, 2023, FORVIA's employee shareholding, within the meaning of Article L. 225-102 of the French Commercial Code, represented 3,578,896 shares, i.e. 1.82% of the capital stock.

5.3. Transactions carried out by the Company in its own shares

The General Meeting of May 30, 2023 authorized the implementation of a share buy-back program (Resolution 14) which replaced, from that date, the program authorized by Resolution 13 of the General Meeting of June 1, 2022.

LIQUIDITY AGREEMENT

Description of the contract

Since April 27, 2009, FORVIA has been implementing a liquidity contract that complies with the AMAFI Charter.

The current liquidity contract was signed on November 18, 2019 between FORVIA and Rothschild Martin Maurel. This contract, which complies with the AMF decision no. 2021-01 of June 22, 2021 covering the implementation of liquidity contracts on equity securities in respect of accepted market practices, replaced the previous contract of November 20, 2015, as amended on May 24, 2018.

The liquidity contract was signed for 12 months, from November 18, 2019 and is thereafter renewable by tacit renewal for successive 12-month periods. The amount of €10,837,505.31 was recorded as credit in the liquidity account on November 15, 2019.

The liquidity contract covers Company shares, and the trading platform on which the transactions are carried out is the Euronext regulated market in Paris.

The contract stipulates that its execution shall be suspended under the conditions set out in Article 5 of the above-mentioned AMF decision, namely (i) while stabilization measures are being carried out under the meaning of (EU) Regulation no. 596/2014 of the European Parliament and Council of April 16, 2014 on market abuse, with the suspension of the liquidity contract taking place from the admission to trading of the securities concerned by the stabilization measures up to the publication of the information indicated in Article 6, Paragraph 3 of the Delegated (EU) Regulation no. 2016/1052 and (ii) during a public offering period or pre-offering period and until the offer is closed, when the issuer initiates the public offering or when the issuer's securities are targeted by the offering.

The contract may also be suspended on the Company's request for technical reasons, such as the counting of shares with voting rights before General Meetings or the counting of shares giving rights to dividends before the ex-dividend date and for a period that it shall specify.

The contract may be terminated at any time by the Company, without notice and with notice of one month for the investment services provider.

Implementation in 2023

In 2023, under the liquidity contract, cumulative purchases related to 3,996,678 shares, i.e. 2% of the capital stock, for a value of €79,215,537 and cumulative sales related to 4,066,678 shares for a value of €80,866,007. The capital gain generated in 2023 under the liquidity contract amounted to €1,650,469. Management fees for the liquidity contract came to €150,000 in 2023. Under this liquidity contract, as at December 31, 2023, the following assets were included in the liquidity account: 0 securities and €10,865,799 in cash.

USE OF TREASURY SHARES DURING THE FISCAL YEAR

During the 2023 fiscal year, the Company used 72,002 treasury shares to deliver performance shares to the beneficiaries of plan no. 11.

NUMBER OF TREASURY SHARES HELD AT DECEMBER 31, 2023

As at December 31, 2023, the Company held 5,091 treasury shares (none under the liquidity contract), representing 0.003% of the Company's capital stock on the same date. These treasury shares are all allocated to the objective of allocating shares to employees, and more specifically to cover performance share plans.

DESCRIPTION OF THE SHARE BUYBACK PROGRAM

The program description presented below will not be subject to a specific publication, in accordance with the provisions of Article 241-3 of the *Autorité des Marchés Financiers* (AMF) General Regulation.

The General Meeting of May 30, 2024 will be asked to authorize the Board of Directors to once again trade in the shares of the Company under the conditions described below. It is stipulated that, throughout the period of a public offer filed by a third party on the Company's shares, repurchases may only be carried out provided that they:

- enable the Company to comply with commitments it entered into prior to the opening of the offer period;
- are carried out as a part of the continuation of a share buy-back program already underway;
- are not likely to cause the offer to fail;
- are in line with one of the first two objectives below.

This new authorization will cancel the authorization granted to the Board of Directors by the General Meeting of May 30, 2023 to trade in Company shares (Resolution no. 14).

Program objectives

Acquisitions are authorized in order to:

- hedge stock option plans and/or free grant of shares plans (or similar plans) to the benefit of employees and/or Group corporate officers (including Economic Interest Groups and related companies) as well as all allocations of shares as part of a group or company savings plan (or similar plan), under a profit-sharing plan and/or any other form of allocation or sale of shares to the benefit of the Group employees and/or corporate officers (including Economic Interest Groups and related companies);
- cover the Company's commitments under financial contracts or cash-settled options granted to Group employees and/or corporate officers (including related Economic Interest Groups and companies);
- hedge securities giving access to the allocation of Company shares;
- retain the shares purchased and use these shares for exchange or payment at a later stage, as part of any possible merger, spin-off, contribution or external growth transactions;
- cancel shares;
- support the secondary market or the liquidity of Faurecia shares, through an investment service provider under a liquidity contract in accordance with the practices permitted by the *Autorité des Marchés Financiers* (AMF).

This program is also designed to allow the implementation of all market practices that may be permitted by the market authorities, and more generally, the completion of all other transactions in accordance with legislation or regulations that are or may become applicable. In such an event, the Company shall inform its shareholders through a press release.

Maximum number of shares to be acquired

The maximum number of shares that may be purchased may not at any time exceed 10% of the total number of shares comprising the capital stock (for information purposes 19,708,934 shares as of December 31, 2023), it being specified that (i) this cap applies to an amount of the Company's capital stock that may, if applicable, be adjusted to take into account the transactions affecting the capital stock after this General Meeting and (ii) in accordance with the applicable provisions, when the shares are purchased for liquidity purposes, the number of

shares taken into account to calculate the aforementioned cap of 10% corresponds to the number of shares purchased less the number of shares resold during the duration of the authorization. The acquisitions made by the Company may not, under any circumstances, lead it to hold, directly or indirectly through subsidiaries, over 10% of its capital stock. Moreover, the number of shares acquired by the Company for the purpose of retaining and using them for exchange or payment at a later stage, as part of any possible merger, spin-off, contribution or external growth transactions, may not exceed 5% of its capital stock.

The shares may, in whole or in part, depending on the case, be acquired, sold, exchanged or transferred, in one or several installments, by all means, on all markets, including on multilateral trading facilities or through a systematic internalizer, or over the counter, including through the acquisition or disposal of blocks of shares (without limiting the part of the buy-back program that may be completed through this means), in all cases, either directly or indirectly, notably through an investment service provider. These means include the use of optional mechanisms or derivatives subject to the applicable regulations.

Maximum price per share and maximum amount allocated to the program

The maximum purchase price is set at €80 per share (excluding acquisition costs). In the event of a capital increase through the capitalization of premiums, reserves or profits by allocations of free shares as well as in the event of a division of shares, reverse stock split or any other transaction affecting the capital stock, the aforementioned price will be adjusted by a multiplication coefficient equal to the ratio of the number of Company shares prior to the transaction and the number of shares after the transaction. On this basis, and for information only, based on the capital stock at December 31, 2023 comprising 197,089,340 shares, and without taking into account the shares already held by the Company, the theoretical maximum purchase amount for the program (excluding acquisition costs) would amount to €1,576,714,720.

Program term

18 months from the General Meeting of May 30, 2024.

It should be noted, where necessary, that the breakdown by objective for the equity securities held at December 31, 2023 is indicated above.

5.4. Share price

FORVIA shares (ticker code FRVIA) are listed on compartment A of the regulated market of Euronext Paris. They are listed on the CAC Next 20 and CAC 40 SBT 1.5° indices of Euronext and the MSCI France index.

The share price at the 2023 closing date (Friday, December 29, 2023) was €20.42 compared to a closing price of €14.13 (Friday, December 30, 2022), i.e. a market capitalization of approximately €4.025 billion at the end of 2023 compared to approximately €2.785 billion at the end of 2022 (the number of shares being identical at the end of the two years, i.e. 197,089,340 shares).

This increase of 44.52% over the year 2023 partially corrects the sharp decline in 2022, which was mainly caused by the combination of the strong impact of the war in Ukraine on the financial markets and the global macroeconomic environment, particularly in terms of inflation, simultaneously with the finalization of the strategic acquisition of a majority interest in the equipment manufacturer HELLA, largely financed by debt.

Over the same period of 2023, the French CAC 40 and SBF 120 indices increased by 16.52% and 15.26% respectively.

While the global macroeconomic context remained tense in 2023, with inflation still high and interest rates raised several times, the FORVIA share rose more than the indices already mentioned and also peers such as Plastic Omnium and Valeo (down 11.63% and 16.68% respectively in 2023). Indeed, in 2023 the Group demonstrated its ability to finalize the refinancing of the HELLA acquisition and also, through the effective completion of a first asset disposal program for €1 billion, that its priority objective was to accelerate its deleveraging after the HELLA acquisition, thus alleviating investor risk aversion in an inflationary environment.

In October 2023, again with a view to accelerating the Group's debt reduction, a second asset disposal program for €1 billion was announced during the publication of the Q3 sales.

The average price of FORVIA's share over 2023 was €19.58. The price peaked at €25.40 on July 24, 2023, and hit its lowest closing price of the year, €14.40, on January 2, 2023.

The average number of monthly trades on Euronext was 22.335 million shares, representing €435.77 million.

