

**Report of the Board of Directors
Combined General Meeting
of May 30th, 2023**

Explanatory notes to the resolutions

1. Ordinary General Meeting

1.1. Approval of the financial statements and appropriation of income (first to third resolutions)

You are being asked to approve the parent company financial statements (first resolution) and consolidated financial statements (second resolution) for the fiscal year ended December 31, 2022, and the proposed appropriation of income for this fiscal year (third resolution).

The Group's parent company financial statements for the fiscal year ended December 31, 2022 show a profit of €344,325,393.73 (first resolution) and the consolidated financial statements for the same fiscal year show a loss (Group share) of €381.8 million (second resolution).

At the beginning of November 2022, on Capital Markets Day, the Group unveiled its medium-term strategic plan "POWER25" with 3 priorities: profitable growth, cash generation & deleveraging.

To accelerate the Group's deleveraging priority following the acquisition of HELLA, a plan has been initiated to dispose of non-strategic assets over the second half of 2022 and the year 2023, aiming to reduce the Group's debt by approximately €1 billion before the end of 2023, as well as a series of measures to improve the Group's cash generation on a sustainable basis through a better conversion of EBITDA into free cash flow.

The Group has indicated that it wishes to return to a ratio of net financial debt / gross operating income (adjusted EBITDA) of less than 1.5x by the end of 2025 at the latest, compared to 3.1x as at June 30, 2022 and 2.6x as at December 31, 2022.

In this context, Faurecia's Board of Directors has decided to propose to the shareholders that no dividend be paid in 2023 in respect of the 2022 fiscal year; you are therefore asked to allocate the distributable profit to the "Retained earnings" account (third resolution).

Finally, you are being asked to approve the total charges and expenses mentioned in paragraph 4 of Article 39 of the French General Tax Code, i.e., €237,889.37, which corresponds to the non-deductible portion of the leases on passenger vehicles and the corresponding tax, which amounts to €59,472.34.

1.2. Related parties agreements (fourth resolution)

In view of the Statutory Auditors' report on related parties agreements, you are asked to approve of the conclusion during the fiscal year 2022 of two new related parties agreements as referred to in Article L. 225-38 of the French Commercial Code.

1.3. Governance (fifth, sixth and seventh resolutions)

1.3.1. Renewal of Denis Mercier as Board member (fifth resolution)

It is proposed that the General Meeting renews the term of office of Denis Mercier which expires at the end of this General Meeting. This renewal would be for a period of 4 years, i.e., until the end of the Ordinary General Meeting called to approve in 2027 the financial statements for the previous fiscal year.

Denis Mercier, a French national, is Deputy Chief Executive Officer and member of the Executive Committee of the Fives group.

He has held various positions in the French Air Force and NATO. He is a *Grand Officier* of the *Légion d'honneur* and an *Officier* of the *Ordre national du Mérite*.

He has been a Director of the Company since May 28, 2019, and Chairman of the Compensation Committee. His attendance for fiscal year 2022 was 100% on the Board of Directors and on the Compensation Committee.

Denis Mercier brings to the Board his experience as head of an international industrial group as well as his skills in crisis management, risk control and digital technology.

He qualifies as independent in accordance with the AFEP-MEDEF Code and, as of the date of this report, he holds 1,157 shares in the Company.

1.3.2. Appointment of Esther Gaide as Board member (sixth resolution)

The Board of Directors, on the proposal of the Governance, Nominations and Sustainability Committee, decided, in its meeting on April 14, 2023, to propose to the General Meeting of May 30, 2023 the appointment of Esther Gaide as an independent Board member, for a period of 4 years.

Esther Gaide would be appointed to succeed to Yan Mei whose term of office will expire at the close of the Annual General Meeting on May 30, 2023 and did not wish to be renewed. The Board of Directors warmly thanks Yan Mei for her contribution to the discussions and works of the Board over the past 4 years.

Esther Gaide, a French national, has been Chief Financial Officer of Elios, a French listed company specializing in food service and catering, since March 2018. She resigned from her position on April 18, 2023.

Esther Gaide has held various positions in international groups, first in external audit with PricewaterhouseCoopers and Deloitte, then in internal audit with the Bolloré group and finally in the finance departments of the Bolloré, Havas, Technicolor and Elios groups. Esther Gaide has recognized technical expertise in the field of audit and finance, in particular in performance monitoring and cash generation, debt restructuring and mergers and acquisitions, which she also brings to other major international groups, such as Eutelsat and Iliad, where she chairs the audit committees. 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.

