



Sustainability-Linked Financing Framework

JUNE 2024

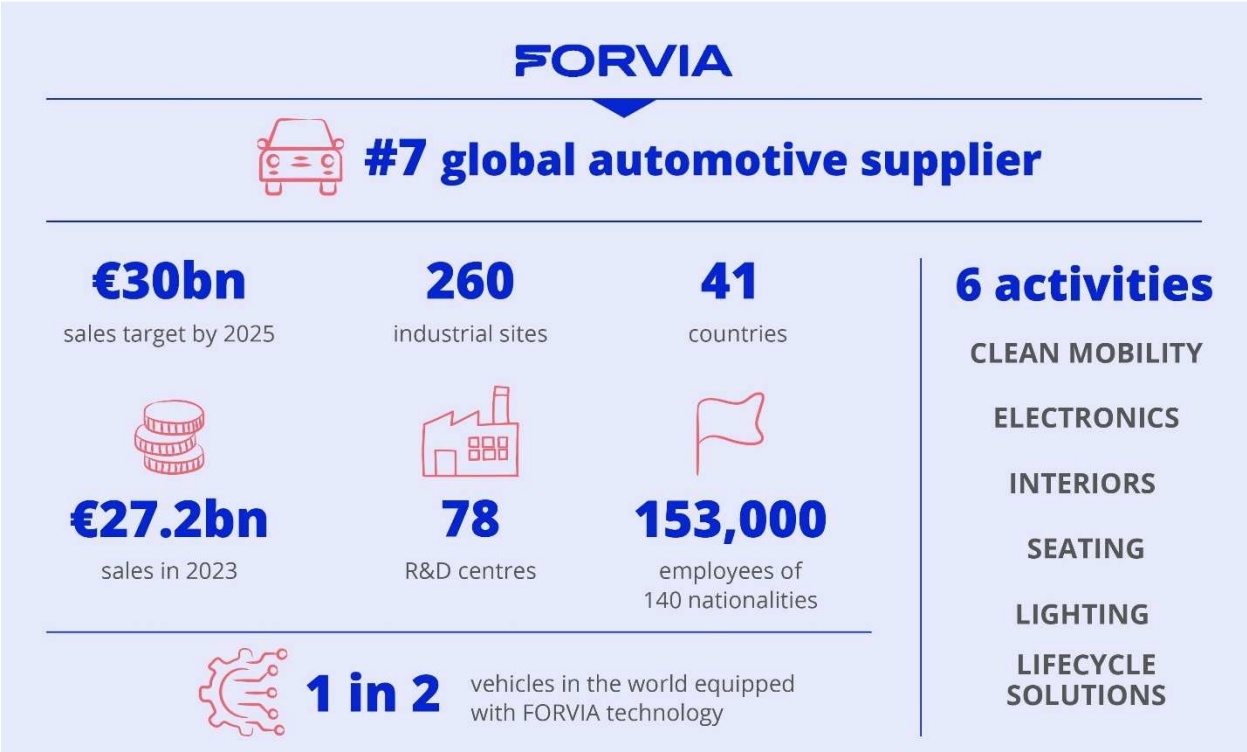
FORVIA
Inspiring mobility

Table of Contents

1. FORVIA, a sustainable mobility technology leader	3
2. FORVIA's Sustainability approach	5
2.1. Governance	5
2.1.1. Planet.....	8
2.1.2. Business	12
2.1.3. People.....	13
2.1.4. FORVIA's contribution to the SDGs	13
3. Sustainability-Linked Financing Framework	15
3.1. Selection of Key Performance Indicators ("KPIs").....	15
3.2. Calibration of Sustainability Performance Targets ("SPTs").....	19
3.3. Financial characteristics	22
3.4. KPI reporting	23
3.5. Verification.....	24
3.6. Recalculation event.....	24

1. FORVIA, a sustainable mobility technology leader

With the acquisition by Faurecia of a controlling interest in HELLA in 2022, Faurecia and HELLA have created FORVIA, a global automotive supplier with an advanced technology portfolio and innovation capability.



Figures as of end 2023

FORVIA brings together expertise in electronics, clean mobility, lighting, interiors, seating, and lifecycle solutions to drive change in the automotive industry. With a history stretching back more than a century, we are the seventh-largest global automotive supplier, employing 153,000 people in 41 countries.