5.4.1. Share price and trading volumes (source Euronext)

2023 share price and trading volume	Price (in €)				Trading volume	
	High	Average	Low	Close	Shares	Capital (in € thousands)
January	18.84	17.50	14.40	18.14	29,374,411	509,866
February	21.30	19.44	17.84	20.71	24,597,144	482,977
March	23.56	20.35	17.42	19.95	41,298,581	834,243
April	22.10	19.77	17.63	18.75	23,350,611	461,613
May	21.42	19.31	16.92	19.33	22,559,201	435,694
June	23.15	21.64	19.35	21.57	19,687,847	426,613
July	25.40	23.21	21.03	22.82	18,261,333	425,275
August	23.06	20.50	18.99	19.64	14,801,157	304,847
September	20.96	19.67	18.46	19.61	15,801,932	310,650
October	20.08	16.89	14.99	15.84	21,621,722	365,134
November	18.20	17.00	15.56	18.04	18,909,706	322,176
December	21.63	19.78	17.55	20.42	17,759,354	350,171

2022 share price and trading volumes	Price (in €)				Trading volume	
	High	Average	Low	Close	Shares	Capital (in € thousands)
January	45.16	42.51	38.14	38.63	11,995,795	507,156
February	43.75	39.56	32.85	34.05	17,236,742	670,861
March	34.19	25.01	21.86	23.65	37,819,015	954,356
April	24.82	22.41	19.71	21.07	29,170,079	649,961
May	26.40	22.23	18.60	25.82	37,718,205	865,663
June	23.95	21.09	18.14	18.92	37,397,666	803,585
July	19.51	17.09	15.39	17.55	32,008,274	547,418
August	18.32	16.22	13.69	14.39	28,279,405	454,354
September	15.36	13.64	10.75	11.23	40,727,033	545,829
October	15.16	12.90	10.73	15.12	39,919,449	508,362
November	17.90	15.70	13.36	15.76	32,939,260	511,858
December	16.20	14.25	13.26	14.13	23,412,900	333,941

5 Capital stock and shareholding structure

Share price

5.4.2. Stock market data

	31/12/2023	31/12/2022
Stock market capitalization at end of the fiscal year (in € millions)	4,024.6	2,784.9
Share price (in €):		
■ highest	25.40	45.16
■ lowest	14.40	10.73
Share price at the end of the fiscal year (in €)	20.42	14.13
Shareholders' equity per share (in €)	22.88	23.08
Number of shares in circulation	197,089,340	197,089,340

5.4.3. Dividends

Fiscal year	Gross dividend per share (in €) ⁽¹⁾	Total (in €)
2020	1.00	138,035,801 ⁽²⁾
2021 ⁽³⁾	-	-
2022 ⁽³⁾	-	-

(1) Dividend fully eligible for the 40% tax allowance for private individuals resident for tax purposes in France as provided for by Article 158, 3 2° of the French General Tax Code.

(2) Figure including the amount of the dividend corresponding to treasury shares held by the Company not paid and allocated to the retained earnings account.

(3) It was decided to suspend the payment of dividends in 2022 (in respect of 2021) and 2023 (in respect of 2022) in order to accelerate the Group's deleveraging and further contribute to increasing financial flexibility, particularly following the acquisition of HELLA.

On February 16, 2024, the Board of Directors of FORVIA decided to propose to the next General Meeting, which should be held on May 30, 2024, to pay a dividend of €0.50 per share in 2024 in respect of 2023.

5.4.4. Dividend payment policy

Shareholder compensation is set in accordance with the Group's net cash allocation strategy. This, presented for the first time at the Capital Markets Day in November 2019, consists of allocating:

- approximately 60% of the net cash generated each year (net cash flow) to the Group's debt reduction as well as to potential non-transformative/medium-sized acquisitions (bolt-ons);
- approximately 40% to the distribution of dividends and share buy-backs, exercised in particular within the framework of performance share allocation programs, in order to avoid any dilution caused by said programs.

On the occasion of the last Capital Markets Day, held on November 3, 2022, the Group's net cash allocation strategy was confirmed, while stressing the short-term priority of accelerating debt reduction for the Group, following the acquisition of the majority interest in HELLA, which took place in early 2022.

5.4.5. Per share figures

<i>(in €)</i>	31/12/2023	31/12/2022
Non-diluted earnings (loss) per share - Attributable to owners of the parent	1.13	(2.20)
Cash flow per share from operating activities	13.27	12.50

The method used to calculate the weighted average number of shares before dilution to determine per share data is detailed in Note 9, Section 1.3.5 "Notes to the consolidated financial statements", Chapter 1 "Financial and accounting information".

5.4.6. 2024 financial calendar (subject to change)

February 19, 2024	Before market opening	2023 annual results announcement
April 18, 2024	Before market opening	First-quarter 2024 sales announcement
May 30, 2024	10 a.m.	General Meeting of shareholders
July 24, 2024	Before market opening	First-half 2024 interim results announcement
October 21, 2024	Before market opening	Third-quarter 2024 sales announcement

5.5. Relations with the financial community

For many years, FORVIA's management has made it a priority to establish a relationship of trust with financial market players by developing a constant dialog with its shareholders and lenders.

FORVIA therefore encourages constructive dialog, both on its financial results and on its strategy and latest news, through accurate, comprehensive, regular and transparent financial reporting, in accordance with current regulations and as close as possible to financial communication best practices.

HELLA, in which FORVIA acquired a majority interest finalized at the end of January 2022 and which has been consolidated in FORVIA's financial statements since February 1, 2022, is listed on the Frankfurt Stock Exchange (ticker: HLE). HELLA manages its financial communications independently, while adhering to a financial communications calendar compatible with that of FORVIA for its consolidated financial statements. HELLA's financial communications are available on the website www.hella.com, in German and English.

Approach

The FORVIA group provides investors with a large number of documents covering its business, strategy and all the financial information that it is required to disclose under stock market regulations. They include the Company's registration documents and Universal Registration Documents, interim financial reports, documents distributed as regulated information, as well as the Company's bylaws and the Board of Directors' internal rules, and are available online www.faurecia.com or www.forvia.com, in French and English.

Financial information is regularly supplemented by the publication of press releases announcing important events relating to the Group's operations and activities. All of these press releases are available in the "Newsroom" space on the website.

At the end of each quarter, the Group organizes a communication on its performance for the previous quarter or half year:

- in April and October of each year, the Group publishes changes to its quarterly sales by business and by region. In addition to a press release, a telephone meeting is also held for this communication, to which analysts and investors are invited;
- in February and July, the Group publishes all of its annual and half-yearly results. In addition to a press release, a meeting is then held (physical meeting or videoconference) to which analysts and investors are invited.

Throughout the year, FORVIA promotes meetings between its Executive Management and financial market players at conferences and meetings (financial roadshows) in France and worldwide, in the form of individual or group meetings.

Finally, the Group very regularly organizes investor days ("Capital Markets Days") to present the medium-term strategic vision, with some of these days dedicated to specific topics.

In addition, in order to develop its relationship with individual shareholders:

- a toll-free number has been set up, which is available in France only (0805 651 206). This number allows individual shareholders to obtain information or answers to any questions they may have about the life of the Group, or about how to become a shareholder (all their requests can also be sent to the following address: actionnaires@faurecia.com);
- a digital "Letter to shareholders" is published periodically on the Group's website;
- meetings with individual shareholders are organized in the various French regions.

The quantified elements

In 2023, in addition to meetings to present annual and interim results and conference calls for Q1 and Q3 sales reporting, FORVIA carried out over 200 meetings with investors and financial analysts during financial roadshows, conferences, and individual appointments.

FORVIA also ensures a constant dialog with individual shareholders. In addition to the General Meeting, which is a privileged moment of exchange with its shareholders at the Group's head office, FORVIA regularly meets with individual shareholders in the provinces. The Group traveled to Nantes in 2023 to present the Company and its prospects to an audience of individual investors.

On November 3, 2022, FORVIA held its first "Capital Markets Day" in Paris under its new scope Faurecia + HELLA, during which the Group presented "Power25", its new medium-term plan (2025) aiming to generate profitable growth, strengthen cash generation and accelerate the Group's debt reduction.

6

Other information

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6.1. Legal information

COMPANY NAME AND ADDRESS

Company name: FORVIA
Registered office: 23-27, avenue des Champs-Pierreux
92000 Nanterre – France
Telephone: +33 (0) 1 72 36 70 00
Website: www.forvia.com

The information provided on the website is not part of the Universal Registration Document, unless it is incorporated by reference into it.

LEGAL FORM

FORVIA is a European company whose shares are admitted to trading on the regulated market of Euronext Paris. The Company is governed by the provisions of Council Regulation (EC) no. 2157/2001 of October 8, 2001 on the status of a European company, by the French Commercial Code and by related texts; FORVIA refers to the corporate governance regime provided for by the AFEP-MEDEF Code.

FORVIA abides by the legal and regulatory provisions that apply to the governing bodies of listed companies and reports in this Universal Registration Document on the application of the recommendations made in relation to the AFEP-MEDEF Code.

STATUTORY AUDITORS

The Company's financial statements are audited by two Statutory Auditors appointed in accordance with Articles L. 225-228 and L. 22-10-66 of the French Commercial Code.

DATE OF INCORPORATION AND TERM

Incorporated on July 1, 1929.

Company term expiry date: May 28, 2117.

INCORPORATION DETAILS

The Company is registered with the Nanterre Trade and Companies Register under number 542 005 376.

Its APE (business identifier) Code is: 7010Z.

Its NACE Code is: 7010.

CONSULTATION OF CORPORATE DOCUMENTS

During the period of validity of this Universal Registration Document, the following documents (or copies thereof) may be consulted, if required:

- a. the issuer's articles of incorporation and bylaws;
- b. all reports, letters and other documents, assessments and statements prepared by any expert at the Company's request, any part of which is included or referred to in the Universal Registration Document.

In addition, the following documents and information may also be consulted:

- a. the Universal Registration Documents and Registration Documents (including the annual financial reports) and interim financial reports filed with the *Autorité des Marchés Financiers* (AMF) for each of the past ten periods;
- b. the Group's annual and biannual presentations of the results and outlook, as well as the quarterly financial information.

The aforementioned documents, as well as the regulated information published during the last 12 months, can be consulted at the addresses indicated under the heading "Consultation address" below.

CONTACT DETAILS

FORVIA's Legal department, 23-27, avenue des Champs-Pierreux, 92000 Nanterre and on the Company's website at www.forvia.com.

CORPORATE PURPOSE

Under Article 3 of the bylaws, the Company's purpose is:

- to create, acquire, run, directly or indirectly manage, by acquisition of holdings, by rental or by any other means, in Europe and internationally, all forms of industrial companies, trading companies and tertiary sector companies;
- to research, obtain, acquire and use patents, licenses, processes and trademarks;
- to rent all types of real estate, bare or constructed;
- to provide administrative, financial and technical assistance to affiliated enterprises;
- to run plants and establishments which it owns or may acquire in the future;
- to manufacture, use and/or sell, regardless of form, its own products or those of affiliated enterprises;
- to manufacture and commercialize, by direct or indirect means, all products, accessories or equipment, regardless of their nature, intended for industrial use, and in particular by the automobile industry;
- to directly or indirectly participate in all financial, industrial or commercial operations that may relate to any one of the above-mentioned purposes, including but not limited to setting up new companies, making asset contributions, subscribing to or purchasing shares or voting rights, acquiring an interest or holding, mergers, or in any other way;

and, more generally, to conduct any industrial, commercial and financial operations, and operations relating to fixed or unfixed assets, that may relate, directly or indirectly, to any one of the above-mentioned purposes, totally or partially, or to any similar or related purposes, and even to other purposes of a nature to promote the Company's business.