Esther Gaide, graduated from ESSEC, is a certified public accountant.

She qualifies as independent within the meaning of the AFEP-MEDEF Code.

1.3.3. Appointment of Michael Bolle as Board member (seventh resolution)

The Board of Directors, on the proposal of the Governance, Nominations and Sustainability Committee, decided, in its meeting on April 14, 2023, to propose to the General Meeting of May 30, 2023 the appointment of Dr. Michael Bolle as an independent Board member, for a period of 4 years.

Dr. Michael Bolle would be appointed to succeed Dr. Peter Mertens whose term of office will expire at the close of the Annual General Meeting on May 30, 2023 and did not wish to be renewed. The Board of Directors warmly thanks Dr. Peter Mertens for his contribution to the discussions and works of the Board over the past 4 years.

Dr. Michael Bolle, a German national, spent most of his career at Bosch where he held various management positions in different divisions. In the meantime, he founded a company specializing in the development of chips for mobile communications in the US and Germany, which he successfully sold to Philips Semiconductor. He will bring to the Board of Directors the benefit of his significant experience in the automotive industry, in particular products and technologies, and his good knowledge of the international market.

Dr. Michael Bolle holds a PhD in electrical engineering.

He qualifies as independent within the meaning of the AFEP-MEDEF Code.

Consequently, at the end of the general meeting of May 30, 2023 (if all the draft resolutions proposed by the Board of Directors are adopted), the number of directors making up the Board of Directors of your Company will remain to 14 members, including two directors representing the employees. It would include (excluding directors representing employees) (i) 75% of independent directors, illustrating the strong independence of the composition of the Board of Directors, and (ii) 42% of women, which is higher than the applicable legal requirements.

For more information on the background, experience and skills of the Directors proposed for renewal or appointment, please refer to Section 1 of the Governance and Compensation Part of the Notice of Meeting.

1.4. Approval of the compensation for corporate officers (ex post vote) (eighth resolution)

The shareholders are required, pursuant to Article L. 22-10-34, I of the French Commercial Code, to approve the information relating to the compensation paid or awarded to each corporate officer during the year ended, namely the Chairman of the Board of Directors, the Chief Executive Officer and the Board members, referred to in Article L. 22-10-9, I of the French Commercial Code.

This information applies to the total compensation and all benefits paid or awarded to the corporate officers (including the compensation paid or awarded to the Board members), as well as other, more

general, elements making it possible to assess the breakdown of the fixed and variable portions, the level of compensation for the executive and non-executive corporate officers according to different criteria, or the implementation of the compensation policy.

This information appears in Chapter 3 "Corporate Governance", Sections 3.3.1 "Compensation of executive corporate officers for the 2021 and 2022 fiscal years" and 3.3.2 "Board members' compensation for the 2021 and 2022 fiscal years" of the 2022 Universal Registration Document as well as in Section 2 of the Governance and compensation Part of the Notice of Meeting.

1.5. Approval of the compensation paid during/awarded in respect of the previous fiscal year to the executive and non-executive corporate officers (ex post vote) (ninth and tenth resolutions)

In accordance with the provisions of Article L. 22-10-34-II of the French Commercial Code, you are being asked to approve the fixed, variable and exceptional components comprising the total compensation and all benefits paid during the past fiscal year or awarded in respect of this same fiscal year to the Chairman of the Board of Directors (ninth resolution) and to the Chief Executive Officer (tenth resolution).

Ex post vote on the compensation of the Chairman of the Board of Directors (ninth resolution)

The elements of compensation awarded or paid in 2022 to Michel de Rosen comply with the 2022 compensation policy for the Chairman of the Board of Directors, approved by 99.60% of the votes cast at the General Meeting of June 1, 2022, under the eleventh resolution, as implemented by the Board of Directors.

These components of compensation are described in Chapter 3 "Corporate Governance", Sections 3.3.1.1 "Compensation of the Chairman of the Board of Directors" and 3.3.1.4.1 "Summary of the components of the compensation paid to the Chairman of the Board of Directors during the 2022 fiscal year or granted for the same fiscal year" of the 2022 Universal Registration Document.