Aligned with key industry megatrends and fast-growing technology areas, FORVIA is uniquely placed to bring solutions for a safe, sustainable, advanced, and customized mobility. The Company is organized into six Business Groups, which are accountable for operational performance and total customer satisfaction.

FORVIA is driven by its mission of pioneering technology for mobility experiences that matter to people. Its strategy is to embrace, advance and grow with the transformations that are

shaping its industry. The Company is leveraging its innovation ecosystem and the power of digital solutions to accelerate the transition to sustainable mobility, while taking a holistic approach to reducing its environmental impact that goes beyond decarbonization. To achieve this, FORVIA puts its people, who are its greatest asset, at the center of its activity as it strives for excellence in industrial performance.

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, FORVIA is on a mission to pioneer technology for mobility experiences that matter to people. In 2023, it continued to capitalize on its three strategic pillars – electrification and energy management, safe and automated driving, sustainable and digital cockpit experiences.

“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 (...). 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.”

Patrick Koller
Chief Executive Officer

2. FORVIA's Sustainability approach

Our world is in a state of permanent disruption and faces major environmental and social challenges. These include, among others, urbanization, population growth, climate change, scarce resources and technological change. As a Company, we strongly believe that we play a key role in facing up to these challenges, and that we can make a difference.

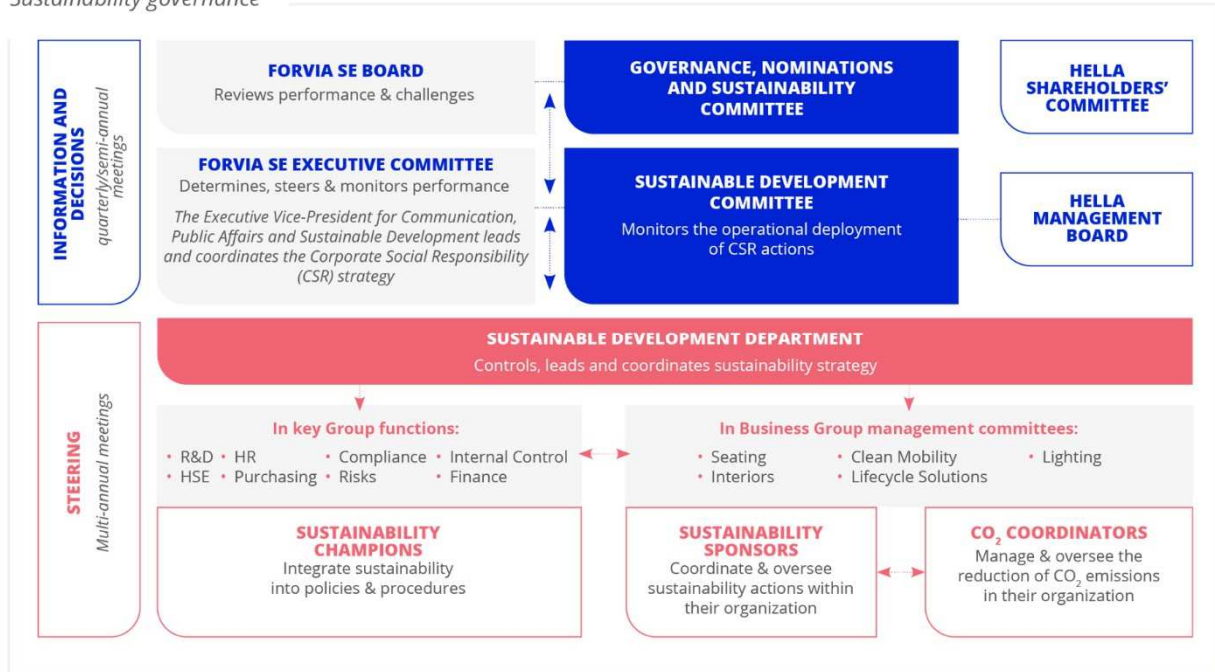
The Group's key initiatives for sustainable development, and in particular its ambition to become net CO2 neutral by 2045, are based on its strong convictions and values. These convictions have been broken down into various action plans, which focus on four areas – Governance, Planet, Business, and People.