ROLE OF THE COMPANY IN RELATION TO ITS SUBSIDIARIES

FORVIA is a holding company, whose assets are primarily made up of equity interests. The Company's industrial assets are held by the operating subsidiaries.

FORVIA provides, directly and indirectly, financial, accounting, management, administrative and other services to Group companies.

The list of consolidated companies as at December 31, 2023 is available in Chapter 1 "Financial and accounting information", Section 1.3 "Consolidated financial statements".

A simplified organizational chart of the Group's companies can be found in Section 6.2. "Simplified organizational chart" which illustrates the Company's positioning within the Group.

FISCAL YEAR

The Company's fiscal year covers the 12-month period from January 1 to December 31.

DISTRIBUTION OF PROFITS

Income available for distribution corresponds to net income for the year, less any losses carried forward from prior years and any amounts appropriated to reserves in compliance with the law or the bylaws, plus any retained earnings.

Out of this income, the General Meeting determines the portion attributed to shareholders in the form of dividends and deducts the amounts it considers appropriate to allocate to any reserve funds or to carry forward.

Except in the case of a capital reduction, no distributions may be made to shareholders if the Company's shareholders' equity represents – or would represent after the planned distribution – less than its capital stock plus any reserves which, according to the law or the bylaws, are not available for distribution.

The General Meeting may also decide to distribute amounts deducted from optional reserves in order to pay or increase a dividend or pay a special dividend.

The Company's bylaws provide that the Ordinary General Meeting approving the financial statements for the year may also decide to offer each shareholder, for all or part of the dividend to be paid or interim dividends, the option between the payment of the dividend or the interim dividend in cash or in shares.

DIVIDENDS – STATUTE OF LIMITATIONS

Dividends are lapsed after five years from the date of payment if uncollected. After this period, they are paid to the Treasury.

COMPANY'S REGISTRAR AND PAYING AGENT

The transfer service and coupon payments are provided by Uptevia, 90-110 Esplanade du Général de Gaulle – 92931 Paris La Défense Cedex.

FORVIA STOCK MARKET DATA

FORVIA shares (ticker code FRVIA) are listed on Compartment A of the regulated market of Euronext Paris (ISIN code FR0000121147). They are listed on the CAC Next 20 and CAC 40 SBT 1.5° indices of Euronext and the MSCI France index.

The LEI code is: 969500F0VMZLK2IULV85.

GENERAL MEETING OF SHAREHOLDERS

The rules governing the participation of shareholders in General Meetings are described in Articles 24 and 25 of the Company's bylaws which are available on the governance page of the Company's website (www.forvia.com).

General Meetings are held at the Company's registered office or at any other venue specified in the notice of meeting.

Holders of registered shares are convened by post or email if the e-notice process is accepted. The other shareholders are notified via the relevant banks and brokers through the financial notices provided for by the applicable regulations.

A continually updated schedule of all the Group's financial events, including the date of the General Meeting, is available on FORVIA's website at www.forvia.com.

The right to participate in General Meetings shall be substantiated in accordance with the current legal provisions.

The rights of shareholders, which may only be amended in accordance with the conditions laid down by applicable laws and regulations, are not affected by any other provision of the bylaws.

VOTING RIGHTS

Voting rights at Ordinary, Extraordinary and Special General Meetings are exercisable by the beneficial owner of the shares.

The bylaws (Article 24) assign double voting rights to all fully paid-up shares that have been registered in the name of the same holder for at least two (2) years. In the case of a capital increase through the capitalization of retained earnings, income or additional paid-in capital, the free shares allotted in respect of registered shares carrying double voting rights will also carry double voting rights as from the date of issue. Shares that are transferred or converted to bearer form are stripped of double voting rights in the cases provided for by law.

EXISTENCE OF AGREEMENTS WHOSE IMPLEMENTATION COULD RESULT IN A CHANGE OF CONTROL OF THE COMPANY OR COULD HAVE THE EFFECT OF DELAYING, DEFERRING OR PREVENTING A CHANGE OF CONTROL

To the best of the Company's knowledge, there are no agreements to date whose implementation could, at a later date, result in a change of control. There are currently no provisions in any Company deeds, bylaws, charters, regulations or provisions in place that could delay, postpone or prevent such a change in control.

CONTROL

As of the date of publication of this Universal Registration Document, the Company is not controlled within the meaning of applicable regulations.

FACTORS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC TENDER OFFER OR EXCHANGE OFFER:

Company's capital structure

The capital structure is presented in Chapter 5 "Capital stock and shareholding structure", Section 5.1.1 "Changes in capital stock".

Direct or indirect equity investments in the Company's capital stock referred to in Articles L. 233-7 and L. 233-12 of the French Commercial Code of which the Company is aware

The direct or indirect investments in the Company's capital stock covered by Articles L. 233-7 and L. 233-12 of the French Commercial Code that the Company has knowledge of are presented in Chapter 5 "Capital stock and shareholding structure", Section 5.1.2 "Crossing of legal thresholds".

Owners of any stock with special rights of control

Article 24 of the bylaws stipulates that double voting rights are allocated to all shares that have been registered in the name of the same holder for at least two years. Subject to this reserve, there are no securities which carry special control rights referred to in Article L. 22-10-11, 4 of the French Commercial Code.

Statutory restrictions on the exercise of voting rights

Under the terms of Article 30 of the bylaws, in addition to the obligations for notifying thresholds provided for by law, any person or legal entity acting alone or in concert within the meaning of Article L. 233-10 of the French Commercial Code who comes to own or to cease to own a number of shares taking into account the cases of assimilation provided by the law applicable to the crossing of mandatory thresholds representing 1% or more of the capital stock or voting rights or any further multiple of this percentage, including over and above the legal thresholds, is required to notify the Company in writing of the total number of shares and voting rights held no later than four (4) business days after occurrence.

Any shareholder failing to declare ownership as required above shall be deprived of voting rights for the non-declared fraction if one or several shareholders present or represented at a general meeting, and collectively holding a share capital fraction (or voting rights) of at least 1%, make a request to this effect, logged in the minutes of the General Meeting.

Agreements between shareholders that, if the Company becomes aware of them, may give rise to restrictions on share transfer and the exercise of voting rights

On January 31, 2022, the Company acquired all of the shares held by the HELLA Family Pool in HELLA, at €60 per share, paid through a combination of €3.4 billion in cash and up to 13,571,385 newly-issued FORVIA shares. These new shares were issued on January 31, 2022.

In the context of this transaction and in accordance with the agreement entitled "Investment Agreement" dated August 14, 2021 (as amended thereafter), the HELLA Family Pool has undertaken not to transfer:

- during a period of 18 months starting from the date of completion of the acquisition, i.e. until July 31, 2023, the above-mentioned 13,571,385 FORVIA shares, as well as any additional FORVIA shares that the HELLA Family Pool may subscribe in accordance with the subscription undertakings set out in the Investment Agreement;
- during a period of 12 months as from the expiration of the preceding period described above, i.e. until July 31, 2024, more than 5% of the FORVIA capital stock (as outstanding on July 31, 2023).

These lock-up undertakings are subject to standard exceptions for such type of agreements (e.g. in case of transfers among members of the HELLA Family Pool or estate transfer) and were set out in an agreement governed by German law entered into between FORVIA and the members of the HELLA Family Pool on January 27, 2022, entitled the "Blocking Agreement".

Moreover, the Company has been informed by letter received on February 3, 2022 of the execution by the HELLA Family Pool of a shareholders' agreement constituting a concert action (action de concert) towards FORVIA. The main terms of this shareholders' agreement were published in accordance with the provisions of Article L. 233-11 of the French Commercial Code (see notice D&I AMF222C0301 of February 4, 2022). Among others, this shareholders' agreement provides for preemptive rights to the benefit of the other members of the HELLA Family Pool on shares held by a member excluded from the shareholders' agreement.

Rules applicable to the appointment and replacement of members of the Board of Directors

As part of the HELLA acquisition, FORVIA made a commitment concerning representation of the HELLA Family Pool on the Company's Board of Directors, which will continue as long as the HELLA Family Pool holds at least 5% of the capital stock of the Company. Thus, in accordance with this commitment, the HELLA Family Pool proposed the appointment of Nicolas Peter as a member of the Board of Directors of FORVIA to replace Dr. Jürgen Behrend, who had been appointed as a Board member by the General Meeting of June 1, 2022 on the proposal of the HELLA Family Pool. The appointment of Nicolas Peter, made by co-option in October 2023, will be subject to ratification at the Annual General Meeting scheduled for May 30, 2024.

Powers of the Board of Directors

The Board of Directors can, with prior authorization of the General Meeting, implement the Company share buy-back program, issue shares and/or securities giving access to capital stock with, with removal or without preferential subscription rights, and proceed to free performance share grants and issue of shares and/or securities giving access to capital stock reserved for employees and a category of beneficiaries.

Agreements stipulating payments for members of the Board of Directors or employees if they resign or are dismissed without real and serious cause or if their employment is terminated due to a public takeover bid or exchange offer

There are no agreements of the type referred to in Article L. 22-10-11, 10 of the French Commercial Code in favor of members of the Board of Directors or employees. For the commitments applicable in the event of the departure of the Chief Executive Officer, please refer to chapter 3 "Corporate governance", sections 3.3.1.2.2.5. "Termination payment" to 3.3.1.2.2.7 "Notice and non-solicitation" and 3.3.4.1.3 "Compensation policy for the Chief Executive Officer".

Agreements entered into by the Company which are amended or terminated in the event of a change in control of the Company

The significant bank facility agreements (including the syndicated loan, the *Schuldscheindarlehen*, the 2023 Term Loan and some bilateral loans), along with the bond issues of the Group, amounting to €9,069 million on the balance sheet as of December 31, 2023, include early repayment clauses in the event of a change of control of the Company.

MAJOR CONTRACTS

To date, FORVIA has not entered into any major contracts, other than (i) those entered into in the normal course of business and (ii) the documents relating to the refinancing of the acquisition of a majority interest in HELLA's capital stock, conferring a major obligation or commitment on the entire Group.

DEPENDENCE

See Chapter 2 "Risk factors & Risk management", and especially risks associated with the automotive supplier business, supplier default and intellectual property.