Ex post vote on the compensation of the Chief Executive Officer (tenth resolution)

The elements of compensation awarded or paid in 2022 to Patrick Koller comply with the 2022 compensation policy for the Chief Executive Officer, which was approved by 85.19% of the votes cast at the General Meeting of June 1, 2022, under the twelfth resolution, as implemented by the Board of Directors.

Fiscal year 2022 continued to be marked by a difficult economic environment in the automotive sector, due in particular to the continuing shortage of semiconductors, the consequences of the conflict in Ukraine and high inflation. Despite these circumstances, the quantifiable and qualitative criteria for the Chief Executive Officer's variable annual compensation as set for 2022 by the Board of Directors in line with the Group's priorities (mainly debt reduction, synergies from the integration of HELLA and carbon neutrality) were largely achieved. This very good performance is reflected in the evolution of the remuneration of the Chief Executive Officer in 2022.

The Chief Executive Officer's compensation in 2022 is described in Chapter 3 "Corporate governance", Sections 3.3.1.2 "Compensation of the Chief Executive Officer" and 3.3.1.4.2 "Summary of the components of the compensation of the Chief Executive Officer paid during the 2022 fiscal year or awarded for the same fiscal year" of the 2022 Universal Registration Document. The summary table is also provided in Section 2 of the Governance and compensation Section of the Notice of Meeting.

1.6. Approval of the compensation policy for corporate officers (ex ante vote) (eleventh to thirteenth resolutions)

In accordance with the provisions of Article L. 22-10-8, II of the French Commercial Code, you are asked to approve the compensation policies applicable to the Board members (eleventh resolution), the Chairman of the Board of Directors (twelfth resolution) and the Chief Executive Officer (thirteenth resolution).

The compensation policies for corporate officers are set out in Chapter 3 "Corporate governance", Section 3.3.4.1 "Compensation policy for corporate officers" of the 2022 Universal Registration Document.

In particular, please note that:

- the compensation policies for the Chairman of the Board of Directors and the Board members remain steady compared to 2022;

- the compensation policy for the Chief Executive Officer is also steady compared to 2022, the structure and amounts allocated to each component remaining the same. As part of the implementation of this policy, the long-term compensation objectives are adjusted to take into account the Group's strategic priorities, in particular environmental impact, profitability and cash generation. Detailed information is provided in Section 3.3.4.1.3 "Compensation policy for the Chief Executive Officer" of the 2022 Universal Registration Document, as well as in the summary table reproduced in Section 2 of the Governance and compensation Section of the Notice of Meeting.

1.7. Share buy-back program (fourteenth resolution)

You are asked to renew the authorization granted by the General Meeting of June 1, 2022 under its thirteenth resolution to the Board of Directors for the purpose of buying back Company's shares under the conditions described below.

Share buybacks in your Company would be carried out to:

- a) hedge stock option plans and/or free share allocation 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 of shares to the benefit of the Group employees and/or corporate officers (including Economic Interest Groups and related companies);
- b) hedge the commitments made by the Company under financial contracts or options with payment in cash granted to the Group's employees and/or corporate officers (including Economic Interest Groups and related companies);
- c) hedge securities giving access to the allocation of Company shares;
- d) retain the shares purchased and use these shares for exchange or payment at a later stage, as part of any possible merger, demerger, contribution and external growth transactions;
- e) cancel shares;
- f) 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*.

This program will also be designed to allow the implementation of all market practices that may be accepted 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 may inform its shareholders through a press release.

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.

The ceilings for the number of shares or amounts would be as follows:

- the maximum number of shares that may be purchased shall not exceed 10% of the total number of shares comprising the capital stock (i.e., 19,708,934 shares as of April 14, 2023);
- the maximum purchase price would be €80 per share (excluding acquisition costs);
- the theoretical maximum purchase amount of the program (excluding acquisition costs) would be €1,576,714,720.

These transactions may be carried out during the periods that the Board of Directors deems appropriate.

However, during a public offer period, buybacks may be carried out only if they:

- enable the Company to meet commitments made prior to the opening of the offer period;
- are carried out to continue a share buy-back program already in progress;
- are not likely to cause the offer to fail; and
- only meet one of the objectives set out in points a) and b) above (delivery of shares to the beneficiaries of stock options, free shares, the Company's savings or profit-sharing plans; hedging the Company's commitments under financial contracts or options with cash settlement).