2.1. Governance

FORVIA's governance structure relies on the best standards of independence, transparency, openness, inclusiveness, and responsibility for the Group's strategic and operational business. FORVIA's governance structure includes complementary governance bodies at FORVIA SE and HELLA with efficient decision-making processes at all levels of the Group. It takes into account every financial, societal, social and environmental challenge in light of the Groups' convictions, values and commitments.

Over the years, sustainability has become an integral part of FORVIA's decision-making process. Given the importance and scope of the sustainability issues involved in many strategic decisions, each governance body handles these issues within its area of expertise. A "Governance, Nominations and Sustainability Committee" is also in charge of steering and assessing the Company's ethics and compliance policies regarding good governance practice. This committee also reviews the social and environmental responsibility roadmap and action plans.

Sustainability governance




Moreover, the variable compensation systems integrate the Group’s strategic objectives and incorporate social and environmental responsibility criteria, with carbon neutrality forming part of FORVIA’s executive pay structure, with variable remuneration for the CEO, the Group’s top 300 senior executives and 4,800 managers, and the HELLA Management Board, linked to the Group’s scope 1 and 2 targets.

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.


The Group adheres to international norms and standards, reflecting its commitment to best environmental, social and societal practices.

PLANET




SCIENCE-BASED TARGETS 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 promote 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

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 TRAINEEES
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 labour 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



2.1.1. Planet

Reducing FORVIA's environmental footprint involves neutralizing the greenhouse gas footprint in all of the Group's activities. FORVIA is also committed to applying international environmental standards in all of its sites, and works on a daily basis to reduce, recover, or recycle waste generated throughout the production chain, wherever possible. Similarly, the Company is committed to using water more efficiently and to closely monitoring the use of chemicals and volatile organic compound emissions.

Commitments for the planet

KEY PERFORMANCE INDICATORS



FORVIA OBJECTIVES



Environmental footprint of operations

FORVIA IN 2023

2025

2027

2030

CO₂ emissions scopes 1 & 2 (MtCO₂eq)

-41% ✓

Neutrality

Waste intensity (metric tons/€ millions of sales)

Equal vs 2022 ✓

-28%

-34%

Water intensity (m³/€ millions of sales)

-31%



Circular economy of products

CO₂ emissions full scopes (1, 2, 3) (MtCO₂eq)