INCORPORATION BY REFERENCE

In accordance with Article 19 of European Commission Regulation no. 2017/1129, the following information is incorporated by reference in this Universal Registration Document:

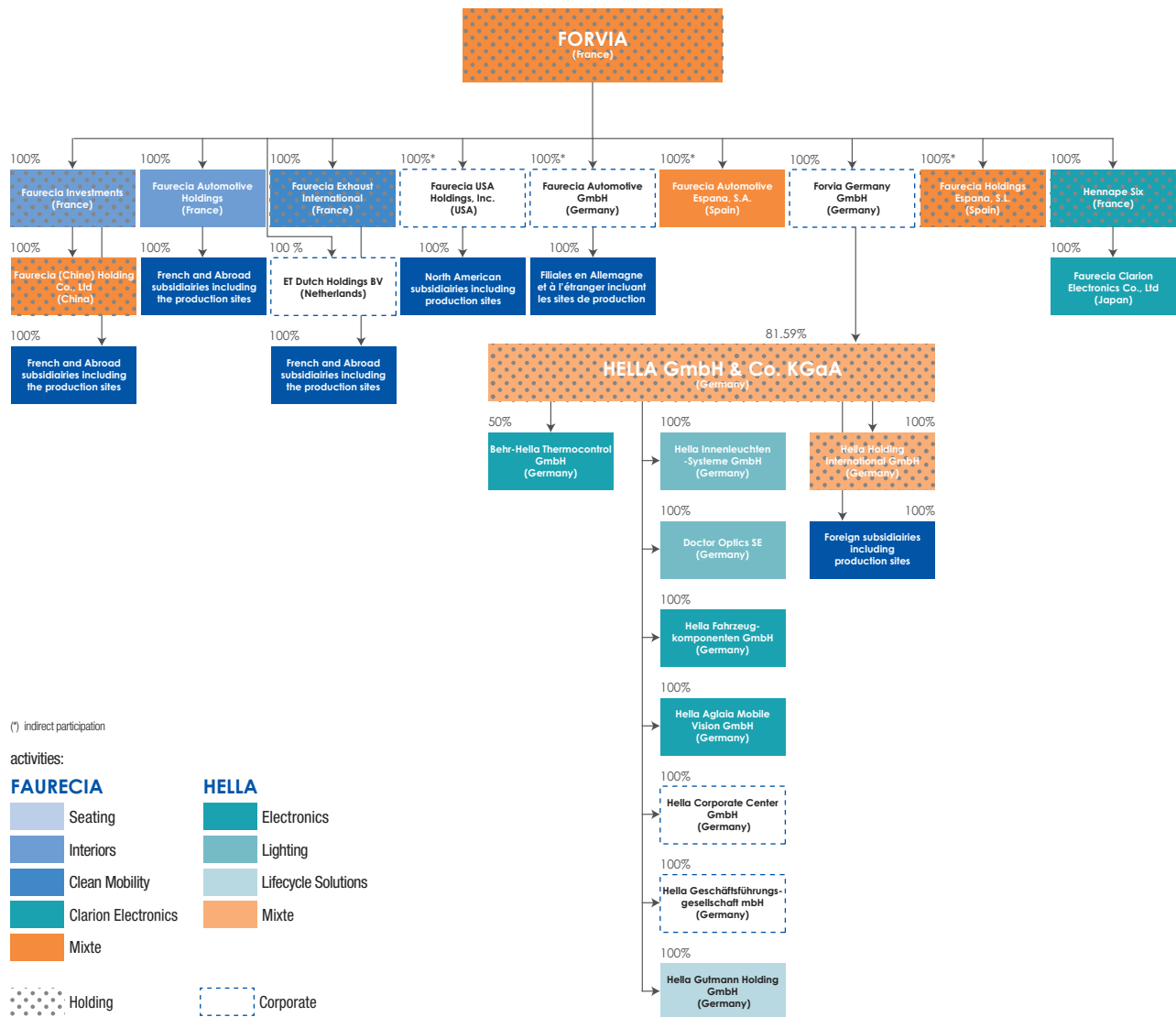
- the consolidated financial statements, the annual financial statements, the corresponding audit reports and the comments on the consolidated financial statements, significant events by business segment and at Company level, as well as the Statutory Auditors' special report on related-party agreements appearing respectively on pages 82 to 150, 161 to 183, 151 to 157, 158 to 160, 184 to 187, 68 to 80 and 311 to 312 of the Universal Registration Document for the 2022 fiscal year filed with the AMF on February 28, 2023 under number D.23-0064 (<https://forvia.fr.digital-report.net/content/amf-rapport-integre>);
- the consolidated financial statements, the annual financial statements, the corresponding audit reports and the comments on the consolidated financial statements, significant events by business segment and at Company level, as well as the Statutory Auditors' special report on related-party agreements appearing respectively on pages 71 to 136, 148 to 171, 137 to 143, 144 to 147, 172 to 175, 56 to 68 and 301 of the Universal Registration Document for the 2021 fiscal year filed with the AMF on April 6, 2022 under number D.22-0246 (https://www.faurecia.com/sites/groupe/files/documents/FAU_URD_FR_PDF.pdf).

6.2. Simplified organizational chart

The simplified organizational chart below shows the general legal organization of the Group as at December 31, 2023.

The full list of companies in the Group's scope of consolidation as of December 31, 2023 is provided in Chapter 1 "Financial and accounting information", Section 1.3.6 "List of consolidated companies as of December 31, 2023".

Group simplified organizational chart as at December 31, 2023



6.3. Historical background

1891. The first automobiles, in the modern sense, are made, powered by gasoline engines. The first steel tubes follow, patented by Peugeot and manufactured primarily in Audincourt (Doubs, France).

1929. Bertrand Faure acquires the patent for the Epeda process. The patent allows the Company to perfect its seats for the automotive industry. After the Second World War, Bertrand Faure's customers include Renault, Peugeot, Citroën, Talbot, Panhard-Levassor, Berliet and Simca.

1950. Bernard Deconinck, the son-in-law of Joseph Allibert who founded the Allibert company, invests in an injection molding machine from the United States to mold large plastic parts from a single clamping unit. He moves into the automotive industry.

1955. A Peugeot subsidiary starts manufacturing automotive equipment (seats, exhausts, steering columns) and expands internationally.

1972. François Sommer merges his automotive floor coverings company with Bernard Deconinck's company, Allibert. They combine their know-how in textiles and plastics to found the Sommer Allibert group.

1982. Epeda Bertrand Faure is listed on the Paris stock exchange on May 4, 1982. The Group goes on to specialize in the automotive industry (interior design). It also experiences strong international growth.

1987. Cycles Peugeot merges with Aciers & Outillages Peugeot to form Ecia (*Équipements et Composants pour l'Industrie Automobile*), the PSA Peugeot Citroën group's specialist automotive equipment subsidiary. Over the next ten years, Ecia undergoes intensive industrial and geographical development.

1990. Epeda Bertrand Faure is the European leader in automotive seating trades and components following the acquisition of the Rentrop Group in Germany. It opts to focus on its expertise as an automotive supplier.

1992. Ecia sells its cycle business, then its tool business the following year and makes significant acquisitions in European companies specializing in exhaust, with Tubauto and Eli Échappement in France, Leistriz Abgastechnik in Germany and Silenciadores PCG in Spain. Ecia then becomes the European leader in exhaust systems. At the same time, its Automotive Seating division joins forces with Spanish automotive supplier Irausa and create Ardasa. Its customers include Volkswagen, Renault, Daimler Chrysler, Opel, Honda and Mitsubishi.

1997. In December, Ecia makes a friendly takeover bid for Bertrand Faure, bringing its direct and indirect stake in the Group to 99%.

1998. While Bertrand Faure sells his luggage and aeronautics businesses, Ecia sells its motorcycle business to the PSA Peugeot Citroën group.

1999. Ecia and Bertrand Faure merge to form Faurecia on June 1. Bertrand Faure brings to Ecia a broader geographical and commercial presence, particularly in Germany, where the Company forges strong partnerships with automakers such as Volkswagen and BMW. The merged entity generates sales of more than €4 billion with a workforce of 32,000. By the end of 1999, the PSA Peugeot Citroën Group is its main shareholder with a stake of 52.6%. At the end of 1999, the Faurecia group develops its exhaust systems business in North America by acquiring the US company AP Automotive Systems.

2000-2001. Faurecia purchases Sommer Allibert. The PSA Peugeot Citroën Group finances the transaction, thus increasing its shareholding in Faurecia to 71.5%. Now fully established in Germany and Spain, the Group has significant market shares in Europe in the vehicle interior sector. It then achieves sales of €9.6 billion.

2002-2007. Faurecia strengthens its operations in Asia. In 2002, it creates a joint venture with GSK, a Taiwanese automotive supplier, to produce seats in Wuhan, China, and in 2003 it acquires the South Korean company Chang Heung Precision, which specializes in exhaust systems. In 2005, Faurecia increases its stake in Daeki, a company specializing in exhaust systems acquired in 2002, from 49% to 100%. It signs a joint-venture agreement with the South Korean company Kwang Jin Sang Gong, dedicated to the production of door modules for Hyundai Motors and Kia Motors.

In Europe, the Group signs an agreement with Siemens-VDO, which strengthens and expands their joint venture (a joint stock company): this company assembles cockpits for BMW, Daimler Chrysler, the Ford group, Renault-Nissan and the Volkswagen group.

2009. Faurecia acquires Emcon Technologies (formerly Arvin Industries), and becomes the world leader in exhaust systems. Faurecia boosts both (i) its position with German and American automakers (notably Ford), and (ii) its operations in South America, India and Thailand. Faurecia also ventures into the specialized commercial vehicles market (trucks and off-road). Following this all-equity acquisition, One Equity Partners (JP Morgan Chase & Co.'s private equity arm), holds a 17.3% stake in Faurecia and PSA Peugeot Citroën's interest is reduced to 57.4%.

Faurecia buys out its joint-venture partner Tata to become the sole owner of Taco Faurecia Design Center. The company is renamed Faurecia Automotive Engineering India and becomes Faurecia's development center in India.

2010. Faurecia becomes European leader in external automotive parts by acquiring Plastal's German and Spanish businesses. It was able to expand internationally, setting up a joint venture in China with Huaxiang, supplier of exterior parts to FAW-Volkswagen.

A strategic alliance with the Geely and Limin groups marks a significant new development stage for Faurecia Interior Systems and Faurecia Automotive Exteriors in China.