The authorization would be granted for a period of 18 months and end the authorization granted by the General Meeting of June 1, 2022, under the thirteenth resolution.

2. Extraordinary General Meeting

2.1. Change of corporate name and amendment of Article 2 of the bylaws (fifteenth resolution)

You are asked to change the Company's name from "Faurecia" to "FORVIA".

This change, which comes one year after the acquisition of HELLA, represents a further important step in the enhancement of the combined group.

"FORVIA" is a compact name with an easy and energetic pronunciation, composed of two ancient and internationally recognized roots, "for" and "via", the latter meaning the road or path. It embodies essential elements of both groups' brands and cultures: forward thinking and the idea of leading the way with visionary technology. It reflects the mission of both groups: pioneer technology for mobility experiences that matter to people.

The change of corporate name will contribute to strengthen the awareness of the "FORVIA" brand within the financial and commercial ecosystem of your Company, and to improve its attractiveness.

This symbolic decision will send a positive message to your Company's stakeholders by capitalizing on the significant progress FORVIA has made over the past year, including:

- the identification and realization of significant synergies between Faurecia and HELLA;
- the deployment of a joint financial roadmap: POWER25;
- winning new high value-added contracts, thanks to an expanded, diversified and high-tech portfolio;
- joint participation in the 2023 CES in Las Vegas and the Shanghai Auto Show, which allowed our customers to discover our range of innovations in the industry's most promising fields;
- the validation of our common "net zero emissions" objective for 2045 by the Science Based Targets initiative.

Consequently, it is proposed that you approve the modification of Article 2 of the bylaws (Company name) of your Company.

2.2. Financial authorizations and delegations (sixteenth to twenty-first resolutions)

As in previous years, you are being asked to renew the financial authorizations and delegations of authority that were granted to the Board of Directors by the General Meeting. These authorizations and delegations of authority, with or without preferential subscription rights, will enable your Company to enact financial transactions based on market conditions and quickly gather the resources needed to implement the Group's growth and consolidation strategy.

It is therefore proposed that the structure and ceilings of the financial authorizations and delegations remain unchanged (in line with the recommendations of the voting agencies and consistent with the practice of listed issuers of a similar size to Faurecia).

2.2.1. Delegation of authority to increase the capital stock with preferential subscription right (sixteenth resolution)

The transaction carried out under this resolution would be reserved for Company shareholders only.

The securities that may be issued would be shares and/or securities giving access to shares of the Company and/or a Subsidiary.

In accordance with the law, the shareholders would be eligible for negotiable preferential subscription rights. Subscriptions would be carried out on an irreducible basis and, if the Board of Directors would decide, on a reducible basis. If the aggregate amount of subscriptions on an irreducible basis, and as the

case may be on a reducible basis, would not absorb all of an issue, the Board of Directors may use, in the order it would determine, all or some of the abilities provided for by law.

The subscription price of the shares and/or securities issued pursuant to this delegation of authority would be set by the Board of Directors in accordance with applicable laws and regulations.

The capital and debt ceilings for this delegation of authority would be as follows:

- capital ceiling (in nominal): 40% of the Company's capital (representing approximately a nominal amount of €551 million on the basis of the share capital as of December 31, 2022). This is a total ceiling for all capital increases (issuances under the sixteenth, seventeenth, eighteenth and twentieth resolutions) (excluding performance shares and capital increases reserved for employees shareholding plans);
- debt ceiling: €1 billion. This is a total ceiling for all the issues of debt securities (issuances under the sixteenth, seventeenth, eighteenth and twentieth resolutions), excluding issuances reserved for employees shareholding plans.

The Board of Directors would have full powers for the purpose of implementing such delegation of authority.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this delegation upon the filing of a tender offer for the Company's shares by a third party, up until the end of the offer period.

This delegation of authority, which would be granted for a period of 26 months, would invalidate (for the unused portion relating to issues of shares and/or securities giving access, immediately or in the future, to the capital of the Company and/or a Subsidiary, with preferential subscription rights, as at the date of the General Meeting) the delegation of authority granted by the General Meeting of June 1, 2022, under its fourteenth resolution.

2.2.2. Delegations of authority for the purpose of increasing the capital stock without preferential subscription rights, by way of (i) public offerings (seventeenth resolution) and (ii) private placements (eighteenth resolution)

Transactions carried out pursuant to these resolutions would be open to the public and/or through private placement, in both cases with no preferential subscription rights.