-5% ✓

-45%

Reference year: 2019



Key performance indicators audited by an independent third-party organization

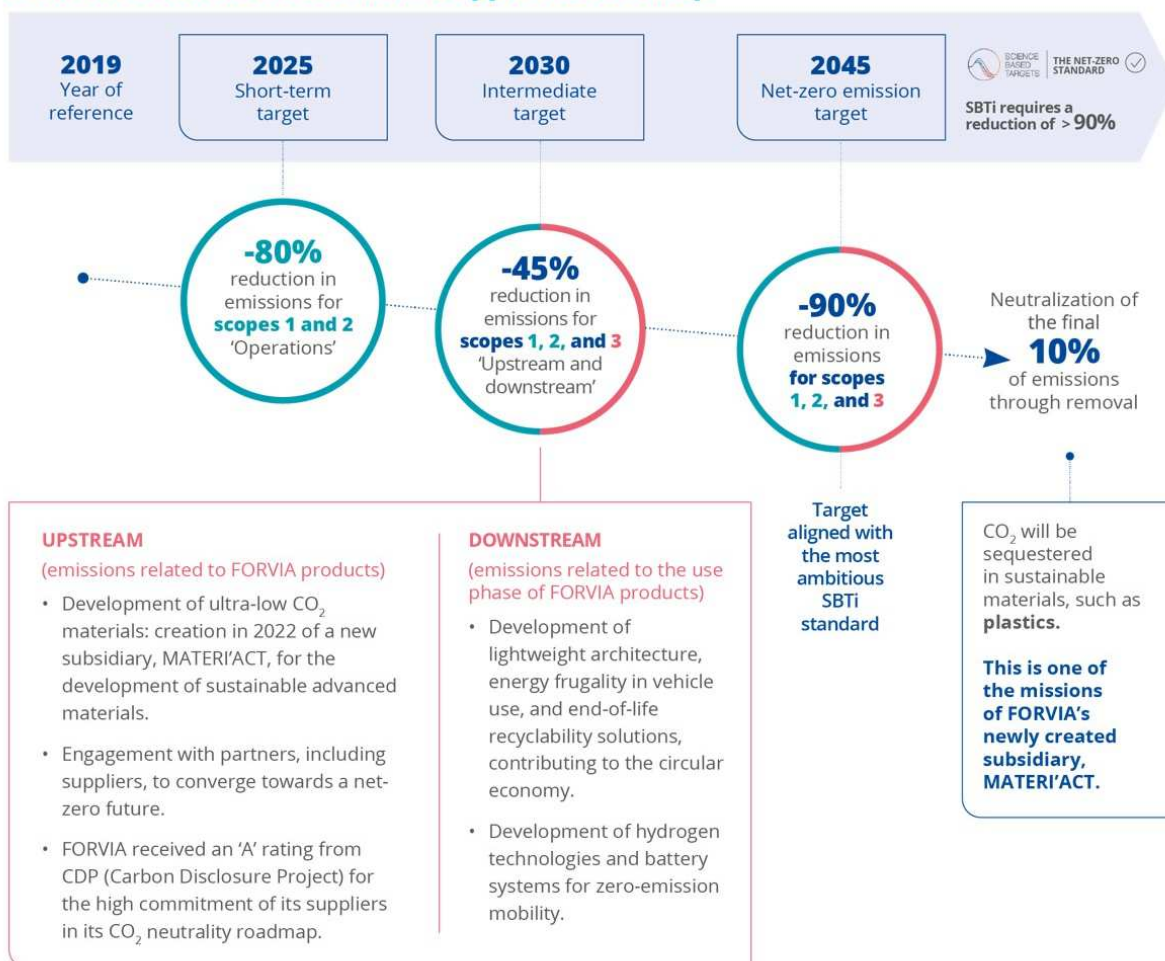
FORVIA's SBTi Net-Zero commitments

In June 2022, FORVIA became the first French company and the first global automotive company to receive the new SBTi Net-Zero Standard certification. Thereby, further reinforcing FORVIA's commitment to the Paris agreement.

Recent years have seen an influx of net-zero commitments from companies. The SBTi Net-Zero Standard was launched to combat criticisms about the consistency of the quality and goals of these commitments. It provides a credible, independent assessment of corporate short- and long-term net-zero targets, in line with climate science.

The Net-Zero Standard requires companies to become CO₂ net-zero no later than 2050, and to show evidence of a common, robust, science-based understanding of what this entails. Certification is a way for companies to demonstrate to stakeholders that their emissions reductions targets are of a pace and scale required to limit long-term global warming to 1.5°C by the end of the century compared to the pre-industrial period.

FORVIA's SBTi Net-Zero Standard-approved roadmap



FORVIA is committed to reach CO₂ neutrality in operations (scopes 1 & 2) by 2025

To reach its goal of operational CO₂ neutrality, FORVIA launched a global energy transition plan for 2020-2025.

The Group has identified four levers to achieve its goal:

- Energy savings, in particular through smart meters, digitization, and the recovery and recycling of heat from manufacturing processes
- Production of renewable energy on site (solar)
- Development of renewable energy through long-term electricity purchase contracts (Power Purchase Agreements: PPAs)
- Electrification of processes and heat production

In addition, FORVIA has committed to ISO 14001 environmental certification for its production plants that have been operational for more than two years, based on the

principle of continuous improvement. Sites also implement local initiatives to improve the reduction, sorting and recovery of product waste and to reincorporate production scraps into processes as much as possible. Actions range from reducing production waste, strengthening sorting practices, setting up recycling systems to recover waste externally, and reusing packaging.

Reduction of CO2 footprint from products (scope 3)

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, use phase, end-of-life and recycling). The Group has developed an efficient management strategy for its materials and resources. The materials that FORVIA SE uses are mainly metals (75% by weight of total raw materials purchased) and plastic (25%).

FORVIA is focusing its scope 3 decarbonization strategy on the use of sustainable materials, the development of eco-design and the lifecycle analysis of vehicles. These tools enable the CO2 neutrality strategy to be managed across the entire supply chain.