In Europe, Faurecia Automotive Seating acquires the "seat comfort technology" business of Hoerbiger Automotive Komfortsysteme GmbH, while Faurecia Interior Systems acquires Angell-Demmel Europe GmbH, world leader in metal interior trim parts for the automotive sector.

2011. Faurecia boosts its business in China by (i) signing a new joint-venture agreement with Ningbo Huazhong Plastic Products Co., Ltd to manufacture external automotive parts and (ii) extending its cooperation agreement with Changchun Xuyang group signed in 2010 whereby Faurecia takes an 18.75% stake in the company. This allows the Group to expand the range of products and services it provides in the following strategic areas: complete seats, interior systems, acoustic modules and interior linings.

2012. Faurecia acquires the interior components plant belonging to Ford ACH located in Saline, Michigan (United States) and signs a joint venture agreement with Rush Group Ltd. This joint venture, Detroit Manufacturing Systems (DMS), supports activities such as the assembly and sequencing of interior parts in a new plant in Detroit.

2013. As part of its development in Asia, Faurecia Interior Systems signs a joint venture agreement with Thai supplier Summit Auto Seats to support Ford. Faurecia also signs a joint-venture agreement with Chang'an Automobile Group, one of China's largest automakers.

Faurecia and Magneti Marelli sign a cooperation agreement for the design, development and manufacture of human-machine interface (HMI) products for vehicle interiors.

2014. Faurecia sets up a joint venture, Faurecia Howa Interiors, with Japanese automotive supplier Howa, for the Mexican production of interior systems for Renault-Nissan. The agreement signed opens up new commercial prospects for Faurecia: with Nissan in Mexico, Thailand, Spain, Brazil and in South Africa.

Faurecia sets up a joint venture, Automotive Performance Materials (APM), with Interval, a major French farming cooperative, to develop and produce bio-sourced raw materials in order to continue Faurecia's drive to make vehicles lighter while protecting the environment.

2015. Faurecia continues to expand in China and signs a global partnership agreement with Dongfeng Hongtai (a majority-owned subsidiary of Dongfeng Motor Corporation, one of China's largest automotive groups) covering all of the Faurecia group's businesses. The first step of this partnership is the formation, in May 2015, of two joint ventures, one with a view to the development, manufacturing and delivery of automotive interior components (Dongfeng Faurecia Automotive Interior Co., Ltd) and the other with a view to the development, manufacture and delivery of automotive exterior components (Dongfeng Faurecia Automotive Exterior Co., Ltd).

Faurecia and Beijing KW Automotive Parts Co. Ltd, one of the Chinese leading manufacturers of automotive interior and exterior trim parts, sign a joint-venture agreement. Together, the two partners aim to unlock synergies in the area of aluminum interior trim parts for light vehicles.

2016. Faurecia and the Italian company Tabu S.p.A., which is specialized in the production of flexible wood trims, sign a partnership agreement that results in the creation of the Ligneos S.r.l. joint venture. The two partners have developed a patented technology aimed at extending automotive wood trim applications to a wider range of surfaces.

In line with the agreement signed in December 2015, in July 2016, Faurecia sells its Automotive Exteriors bumpers and front-end modules business to Plastic Omnium (excluding the Faurecia Smart plant in Hambach and two joint ventures in Brazil and China).

Faurecia and German premium automaker Borgward sign a partnership agreement to create a joint venture (Borgward Faurecia Auto Systems Co., Ltd) in Tianjin, China, to jointly develop and produce complete automotive seats for the new Borgward vehicles.

2017. Faurecia expands its innovations ecosystem and forges technological and industrial partnerships with:

- Parrot Automotive, a leading provider of connectivity and infotainment solutions for the automotive industry. Faurecia gradually acquires shareholdings in the company, thereby enabling it to accelerate the development of electronic solutions for the connected car;
- ZF, for the development of advanced seat-integrated safety solutions for various cockpit applications;
- Mahle, to develop innovative technologies for thermal management of the passenger compartment.

Faurecia acquires a majority interest in Chinese company Jiangxi Coagent Electronics Co. Ltd, renamed Faurecia Coagent Electronics S&T Co. Ltd, which develops integrated and innovative in-car infotainment solutions.

2018. Faurecia continues to develop in the field of new technologies:

By entering into new partnerships with Accenture, FAW Group (Chinese car manufacturer) and HELLA.

By making acquisitions or investments:

- finalizing its 100% acquisition of Parrot Faurecia Automotive;
- creation of a new joint-venture with Liuzhou Wuling Automotive Industry Co., Ltd;
- investment in the French HumanFab center (laboratory specializing in cognitive sciences), the French start-up Enogia (energy efficiency) and American start-up Powersphyr (cockpit of the future);
- acquisition of 100% of the Swiss company Hug Engineering (purification of exhaust gases for very high-power engines).

On December 26, Faurecia changes its corporate form to become a European company.

2019. Faurecia consolidates its expansion in the field of new technologies with the acquisition of 100% of the Japanese company Clarion Ltd. and the creation of a fourth activity "Faurecia Clarion Electronics" dedicated to electronics and software within the cockpit. This new division completes Faurecia's portfolio of "Faurecia Automotive Seating", "Faurecia Interiors Solutions" and "Faurecia Clean Mobility".

As part of this new activity, Faurecia:

- acquires all of the Chinese company Faurecia Coagent Electronics S&T Co. (infotainment and interior electronic solutions);
- takes a majority interest in the Swedish company Creo Dynamics (innovative acoustic systems and active noise control solutions);
- invests in the Israeli company Guardknox (cyber defense for connected and autonomous vehicles);
- creates a 50/50 joint venture with the Portuguese company Aptoide (Android application store);
- enters into partnerships with Japan Display Inc. to improve the digital experience of users inside the cockpit.

Faurecia and Michelin create a joint venture around Symbio, which brings together all Michelin and Faurecia hydrogen fuel cell activities.

Faurecia creates a global center of expertise dedicated to the development of hydrogen storage systems at its R&D center in Bavans, France.

2020. Faurecia acquires:

- with Continental, the remaining 50% of its joint-venture SAS, a major player in the assembly and logistics of complex modules for vehicle interiors;
- 100% of IRYStec Inc., a Canadian start-up that developed the world's first software platform using perception and physiology to optimize the display system within the cockpit, and consequently the user experience.

Faurecia has chosen Schneider Electric as a preferred partner for the implementation of its CO₂ neutrality strategy for scopes 1 and 2 in 2025, the trajectories of which have been validated by the Science Based Targets initiative (SBTi).

2021. As part of the merger between PSA and FCA, in March 2021 Stellantis distributed the shares it held in Faurecia up to 39.3% of its capital. Following this distribution, Faurecia's free float increased significantly to represent approximately 95% of its share capital as of December 31, 2021. Faurecia also successfully completed a first employee shareholding plan for 2% of the capital stock, raising employee shareholding to more than 2.6% of the capital stock.

Faurecia announces a strategic and transformative acquisition with the takeover of the German equipment manufacturer HELLA, making it the seventh largest supplier in the world. HELLA brings to Faurecia recognized know-how in electronics (automated driving, cockpit, energy management, sensors and actuators, etc.), lighting (headlamps, tail lights, interior and exterior lighting) and after-sales solutions (spare parts and diagnostic accessories).

In 2021, Faurecia carried out the following transactions to support its strategy focused on the Cockpit of the Future and Sustainable Mobility:

- development of partnerships with Renault, SAIC and Air Liquide in the field of hydrogen;
- the acquisition of (i) a majority interest in CLD, one of the main Chinese manufacturers of hydrogen tanks, (ii) the intellectual property assets of uMist Ltd, a Swedish start-up specializing in biomimetic spraying technology, (iii) designLed, a Scottish company specializing in advanced backlighting technologies and (iv) a 50% stake in Beijing BAIC DAS Automotive System Co., main supplier of seats for BAIC Hyundai;
- the sale of the AST (Acoustics and Soft Trim) division.

Faurecia has also continued and accelerated its approach to carbon neutrality by setting up partnerships with Palantir Technologies Inc., Engie, Schneider Electric and KPMG.

2022. The major event of the year was the finalization of the acquisition of a majority interest in HELLA GmbH & Co. KGaA.

To seal the merger of Faurecia and HELLA, which together form the seventh-largest automotive supplier in the world, the two companies created the FORVIA brand. The new entity comprises six divisions: "Seating", "Interiors", "Clean Mobility", "Electronics", "Lighting" and "Lifecycle Solutions". The Combined Group presented, at its Capital Market Day, its new medium-term strategic plan, Power25, aimed at generating profitable growth, strengthening cash generation and accelerating the Group's debt reduction.

The refinancing of this acquisition was partly ensured by:

- a capital increase with preferential subscription rights in the amount of €705 million, including the issue premium, carried out in June 2022;
- the issue of senior bonds linked to sustainable development in the amount of €700 million.

As part of the FORVIA Group's €1 billion asset disposal program to be completed by the end of 2023, HELLA sold its 33.33% stake in HBPO to its co-shareholder Plastic Omnium for €290 million.

The Group also continued and strengthened its sustainable development strategy, aiming to become CO₂ neutral in industrial operations by 2025:

- two major electricity purchase contracts were signed, setting up an 85.8 MW Swedish Rodene wind project in Alingsås, in partnership with Octopus Energy Generation and Mirova Eurofideme 4, with the support of Schneider Electric, and a 15-year solar energy project was launched with ENGIE and EDP to equip more than 150 sites across 22 countries with solar panels;
- Faurecia also announced the creation of MATER'ACT, a new entity focused on sustainable materials, with expected revenue of more than €2 billion in 2030 and a team of 400 people by the end of 2025.

In June, the Group had its roadmap for "net zero emissions" validated by the Science Based Target initiative (SBTi). Faurecia and HELLA will reach zero net emissions by 2045 (Scope 1, 2 and 3). Only 20 companies worldwide have had their net zero emission commitment approved to date.

The Group is accelerating and supporting its hydrogen strategy with the following development projects:

- Faurecia will equip the truck fleet supplied by MAN for the Bavarian region with complete hydrogen storage systems;
- Faurecia, Michelin and Symbio have been selected by the California Energy Commission for the development of a hydrogen truck through the "Symbio H2 Central Valley Express" project;
- Faurecia won a contract to supply high-capacity hydrogen storage systems to supply charging stations located in the "Zero Emission Valley (ZEV)", the first French project for sustainable hydrogen mobility for professional fleets;
- Faurecia signed a partnership with HYVIA (joint venture between the Renault group and Plug) to supply new generation hydrogen storage systems for the mass production of the Renault Master H2-TECH, manufactured in France;
- the hydrogen activities of Faurecia, as well as those of Symbio (50/50 joint venture with Michelin), have been selected as being of common European interest by the European Commission as part of the "IPCEI Hy2Use" project aimed at supporting research and innovation, the first industrial deployment and the construction of relevant infrastructure in the hydrogen value chain.