The securities that may be issued would be shares and/or securities giving access to shares of the Company and/or a Subsidiary.

The issuances may be carried out (i) by way of public offerings (with the exception of issuances referred to in (ii) below) with, the option for the Board of Directors to institute a non-negotiable right of priority for shareholders (seventeenth resolution) or (ii) by way of offerings solely for a limited group of investors acting on their own behalf or for qualified investors (eighteenth resolution). Please note that if the subscriptions would not absorb all of an issuance, the Board of Directors may use, in the order it would determine, the faculties offered by the law.

Please also note that the delegation of authority that allows for the issue of securities by way of a public offering (seventeenth resolution) may also be used for the purpose of remitting Company's shares in exchange for other securities as part of a public exchange offer in accordance with Article L. 22-10-54 of the French Commercial Code.

The issuance price of shares would be at least equal to the weighted average price of the Company's shares on Euronext Paris during the three trading days immediately preceding the beginning of the offering, with a potential discount of up to 10%. The issue price of securities giving access to shares will be the same as the sum collected immediately by the Company, plus, where applicable, the sum it may subsequently collect, that is, for each share issued as a result of the issuance of these securities, at least equal to the minimum subscription price of the issued shares as identified above.

The capital and debt ceilings for this delegation of authority would be as follows:

- capital ceiling (in nominal): 10% of the Company's capital (representing approximately a nominal amount of €137 million on the basis of the share capital as at December 31, 2022). This is a total ceiling shared by the seventeenth, eighteenth and twentieth resolutions (contributions in kind), it being specified that this amount is deducted from the total ceiling of 40% of the Company's share capital;
- debt ceiling: €1 billion for each of the seventeenth and eighteenth resolutions, it being understood that this amount is deducted from the total ceiling of €1 billion.

The Board of Directors would have full powers for the purpose of implementing such delegations.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use the delegations upon the filing of a tender offer for the Company's shares by a third party, up until the end of the offer period.

These delegations of authority, which would be granted for a period of 26 months, would invalidate the delegations granted by the General Meeting of June 1, 2022 under the fifteenth and sixteenth resolutions.

2.2.3. Authorization for the purpose of increasing the amount of the initial issues provided for by the sixteenth, seventeenth and eighteenth resolutions (nineteenth resolution)

This authorization would allow the Company, during a 30-day period starting from the end of the subscription period, to increase the number of shares to be issued in the event of issues carried out (i) with preferential subscription rights (sixteenth resolution), (ii) with removal of preferential subscription rights by way of public offerings (seventeenth resolution), and (iii) with removal of preferential subscription rights by way of an offering solely for a limited group of investors acting on their own behalf or for qualified investors (eighteenth resolution).

The subscription price of shares or securities issued would be the same as the initial issue price decided pursuant to the sixteenth, seventeenth and eighteenth resolutions described above.

Transactions executed as part of this authorization may not exceed the legal limit (currently 15% of the initial issue) and will be deducted from the amount of the ceiling or the ceilings stipulated in the resolution under which the initial issuance is decided.

The Board of Directors may not use this authorization, without the prior authorization of the General Meeting, in the event of a tender offer for the Company's shares filed by a third party, until the end of the offer period.

This authorization, which would be granted for a period of 26 months, would invalidate the authorization granted by the General Meeting of June 1, 2022, under the seventeenth resolution.

2.2.4. Delegation for the purpose of increasing the capital stock, without preferential subscription rights, in the event of in-kind contributions to the company (twentieth resolution)

The transactions carried out under this resolution would not be open to the shareholders or the public, but only to contributors of securities to the Company. They will be completed without preferential subscription rights.

The securities that may be issued would be shares and/or securities giving access to shares of the Company.

The purpose of such transactions would be to use issues of shares or securities giving access to shares to pay compensation for in-kind contributions to the Company of shares and securities giving access to the shares.

The capital and debt ceilings for this delegation would be as follows:

- capital ceiling (in nominal): 10% of the Company's capital (representing approximately a nominal amount of €137 million on the basis of the share capital as at December 31, 2022). This is a total ceiling shared by this resolution and the two resolutions without preferential subscription rights (seventeenth and eighteenth resolutions), it being specified that this amount will be deducted from the total ceiling of 40% of the Company's share capital;
- debt ceiling: €1 billion, it being understood that this amount is deducted from the total ceiling of €1 billion.