At its Sustainability Day 2024, FORVIA detailed its roadmap to carbon neutrality and unveiled new 2030 objectives for addressing its Scope 3 emissions, which account for 98% of the Group's emissions:

- Electric vehicles: the volume of products sold dedicated to electric vehicles should exceed the market share of electric vehicles.
- Energy savings: 40% energy savings target for electrical components.
- Transport: 20% reduction in transport-related carbon emissions.
- Transition to eco-responsible materials: Reduce the environmental impact of products by 40 to 70% by promoting the use of materials with low carbon footprints.
- More recycled content: Target of over 30% recycled content in its products.
- Weight reduction: Reduce the average weight of our products by 17%.
- Recyclability: FORVIA products should be up to 70% recyclable.

Green taxonomy-aligned business activities

The EU taxonomy is a classification system issued by the European Commission that sets out a list of environmentally sustainable economic activities. It provides a common framework for investors to determine which investments are seen as contributing to net-zero carbon commitments and the Paris Climate Agreement. As a key partner helping automotive manufacturers meet CO2 neutrality targets and committed to protecting the environment, FORVIA has analysed the eligibility and alignment of its activities under the green taxonomy.

As a Company fully committed to the climate transition, FORVIA is developing sustainable technologies that contribute to climate change mitigation and adaptation.

In 2023, 24.9% of FORVIA's turnover was aligned with the EU taxonomy under five climate change mitigation activities¹:

- 3.2 Manufacture of equipment for the production and use of hydrogen
- 3.3 Manufacture of low carbon technologies for transport
- 3.4 Manufacture of batteries
- 3.6 Manufacture of other low carbon technologies
- 3.18 Manufacture of automotive and mobility components

In addition, €6m of FORVIA's turnover was taxonomy-eligible under the new transition to a circular economy taxonomy (activity 5.1 'Repair, refurbishment and remanufacturing'). Alignment will be assessed in 2024.

2.1.2. Business

In today's business environment, organisations need to be increasingly agile and reactive. FORVIA's new internal compliance dashboard reflects its belief in the importance of promoting a culture of integrity, safety, and vigilance wherever the Group operates, while ensuring compliance with the highest ethical standards.

FORVIA has been a member of the United Nations Global Compact since 2004. It is committed to respecting and promoting the conventions of the International Labour organisation (ILO) on human rights, labour standards and the environment in its business practices. FORVIA's Code of Ethics contains all of its rules and principles, which must be understood and respected in all countries by all employees across all business lines, and by all business partners.

Moreover, FORVIA undertakes to guarantee a safe work environment for all staff working on its sites, whether they are employees, temporary workers or external parties, while placing quality and service at the heart of operational excellence.

Finally, social, environmental, and fair economic business practices are key aspects of the Group's relationship with its partners. Based on the Group's convictions and its Code of Ethics, FORVIA has developed a sourcing and supply chain Code of Conduct that sets out its expectations for responsible business practices from a social, environmental, and economic point of view. Since 2017, the Group has worked with EcoVadis to carry out an in-depth

¹ Universal Registration Document 2023 4.2.2 <https://www.forvia.com/en/investors/regulated-information/universal-registration-document-half-year-financial-report>

assessment of its suppliers, focusing on their ethical, social and environmental practices. The assessment is a prerequisite to joining FORVIA's panel of "direct" suppliers.

2.1.3. People

Diversity is one of FORVIA's strengths. It is both a source of motivation for employees and a source of innovation. It has a positive impact on FORVIA's performance and on the development of its employees. FORVIA is committed to promoting diversity as a genuine strength and an asset, to fostering inclusion, and to combating all forms of discrimination. Diversity is a multi-dimensional concept that includes a person's origin, religion, gender, disability status, sexual orientation, training experience, or any other difference. It is already part of FORVIA's culture and identity: employees spanning 103 nationalities and backgrounds have been central to the Company's success. The Group has adopted a gender diversity target and inclusion action plans to create an inclusive culture in which all forms of diversity are seen as a genuine source of value. Plans are also in place to set up an internal Board Committee.

Moreover, FORVIA's core businesses are undergoing a rapid transformation. The Group strives to ensure its staff remain employable throughout their working lives via learning, professional mobility and on-the-job training. Talent management is a key component of employee development, and FORVIA's HR strategy and best practices are aimed at attracting and retaining talent to meet business needs and foster employee growth.