2023. Faurecia's General Meeting of May 30, 2023 changed Faurecia's company name to FORVIA. This new name marks a new stage in the creation of the group combining Faurecia and HELLA and aims to strengthen the reputation and attractiveness of the FORVIA brand within its ecosystem.

In 2023, FORVIA completed the €1 billion asset disposal program announced and started in 2022 intended to accelerate the Group's debt reduction following the acquisition of a majority interest in HELLA, completed in early February 2022. This program, completed in less than 15 months, includes:

- approximately 40% of transactions relating to non-consolidated joint ventures:
 - sale by HELLA of its 33% interest in HBPO to its co-shareholder Plastic Omnium (completed in 2022),
 - acquisition by Stellantis of an interest in Symbio, a company previously 50/50 owned with Michelin and now equally owned by the three companies (finalized in the third quarter of 2023);
- approximately 60% of transactions resulting from the sale of consolidated non-strategic assets to players in the automotive industry:
 - sale of the Interiors business in India to TAFE (finalized in 2022),
 - sale of the SAS Cockpit Modules division to the Motherson group (finalized in the third quarter of 2023),
 - sale of the commercial vehicle exhaust business in Europe and North America to Cummins (completed in the fourth quarter of 2023).

Taking into account the successful execution of the first disposal program and the need to reduce the Group's debt and financial costs in a context of persistently high interest rates, in October 2023, FORVIA announced the launch of a new €1 billion disposal program. The first step of this new program is the sale by HELLA of its 50% interest in BHTC, co-owned with MAHLE, for a value of €600 million (i.e. €300 million for each of the two shareholders), with the completion scheduled for the first half of 2024.

FORVIA steps up its decarbonization efforts by signing a ten-year supply contract with Renewable Power Capital. This agreement ensures nearly 70% of its European consumption through the purchase of renewable electricity from the Klevberget onshore wind farm in Sweden, thus contributing to its net zero target approved by SBTi.

The Group has also made further progress in its objective of reducing CO₂ emissions in its supply chain (Scope 3):

- MATERI'ACT, an entity of the Interiors business, inaugurated its world-class R&D center in Villeurbanne (Auvergne-Rhône-Alpes region) to develop the materials of tomorrow with the objective of reducing their carbon footprint by 85% by 2030, with the development of plastics made from 70% recycled materials;
- the Group has started a partnership with the Nordic company SSAB to develop seats incorporating 90% decarbonized steel structures, with series integration planned for 2026.

2023 was also marked by major advances in the field of hydrogen:

- the Group has launched the mass production of Type IV hydrogen tanks from the Allenjoie plant (Bourgogne-Franche Comté region), aiming to produce 100,000 tanks per year, intended to supply the hydrogen distribution and storage market for the automotive industry in Europe. This plant obtained "BREAM Excellent" certification, a first in France symbolizing the reduction in energy consumption and serving as a model for the Group's global production standards;
- in July, FORVIA and Michelin sold part of their interest in Symbio to Stellantis, helping to strengthen the resources and growth prospects of the hydrogen fuel cell specialist. In December, Symbio inaugurated SymphonHy, the largest fuel cell manufacturing plant in Europe, in Saint Fons (Auvergne-Rhône-Alpes region). This "BREAM Very Good" certified plant employs more than 450 engineers and plans to deploy an annual production capacity of 50,000 batteries by 2026;
- lastly, the Group won its two first Type IV hydrogen tank programs for medium-duty commercial vehicles in North America, confirming its status as an international player.

6.4. Additional information on audits of financial statements

AUDIT OF FINANCIAL STATEMENTS

In accordance with French company law, FORVIA's Statutory Auditors certify the parent company and Group financial statements and review the situation of its significant consolidated subsidiaries through members of their networks.

For the 2023 fiscal year, Ernst & Young Audit received €5.7 million for its audit assignments; while Mazars also received €8.1 million for its audit assignments.

The table showing the breakdown of fees that FORVIA and its fully consolidated subsidiaries recognized in their 2023 financial statements for work assigned to the Statutory Auditors appears in Chapter 1 "Financial and accounting information", Note 34 in Section 1.3.5 "Notes to the consolidated financial statements".

PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

	Start of the first corporate office	Date of expiry of the mandate
STATUTORY AUDITORS		
Ernst & Young Audit represented by Guillaume BRUNET-MORET member of the Versailles Regional Association of Statutory Auditors Tour First TSA 14444 92037 Paris La Défense Cedex France	June 17, 1983	OGM in 2025
Mazars represented by Anne-Laure ROUSSELOU and Grégory DEROUET member of the Versailles Regional Association of Statutory Auditors Tour Exaltis 61, rue Henri Regnault 92400 Courbevoie France	May 28, 2019	OGM in 2025

6.5. Declaration by the person responsible for the Universal Registration Document and the information officer

Person responsible for the Universal Registration Document

Patrick Koller

Chief Executive Officer (CEO)

I hereby declare that the information contained in the Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I further declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and the results of the Company and the consolidated companies making up the Group, and that the management report, for which the cross-reference table is shown on page 494, provides a true and fair picture of the changes in the business, the results and financial position of the Company and its consolidated companies, as well as a description of the main risks and uncertainties they face.

Patrick Koller

Signed in Nanterre, on February 27, 2024

Information officer

Olivier Durand

Executive Vice President, Group Chief Financial Officer

FORVIA 23-27, avenue des Champs-Pierreux
92000 Nanterre
France
Tel.: +33 (1) 72 36 70 00

6.6. Cross-reference tables

Cross-reference table with Annexes 1 and 2 of Delegated Regulation (EU) no. 2019/980 of the European Commission of March 14, 2019

In order to make this Universal Registration Document easier to understand, the cross-reference table below makes it possible to identify the key items of information required by Annexes 1 and 2 of Delegated Regulation no. 2019/980 of March 14, 2019.

Information	Headings	Sections
1	PERSONS RESPONSIBLE, INFORMATION FROM THIRD PARTIES, EXPERT REPORTS AND APPROVAL OF THE COMPETENT AUTHORITY	
1.1	Persons responsible for the information	6.5
1.2	Statement by the persons responsible for the document	6.5
1.3	Expert statement	N/A
1.4	Other statements if information comes from third parties	N/A
1.5	Statement without the prior approval of the relevant authority	Preamble
2	STATUTORY AUDITORS	6.4
3	RISK FACTORS	2.1
4	INFORMATION ABOUT THE ISSUER	
4.1	Legal and commercial name	6.1
4.2	Registration with the trade and companies register (RCS) and legal entity identifier (LEI)	6.1
4.3	Date of incorporation and term	6.1
4.4	Registered office – legal form – applicable legislation – website – other	6.1
5	BUSINESS OVERVIEW	
5.1	Principal activities	Introductory chapter; 1.1.1; 1.5
5.1.2	New product and /or services	Introductory Chapter
5.2	Principal markets	Introductory chapter; 1.1
5.3	Important events	Introductory chapter; 1.1.; 1.5
5.4	Financial and non-financial strategy and objectives	Introductory chapter; 1.1.2; 1.1.3; 1.2; 1.6.3, Note 2; 4.1.1 ; 4.1.3
5.5	Level of dependence	6.1; 2.1.1.3; 2.1.1.9
5.6	Competitive position	Introductory chapter
5.7	Investments	
5.7.1	Material investments made	Introductory chapter; 1.1.6.2; 1.3.5, Notes 4, 11, 12A and 26.3; 1.5; 1.6.3, Note 17; 6.3
5.7.2	Ongoing material investments or firm commitments	1.1.6.2; 1.3.3; 1.3.5, Notes 4, 11 and 12A
5.7.3	Joint ventures and significant interests	1.1.1.2; 1.3.6; 1.5; 1.6.5; 6.2; 6.3
5.7.4	Environmental impact of the use of property, plant and equipment	4.2.5
6	ORGANIZATIONAL STRUCTURE	
6.1	Brief description of the Group/Organizational chart	1.3.6; 1.6.5; 6.2
6.2	List of significant subsidiaries	1.3.6; 1.6.5

Information	Headings	Sections
7	OPERATING AND FINANCIAL REVIEW	
7.1	Financial position	Introductory chapter, Chapter 1
7.1.1	Presentation of the development and performance of the business	Introductory chapter; 1.1.3 to 1.1.5; 1.3.5, Note 4
7.1.2	Future changes and activities in research and development	1.1.1.2; 1.2; Introductory chapter; 1.3.5, Note 5.4
7.2	Net operating income	Introductory chapter; 1.1.4
7.2.1	Significant factors	1.1.1; 1.3.5, Note 2; 1.5
7.2.2	Significant changes in sales or net income	1.1.3; 1.1.5; 1.3.5, Note 2; 1.5
8	CAPITAL RESOURCES	
8.1	Issuer's capital	1.3.4; 1.3.5, Note 22; 1.6.3, Note 15
8.2	Cash flows	Introductory chapter (figures); 1.1.6.1; 1.3.3; 1.3.5, Note 21
8.3	Borrowing requirements and funding structure	1.1.6; 1.3.5, Note 26; 1.5 (Financial structure and net debt); 1.6.3, Note 17
8.4	Restriction on the use of capital	1.5; 1.3.5, Note 26; 1.6.3, Note 17
8.5	Anticipated sources of funds	1.1.1.2; 1.3.5, Note 26; 1.6.3, Note 17
9	REGULATORY ENVIRONMENT	
9.1	Description of the regulatory environment and influencing exterior factors	2.1.1.2; 2.1.1.11; 2.1.3.1, 6.1
10	TREND INFORMATION	
10.1	a) Main recent trends	Introductory chapter; 1.1.1.2; 1.2
	b) Significant change in the Group's financial performance since the closing or a negative statement	N/A
10.2	Factor likely to have a material effect on the outlook	Introductory chapter; 1.1.1.2; 1.2; 2.1
11	PROFIT FORECASTS OR ESTIMATES	1.2
12	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND EXECUTIVE MANAGEMENT	
12.1	Information on members of the Company's administrative and management bodies	3.1.2.2
12.2	Conflicts of interest or negative statement	3.6
13	COMPENSATION AND BENEFITS	
13.1	Compensation and benefits paid or granted	3.3
13.2	Provisions for pensions and other benefits	1.3.5, Note 25
14	WORKING METHODS OF ADMINISTRATIVE AND MANAGEMENT BODIES	
14.1	Terms of office	3.1.2.1; 3.1.2.2
14.2	Service contracts or appropriate statement	3.8.3
14.3	Committees	3.1.3.1; 3.1.4
14.4	Compliance with corporate governance rules	3.4
14.5	Potential material impacts on and future changes in corporate governance	3.1.2.5
15	EMPLOYEES	
15.1	Breakdown of employees	Introductory chapter; 4.3 (introduction) ; 4.3.1
15.2	Equity investments and stock options	3.1.2.1; 3.1.2.2; 3.3.1.2.2.3; 3.3.1.2.3; 3.3.1.4.2; 4.3.1.4; 5.1.1; 5.2.4
15.3	Employee profit-sharing agreements	3.3.3; 4.3.1.4; 5.2.4