The Board of Directors would have full powers for the purpose of implementing such delegation.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this delegation upon the filing of a tender offer for the Company's shares by a third party, up until the end of the offer period.

This delegation, which would be granted for a period of 26 months, would invalidate the delegation granted by the General Meeting of June 1, 2022, under the eighteenth resolution.

2.2.5. Delegation for the purpose of increasing the share capital by capitalization of reserves, profits, premiums or other amounts (twenty-first resolution)

This delegation of authority may be used to increase the capital through the capitalization of premiums, reserves, profits or other, either by awarding free shares, by raising the par value of existing shares, or by combining these two processes.

It is specified that the rights forming fractional shares will not be negotiable or transferable and that the corresponding shares will be sold, the proceeds of the sale being allocated to the holders of the rights within a period of time set by the regulations.

The maximum nominal amount of the capital increases which may result of the use of this delegation is set at €175 million, it being specified that this ceiling is autonomous, distinct and independent of the ceilings set in the other resolutions submitted to this General Meeting.

The Board of Directors would have full powers for the purpose of implementing such delegation.

Unless prior authorization has been granted by the General Meeting, the Board of Directors may not use this delegation upon the filing of a tender offer for the Company's shares by a third party, up until the end of the offer period.

This delegation of authority, which would be granted for a period of 26 months, would invalidate (for the unused portion relating to capital increases by incorporation of reserves, profits, premiums or other sums whose capitalization would be permitted on the date of the general meeting) the delegation of authority granted by the General Meeting of June 1, 2022 under its nineteenth resolution.

2.3. Employee and corporate officer share ownership: authorization to grant performance shares, entailing waiver by shareholders of their preferential subscription right (twenty-second resolution)

The purpose of this authorization is to enable your Board of Directors to grant performance shares, free of charge, to the Group's employees and corporate officers under the terms of Articles L. 225-197-1 *et seq.* and L. 22-10-59 and L. 22-10-60 of the French Commercial Code. Shares granted under this resolution may be existing or newly issued shares.

Use of the of the authorization of June 1, 2022

The General Meeting of June 1, 2022, under its twentieth resolution, authorized the Board of Directors to grant a maximum of 3,000,000 performance shares, the total number of shares awarded to the corporate officers not exceeding 10% of this number. The Board of Directors used this authorization in fiscal year 2022: based on the decision of July 28, 2022, it granted a maximum of 2,402,810 performance shares, of which a maximum of 169,830 shares to the Chief Executive Officer, it being specified that if the target objectives are met, the number of shares to be delivered to the Chief Executive Officer will be 130,640.

Number of performance share plans

Generally speaking, and not including two plans which were granted in 2021, a performance share plan is granted by the Board of Directors every year. To date, 15 plans have been granted on the basis of authorizations given by the General Meeting.

Review of previous plans – achievement of performance conditions

The performance condition(s) attached to plans No. 1, No. 5 and No. 6 were achieved to their maximum level, and the shares were fully vested:

- for plan No. 1, in June 2012 (for French tax residents) and June 2014 (for non-French tax resident beneficiaries);
- for plan No. 5, in July 2017;
- for plan No. 6, in July 2018.

For the plans below, the conditions were not all fully met:

- plan No. 7: overall achievement rate of 116.5%. The shares were delivered to the beneficiaries in July 2019;
- plan No. 8: overall achievement rate of 108%. The shares were delivered to the beneficiaries in July 2020;
- plan No. 9: overall achievement rate of 89%. The shares were delivered to the beneficiaries in July 2021;

- plan No. 11: overall achievement rate of 11.5%. The shares will be delivered to the beneficiaries in July 2023.

With regard to Plan No. 12 granted in October 2020, the performance conditions of which are based on 2022 results, the Board of Directors' meeting of April 14, 2023 acknowledged an overall completion rate of 69.6%. The shares will be delivered to the beneficiaries in October 2024.

However, as the performance conditions for plans No. 2, No. 3, No. 4 and No. 10 were not fulfilled, no shares were vested in respect of these plans.

The rate of achievement of the Annual Relative TSR of the ESPI plan for the 1st period (2021-2022) is nil.

The rate of achievement of the performance conditions of the Annual Relative TSR of the ESPI plan for the subsequent periods, as well as the rate of achievement of the Average Relative TSR 5 years are not yet known.