Information	Headings	Sections
16	MAJOR SHAREHOLDERS	
16.1	Breakdown of capital or appropriate statement	5.1
16.2	Different voting rights or appropriate statement	5.1; 6.1
16.3	Control of the issuer	5.1; 6.1
16.4	Shareholders' agreement	6.1
17	RELATED-PARTY TRANSACTIONS	
17.1	Details of transactions	1.3.5, Note 32; 3.8.1
18	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, LIABILITIES, FINANCIAL POSITION AND RESULTS	
18.1	Historical financial information	
18.1.1	Audited historical financial information	1.3; 1.4; 1.6; 1.7; 6.1
18.1.2	Change of accounting reference date	N/A
18.1.3	Accounting standards	1.3.5, Note 1; 1.6.3, Note 1
18.1.4	Change of accounting framework	1.3.5, Note 1
18.1.5	Minimum content of audited financial information	1.3; 1.6; 6.1
18.1.6	Consolidated financial statements	1.3
18.1.7	Date of latest financial information	1.3; 1.6
18.2	Interim and other financial information	
18.2.1	Quarterly or half-yearly financial information	N/A
18.3	Audit of historical annual financial information	
18.3.1	Audit report	1.4; 1.7; 6.1
18.3.2	Other audited information	N/A
18.3.3	Unaudited financial information	N/A
18.4	Pro forma financial information	
18.4.1	Significant change in gross values	N/A
18.5	Dividend policy	
18.5.1	Description or negative statement	1.3.5, Note 35; 5.4.4; 6.1
18.5.2	Amount of dividend per share	1.3.5, Note 35; 5.4.3
18.6	Legal and arbitration proceedings	1.3.5, Note 24; 2.1.3.2
18.7	Significant change in the issuer's financial position	1.1.1.2; 1.2; 1.3.5, Note 2; 1.6.3, Note 2
19	ADDITIONAL INFORMATION	
19.1	Capital stock	
19.1.1	Amount of capital issued	5.1.1
19.1.2	Shares not representing the capital	N/A
19.1.3	Treasury shares	5.1.1; 5.3
19.1.4	Securities	N/A
19.1.5	Vesting conditions and/or any obligations	N/A
19.1.6	Option or agreement	6.1
19.1.7	History of the capital stock	5.1.1; 5.2.3
19.2	Memorandum and bylaws	
19.2.1	Registration and corporate purpose	6.1
19.2.2	Existing share categories	5.1.1
19.2.3	Provisions affecting a change in control	6.1

Information	Headings	Sections
20	MAJOR CONTRACTS	
20.1	Summary of each contract	6.1
21	DOCUMENTS AVAILABLE	
21.1	Statement on documents available for consultation	6.1

Cross-reference table on information required in the annual financial report

For ease of reading, the cross-reference table below identifies information in this Universal Registration Document that also appears in the annual financial report that listed companies are required to publish under Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulation.

No.	Information	Sections
1.	Financial statements	1.6
2.	Consolidated financial statements	1.3
3.	Management report (minimum information within the meaning of Article 222-3 of the AMF General Regulation)	See cross-reference table of the management report below
4.	Declaration by the persons responsible for the annual financial report	6.5
5.	Statutory Auditors' reports on the parent company and consolidated financial statements	1.4; 1.7

Cross-reference table on information required in the management report

For ease of reading, the cross-reference table below identifies information in this Universal Registration Document that makes up the management report (including the corporate governance report), pursuant to Article L. 225-100 of the French Commercial Code.

No.	Information	Reference texts	Sections
1.	GROUP SITUATION AND BUSINESS		
1.1.	Situation of the Company during the past period and objective and exhaustive analysis of changes to the business, the results and the financial position of the Company and the Group, in particular its debt position, with regard to the volume and complexity of business	Articles L. 225-100-1, I., 1 ^o , L. 232-1, II, L. 233-6 and L. 233-26 Comm. Code	Introductory chapter; 1.1.1 to 1.1.6; 1.2; 1.5; 1.6.3, Note 2
1.2.	Key financial performance indicators	Article L. 225-100-1, I., 2 Comm. Code	Introductory chapter; 1.1.1 to 1.1.6; 1.2; 1.5
1.3.	Key non-financial performance indicators relating to the specific business of the Company and the Group, in particular information relating to environmental and personnel issues	Article L. 225-100-1, I., 2 Comm. Code	4.1.3.1; 4.1.3.2; 4.1.1.1 ; 4.2; 4.3 and 4.4
1.4.	Significant events occurring between the closing date and the date on which the management report was prepared	Articles L. 232-1, II, and L. 233-26 Comm. Code	1.1.1; 1.3.5, Note 2 and 3; 1.6.3, Note 2
1.5.	Identity of the main shareholders and holders of voting rights at General Meetings, and changes made during the financial year	Article L. 233-13 Comm. Code	5.1
1.6.	Existing branches	Article L. 232-1, II Comm. Code	1.3.6
1.7.	Significant equity investments in companies with their registered office in France	Article L. 233-6 par. 1 Comm. Code	1.3.5, Note 2; 1.6.5
1.8.	Cross-shareholdings	Articles L. 233-29, L. 233-30 and R. 233-19 Comm. Code	N/A
1.9.	Foreseeable changes in the situation of the Company and the Group and future outlook	Articles L. 232-1, II and L. 233-26 Comm. Code	1.2
1.10.	Research and development activities	Articles L. 232-1, II and L. 233-26 Comm. Code	Introductory chapter; 1.3.5, Notes 5.4 and 11
1.11.	Table showing the Company's results for each of the last five periods	Article R. 225-102 Comm. Code	1.6.4
1.12.	Information on supplier and customer payment terms	Article D. 441-4 Comm. code	1.5
1.13.	Amount of inter-company loans granted and statement by the Statutory Auditor	Articles L. 511-6 and R. 511-2-1-3 Mon. and Fin. Code	N/A
2.	INTERNAL CONTROL AND RISK MANAGEMENT		
2.1.	Description of the main risks and uncertainties facing the Company	Article L. 225-100-1, I., 3 Comm. Code	2.1.
2.2.	Information on the financial risks related to the effects of climate change and presentation of the measures taken by the Company to reduce them by implementing a low-carbon strategy in all aspects of its activity	Article L. 22-10-35, 1 Comm. Code	2.1.1.2; 4.2.3
2.3.	Main characteristics of the internal control and risk management procedures implemented by the Company and the Group relating to the preparation and processing of accounting and financial information	Article L. 22-10-35, 2 Comm. Code	2.2
2.4.	Information on the objectives and policy regarding the hedging of each main category of transactions and on exposure to price, credit, liquidity and cash risks, including the use of financial instruments	Article L. 225-100-1., 4 Comm. Code	1.3.5, Note 30; 1.6.3, Note 21; 2.1.2;
2.5.	Anti-corruption system	Law no. 2016-1691 of December 9, 2016 known as "Sapin II"	2.2.2.4 and 2.2.2.5
2.6.	Vigilance plan and report on its effective implementation	Article L. 225-102-4 Comm. Code	w2.1.3.3; 4.3.2.5; 4.3.4.4

No.	Information	Reference texts	Sections
3.	CORPORATE GOVERNANCE REPORT		
	COMPENSATION INFORMATION		
3.1.	Compensation policy for corporate officers	Articles L. 22-10-8, I., paragraph 2 and R. 22-10-14 Comm. Code	3.3
3.2.	Compensation and all benefits paid during the financial year or allocated for the financial year to each corporate officer	Articles L. 22-10-9, I., 1 and R. 22-10-15 Comm. Code	3.3.1; 3.3.2
3.3.	Relative proportion of fixed and variable compensation	Article L. 22-10-9, I., 2 Comm. Code	3.3.1
3.4.	Use of the option to request the return of variable compensation	Article L. 22-10-9, I., 3 Comm. Code	N/A
3.5.	Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to elements of compensation, indemnities or benefits due or likely to be due as a result of the assumption, termination or change of their duties or after the exercise of these	Article L. 22-10-9, I., 4 Comm. Code	3.3.1; 3.3.4
3.6.	Compensation paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 233-16 Comm. Code	Article L. 22-10-9, I., 5 Comm. Code	N/A
3.7.	Ratios between the level of compensation of each executive corporate officer and the average and median compensation of employees of the Company	Article L. 22-10-9, I., 6 Comm. Code	3.3.1.3
3.8.	Annual change in compensation, Company performance and average Company employee compensation and the above-mentioned ratios over the five most recent periods	Article L. 22-10-9, I., 7 Comm. Code	3.3.1.3
3.9.	Explanation of how the total compensation complies with the adopted compensation policy, including how it contributes to the long-term performance of the Company and how the performance criteria were applied	Article L. 22-10-9, I., 8 Comm. Code	3.3.1
3.10.	Method of taking into account the vote of the last Ordinary General Meeting provided for in I of Article L. 22-10-34 Comm. Code	Article L. 22-10-9, I., 9 Comm. Code	3.3.4
3.11.	Deviation from the procedure for implementing the compensation policy and any exceptions	Article L. 22-10-9, I., 10 Comm. Code	3.3.1
3.12.	Application of the provisions of the second paragraph of Article L. 225-45 (suspension of payment of compensation to Board members in case of non-compliance with gender equality on the Board of Directors)	Article L. 22-10-9, I., 11 Comm. Code	N/A
3.13.	Allocation and retention of options by corporate officers	Articles L. 225-185 and L. 22-10-57 Comm. Code	3.3.1.4.1; 3.3.1.4.2
3.14.	Allocation and retention of free shares to executive corporate officers	Articles L. 225-197-1 and L. 22-10-59 Comm. Code	3.3.1.2.2.3; 3.3.1.2.3; 3.3.1.4.2; 3.3.4.1.3
	GOVERNANCE INFORMATION		
3.15.	List of all mandates and functions exercised in any company by each of the corporate officers during the period	Article L. 225-37-4, 1 Comm. Code	3.1.2.2
3.16.	Agreements entered into between an officer or a significant shareholder and a subsidiary	Article L. 225-37-4, 2 Comm. Code	N/A
3.17.	Table summarizing the current delegations of authority granted by the General Meeting to increase the capital	Article L. 225-37-4, 3 Comm. Code	5.2.1
3.18.	Modalities of the Executive management	Article L. 225-37-4, 4 Comm. Code	3.1.2.4
3.19.	Members, conditions for the preparation and organization of the work of the Board of Directors	Article L. 22-10-10, 1 Comm. Code	3.1.3
3.20.	Application of the principle of balanced representation of women and men on the Board	Article L. 22-10-10, 2 Comm. Code	3.1.2.5
3.21.	Any limitations that the Board places on the powers of the Chief Executive Officer	Article L. 22-10-10, 3 Comm. Code	3.1.2.4; 3.1.3.3

No.	Information	Reference texts	Sections
3.22.	Reference to a Corporate Governance Code and application of the comply or explain principle	Article L. 22-10-10, 4 Comm. Code	Chapter 3 (introductory paragraph); 3.4
3.23.	Procedures for shareholder participation in the General Meeting	Article L. 22-10-10, 5 Comm. Code	6.1
3.24.	Assessment procedure for current agreements – Implementation	Article L. 22-10-10, 6 Comm. Code	3.8.2
3.25.	Information likely to have an impact in the event of a public tender offer or exchange offer: <ul style="list-style-type: none"> ■ company's capital structure; ■ bylaw restrictions on the exercise of voting rights and on share transfers or agreement clauses brought to the attention of the Company in accordance with Article L. 233-11; ■ direct or indirect shareholdings in the Company of which it is aware pursuant to Articles L. 233-7 and L. 233-12; ■ list of holders of any securities with special control rights and a description of these rights; ■ agreements between shareholders that, if the Company becomes aware of them, may give rise to restrictions on share transfers and the exercise of voting rights; ■ rules on the appointment and replacement of members of the Board of Directors and the amendment of the Company's bylaws; ■ powers of the Board of Directors, especially regarding share issues or buybacks; ■ agreements entered into by the Company which are amended or terminated in the event of a change in control of the Company; ■ agreements stipulating payments for members of the Board of Directors or employees if they resign or are dismissed without real and serious cause or if their employment is terminated due to a public takeover bid or exchange offer. 	Article L. 22-10-11 Comm. Code	6.1
4.	CAPITAL STOCK AND SHAREHOLDING STRUCTURE		
4.1.	Structure, change in the Company's share capital and crossing of thresholds	Article L. 233-13 Comm. Code	5.1.1; 5.1.2; 5.2.3
4.2.	Acquisition and disposal by the Company of its own shares	Articles L. 225-211 and R. 225-160 Comm. Code	5.3
4.3.	Statement of employee shareholding on the last day of the period (proportion of capital stock represented)	Article L. 225-102, paragraph 1 Comm. Code	5.1.1; 5.2.4
4.4.	Statement of any adjustments for securities giving access to the capital stock in the event of share buy-backs or financial transactions	Articles R. 228-90 and R. 228-91 Comm. Code	N/A
4.5.	Information on transactions by executives and related persons on the Company's shares	Article L. 621-18-2 Mon. and Fin. Code	3.5.2
4.6.	Amounts of dividends distributed in respect of the three previous periods	Article 243 bis of the French General Tax Code	5.4.3
5.	NON-FINANCIAL PERFORMANCE DECLARATION (NFPD)		
5.1.	Business model	Articles L. 225-102-1 and R. 225-105, 1 Comm. Code	Introductory chapter
5.2.	Description of the main risks ensuing from the Company's or the Group's business, including, when relevant and proportionate, risks generated by business relationships, products, or services	Articles L. 225-102-1 and R. 225-105, 11° Comm. Code	Chapter 2, 4.2.3; 4.2.3.2; 4.3.4; 4.3.4.4; 4.3.2; 4.4.1

No.	Information	Reference texts	Sections
5.3.	Information about how the Company or the Group takes into account the social and environmental consequences of its business, the impacts of its business on human rights and the fight against corruption and tax evasion (description of the policies implemented and reasonable diligence procedures carried out in order to prevent, identify and mitigate the main risks linked to the Group's or the Company's business)	Articles L. 225-102-1, III, L. 22-10-36 and R. 22-10-29, R. 225-104 and R. 225-105, I 2° Comm. Code	4.1.3.1; 4.1.3.2; 4.1.1.1; 4.2; 4.3; 4.4
5.4.	Results of the policies implemented by the Company or the Group, including key performance indicators	Articles L. 225-102-1 and R. 225-105, I 3° Comm. Code	4.1.3.1; 4.1.3.2; 4.1.1.1; 4.2; 4.3; 4.4
5.5.	Social information (employment, work organization, health and safety, social relationships, trainings, equality of treatment)	Articles L. 225-102-1 and R. 225-105, II. A. 1° Comm. code	4.1.3.1; 4.3.1
5.6.	Environmental information (general environment policy, pollution, circular economy, climate change)	Articles L. 225-102-1 and R. 225-105, II. A. 2° Comm. Code	4.1.3.1; 4.2
5.7.	Societal information (societal commitments in favor of a sustainable development, subcontracting and suppliers, practices loyalty)	Articles L. 225-102-1 and R. 225-105, II. A. 3° Comm. Code	4.1.3.1; 4.3.2; 4.3.3; 4.4
5.8.	Information on the fight against corruption and tax evasion	Articles L. 225-102-1, L. 22-10-36 and R. 22-10-29 and R. 225-105, II. B. 1° Comm. Code	4.3.2; 4.4.1
5.9.	Information related to actions in favor of fundamental human rights	Articles L. 225-102-1, L. 22-10-36 and R. 22-10-29 and R. 225-105, II. B. 2° Comm. Code	4.3.2; 4.4.1
5.10.	Specific information: <ul style="list-style-type: none"> ■ technological accident risk prevention policy implemented by the Company; ■ capacity of the Company to cover its civil liability towards persons and goods as a result of such facilities exploitation; ■ means provided for by the Company to ensure the management of victim compensation should it be held liable in the event that a technological accident occurs. 	Article L. 225-102-2 Comm. Code	N/A
5.11.	Collective Agreements executed within the Company and their impacts on the Company's economic performance and employee labor conditions	Articles L. 225-102-1, III and R. 225-105 Comm. Code	4.3.1; 4.3.1.2; 4.3.2.5
5.12.	Statement of the independent third party on the information contained in the NFPD	Articles L. 225-102-1, III and R. 225-105-2 Comm. Code	4.5.1
6.	OTHER INFORMATION		
6.1.	Additional tax information	Articles 223 quarter and quinquies of the French General Tax Code	N/A
6.2.	Injunctions or financial penalties for anti-competitive practices	Article L. 464-2 Comm. Code	N/A

Cross-reference table on information constituting the Group's Non-Financial Performance Declaration required by Article L. 225-102-1 of the French Commercial Code

Information	Sections
Business model	Introductory chapter
Description of the main risks ensuing from the Company's or the Group's business , including, when relevant and proportionate, risks generated by business relationships, products, or services	Chapter 2, Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.2.3 Climate change ■ 4.2.3.2 Management of impacts, risks and opportunities ■ 4.3.4 Consumers and end users ■ 4.3.4.4 Actions and assessment of their effectiveness ■ 4.3.2 Value chain ■ 4.4.1 Business conduct
Information about how the Company or the Group takes into account the social and environmental consequences of its business, the impacts of its business on human rights and fight against corruption (description of the policies implemented and reasonable diligence procedures carried out in order to prevent, identify and mitigate the main risks linked to the Group's or the Company's business)	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.1.3.1 Sustainable development strategy ■ 4.3.1 Company's own headcount ■ 4.2 Environment ■ 4.3.2 Value chain ■ 4.3.2.5 Vigilance plan ■ 4.4.1 Business conduct
Results of the policies implemented by the Company or the Group, including key performance indicators	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.1.3.1 Sustainable development strategy ■ 4.1.3.2 Stakeholders's interests and points of view ■ 4.1.1.1 General basis for preparing the sustainability performance declaration ■ 4.2 Environment ■ 4.3 Social ■ 4.4 Governance
Social information (employment, work organization, health and safety, social relationships, trainings, equality of treatment)	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.1.3.1 Sustainable development strategy ■ 4.3.1 Company's own headcount
Environmental information (general environment policy, pollution, circular economy, climate change)	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.1.3.1 Sustainable development strategy ■ 4.2 Environment
Societal information (societal commitments in favor of a sustainable development, subcontracting and suppliers, practices loyalty)	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.1.3.1 Sustainable development strategy ■ 4.3.2 Value chain ■ 4.3.3 Affected Communities ■ 4.4 Governance
Information related to the fight against corruption	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.3.2 Value chain ■ 4.4.1 Business conduct
Information related to actions in favor of fundamental human rights	Chapter 4, sections: <ul style="list-style-type: none"> ■ 4.3.2 Value chain ■ 4.3.2.5 Vigilance plan
Specific information: <ul style="list-style-type: none"> ■ Technological accident risk prevention policy implemented by the Company ■ Capacity of the Company to cover its civil liability towards persons and goods as a result of exploiting such facilities ■ Means provided for by the Company to ensure the management of victim compensation should it be held liable in the event that a technological accident occurs 	N/A

Information

Collective agreements concluded within the Company and their impact on the Company's economic performance as well as on employees' working conditions

Report by the independent third-party

Sections

Chapter 4, sections:

- 4.3.1 Company's own headcount
- 4.3.1.2 Interactions with company workers and their representatives
- 4.3.2.5 Vigilance plan


Chapter 4, section:

- 4.5.1 Report by one of the independent third-party organization on the verification of the consolidated non-financial statement included on a voluntary basis in the Group management report



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