The rate of achievement of plans No. 13 and No. 14, respectively granted in 2021 and in 2022, are not yet known.

Detailed information on the performance share plans expired or in force during the fiscal year 2022 is shown in the 2022 Universal Registration Document in Section 5.2.2 "Potential capital"¹.

New authorization

Under the terms of the new authorization which is submitted to your vote, the total number of free shares which could be granted may not exceed 3,000,000 shares (representing approximately 1.52% of the share capital)². It is specified, as necessary, that the rights to shares that would lapse due to non-compliance with the conditions pursuant to the performance share plan may be granted again, provided that the number of shares vested does not exceed 3,000,000 shares.

The total number of shares that may be granted for free to executive and non-executive corporate officers may not exceed 10% of the aforementioned number.

Shares granted to beneficiaries would vest following a vesting period whose length would be set by the Board of Directors, which may not be shorter than three years. The General Meeting would authorize the Board of Directors to decide whether or not to provide for a lock-up period at the end of the vesting period.

By decision of the Board of Directors, the vesting of the shares would be subject to the following performance conditions:

- an internal condition related to the Group operational income. This internal condition is assessed by comparing the net income (loss) of the third fiscal year after the grant date of the performance shares to that forecast for the same fiscal year in the strategic plan reviewed and approved by the Board of Directors;
- an internal condition linked to the Group's net cash flow. This internal condition is assessed by comparing the net income for the third fiscal year following the date of grant of the performance shares with that forecast for the same fiscal year in the strategic plan reviewed and approved by the Board of Directors;
- an internal condition related to gender diversity within the Group's "Managers and Professionals" (management population 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 to the target percentage set by the Board of Directors;
- an internal condition linked to the achievement of a reduction in the Group's CO₂ emissions. This internal condition is assessed by comparing CO₂ emissions in the third financial year following the date of granting of the performance shares with the level of emissions recorded at the end of 2019;
- an external condition related to the growth of your Company's net earnings per share assessed between the last fiscal year before the grant date of the performance shares and the third fiscal year ended after the grant date of the performance shares. This condition is assessed against the

¹ Plans No. 1 to No. 8, which have expired, have not been included in the 2022 Universal Registration Document. For more information on these plans (including performance conditions, objectives set and achievements of these objectives), please refer to the 2018 Registration Document of the Company, page 209, to the 2019 Universal Registration Document, page 330, and to the 2020 Universal Registration Document, page 378.

² It is reminded that, according to the provisions of the law, the total number of shares attributed cannot exceed 10% of the share capital as of the date of the attribution decision.

weighted growth of a reference group made up of twelve comparable international automotive suppliers over the same period.

These performance conditions have been amended to support the Group's strategy and in particular the objective of being carbon neutral by 2025.

For each performance condition referred to above:

- a minimum, a target and a maximum quantitative objective are set. The method for calculating the difference between these different target thresholds is disclosed in the Universal Registration Document for each plan.
- the attribution would amount to:
 - 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, and
 - 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.

Alternatively, or in addition to the conditions listed above, the Board of Directors may set performance conditions assessed in relation to one or more specific criteria for the achievement of objectives, of a quantifiable and/or qualitative nature.

The Board of Directors would have full powers for the purpose of implementing such authorization.

This authorization, which would be granted for a period of 26 months, would supersede the authorization granted by the General Meeting of June 1, 2022 pursuant to its twentieth resolution.

2.4. Employee shareholding: delegations of authority to issue shares and/or securities giving access to the share capital/increasing the share capital, without preferential subscription rights (i) for the benefit of the members of a company or a group savings plan and (ii) reserved for a category of beneficiaries (twenty-third and twenty-fourth resolutions)

Implementation in 2021 of the first employee shareholding plan (Faur'ESO)

In 2021 the Company has launched its first employee shareholding operation. As a reminder, the Company wished to implement a non-dilutive employee shareholding plan following the distribution of the Faurecia shares held by Stellantis. This plan, called "Faur'ESO" (Faurecia Employee Share Ownership), aimed to strengthen the existing link with employees by involving them closely in the Group's development and performance. This first transaction involved a maximum of 2% of the Company's share capital and has been a great success, with over 22% of employees in the 15 eligible countries having expressed their desire to invest in the plan.

This transaction, which has been completed through a capital increase, implementing the twenty-fourth resolution of the General Meeting of June 26, 2020 on capital increases reserved for employees. It should be noted that in order to neutralize the dilutive effect of Faur'ESO, the share buyback program authorized by the Board of Directors has been used, and the corresponding number of bought back shares have been canceled.

As at December 31, 2022, the employee shareholding in the Company represented 3,752,754 shares, i.e., 1.90% of the share capital.

Delegation of authority to issue shares and/or securities giving access to the share capital, without preferential subscription rights, for members of a company or a group savings plan (twenty-third resolution)

It is proposed to grant the Board of Directors a delegation of authority to issue shares and/or securities giving access to the share capital, without preferential subscription rights, for the benefit of the members of a Company or a group savings plan.

The price of the shares or securities giving access to the capital that may be issued under such delegation may not be more than 30% lower (or 40% lower when the lock-up period in the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labor Code is 10 years or more) than the average of the listed

share price during the 20 trading sessions prior to the date of the decision setting the opening date of the subscription, nor higher than this average.

The maximum nominal amount of capital increases that may result from the use of such delegation is set at 2% of the share capital as of the date of the General Meeting, it being specified that this ceiling constitutes the overall ceiling for issues carried out under the twenty-third and twenty-fourth resolutions.

The Board of Directors may also decide to grant newly issued or existing shares or other securities giving access to newly issued or existing shares of the Company in respect of (i) matching contributions made by the employer pursuant to the regulations of Company or Group savings plans, and/or (ii) the price discount, where applicable.

The Board of Directors would have full powers for the purpose of implementing such delegation.

This delegation, which would be granted for a period of 26 months, would invalidate the authorization granted by the General Meeting of June 1, 2022, under its twenty-first resolution.

Delegation of authority to increase the share capital, with removal of preferential subscription rights in favor of a category of beneficiaries (twenty-fourth resolution)

You are being asked to renew the delegation of authority granted by the General Meeting of June 1, 2022 under its twenty-second resolution to the Board of Directors for the purpose of increasing the share capital, with removal of preferential subscription rights in favor of a category of beneficiaries under the conditions described below:

The maximum nominal amount of the capital increases completed under such resolution would be 0.6%, it being specified that this amount would be deducted from the ceiling provided for in the twenty-third resolution submitted to the General Meeting of May 30, 2023, *i.e.*, 2% of the share capital (or any resolution that may be substituted at a later date).

The price would be equal to an average of the share prices listed during the 20 trading days preceding the date of the decision setting the opening date of the subscription, less a discount not exceeding 30% or alternatively at the price set by the Board of Directors or the Chief Executive Officer upon sub-delegation in the context of a transaction completed at the same time under the twenty-third resolution submitted to the General Meeting of May 30, 2023, (or any resolution that may subsequently be substituted).

The Board of Directors would have full powers for the purpose of implementing such delegation.

This delegation, which would be granted for a period of 18 months, would invalidate the authorization granted by the General Meeting of June 1, 2022, under its twenty-second resolution.

2.5. Cancellation of treasury shares (twenty-fifth resolution)

This resolution would authorize the Board of Directors to reduce the capital stock through the cancellation of all or part of the shares that your Company holds or may acquire as part of authorized share buy-back programs up to a maximum limit of 10% of the share capital. It is stipulated that the difference between the accounting value of the cancelled shares and their par value may be deducted from all available reserve items and premiums, including the statutory reserve, up to a limit of 10% of the capital reduction carried out.

This authorization, which would be granted for a period of 26 months, would invalidate the authorization granted by the General Meeting of June 1, 2022, under its twenty-third resolution.

3. Ordinary General Meeting

3.1. Powers (twenty-sixth resolution)

To conclude, the twenty-sixth resolution concerns the powers to be given to complete formalities relating to the General Meeting, particularly filing and publicity formalities.

4. Information relating to ongoing business since the beginning of fiscal year 2023

Information relating to the 2022 fiscal year, to the events that have occurred since the beginning of the fiscal year 2023 and to the Group's outlook are available in the 2022 Universal Registration Document of the Company accessible on the Company's website (www.faurecia.com) and the *Autorité des Marchés Financiers*' website (www.amf-france.org).

The press release relating to the first quarter of 2023 sales, available on the Company's website (www.faurecia.com), completes this information.