FORVIA is a member of the community in each region where it operates worldwide. The Group contributes to local economic development and creating local social value. It has a responsibility to maintain a frank, ongoing dialogue with the communities near to its sites to ensure that its operations are harmoniously integrated in each region. The Group aims to strengthen its commitment to local communities by initiating or contributing to projects and programs that address local needs, and by offering its expertise and resources in support of these actions. The Group's societal engagement is based on local economic development and local solidarity actions initiated by employees and the FORVIA Foundation.

2.1.4. FORVIA's contribution to the SDGs

FORVIA's CSR strategy is aligned with the United Nations Sustainable Development Goals (SDGs). Adopted in 2015 by 193 countries at the United Nations, the 17 Sustainable Development Goals is an action plan for a just transition towards sustainable development by 2030. FORVIA supports these goals and contributes to them through its CSR strategy.

Planet



6. CLEAN WATER AND SANITATION

Efficiency in water use



7. AFFORDABLE AND CLEAN ENERGY

On-site production and external sourcing of renewable energy



12. RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainable waste management



13. CLIMATE ACTION

Reduction of FORVIA's greenhouse gas emissions to achieve CO₂ neutrality by 2045

Business



3. GOOD HEALTH AND WELL-BEING

Reduce safety risks in plants and road injuries via FORVIA's product quality and safety policy



11. SUSTAINABLE CITIES AND COMMUNITIES

Air quality innovations that are particularly suited to urban areas



13. CLIMATE ACTION

Development of solutions for zero-emissions mobility over the full vehicle lifecycle



8. DECENT WORK AND ECONOMIC GROWTH

Respect for and promotion of international principles relating to human rights and labour law throughout the value chain



12. RESPONSIBLE CONSUMPTION AND PRODUCTION

Eco-design of products and circular economy



17. PARTNERSHIP FOR THE GOALS

Partnerships for sustainable innovation with key players in the industrial and technological ecosystem



10. REDUCED INEQUALITIES

Fight against discrimination

People



3. GOOD HEALTH AND WELL-BEING

Implementation of uncompromising workplace safety and risk prevention policies

Supporting employees and families during the pandemic



5. GENDER EQUALITY

Promotion and career development of women

Fight against discrimination and for professional equality



10. REDUCED INEQUALITIES

Development of local societal actions



4. QUALITY EDUCATION

Training and skills development for FORVIA's employees, in particular via FORVIA University

Support for solidarity and local initiatives that promote education



8. DECENT WORK AND ECONOMIC GROWTH

Active prevention of accidents at work and occupational diseases



17. PARTNERSHIP FOR THE GOALS

Active societal engagement with local communities and NGOs

3. Sustainability-Linked Financing Framework

With this updated Sustainability-Linked Financing Framework (the “Framework”), following a first Framework published in October 2021, FORVIA aims at the pursuit of the alignment of its business and financing with its commitments and values at FORVIA level, following the completion of the acquisition of a controlling interest in HELLA.

This Sustainability-Linked Financing Framework is designed as to allow Forvia to issue sustainability-linked financing instruments, whether through Sustainability-Linked Bonds, or any other debt capital markets financing instrument (such as but not limited to Schuldschein, private placements, etc) whose characteristics are linked to sustainability performance targets (the “sustainability-linked instruments”).

This Framework is aligned with the five core components of the ICMA Sustainability-Linked Bond Principles 2023 (“SLBP”)²:

- 3.1 Selection of Key Performance Indicators (“KPIs”)
- 3.2 Calibration of Sustainability Performance Targets (“SPTs”)
- 3.3 Financing instrument characteristics
- 3.4 Reporting
- 3.5 Verification

3.1. Selection of Key Performance Indicators (“KPIs”)

As a major player in Sustainable Mobility, FORVIA aims for CO2 neutrality by 2025 for scope 1 & 2 GHG emissions and a reduction of 45% of all scopes emissions by 2030 by focusing on three main levers: “use less”, “use better” and “use longer”.

² ICMA SLBP 2023: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

GREENHOUSE GAS EMISSIONS BREAKDOWN IN 2023 (FORVIA)
In kt of CO₂ equivalent

OBJECTIVES  **BOENCE BASED TARGETS** | **THE NET-ZERO STANDARD** 



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

2025

-45% CO₂ emissions

Use less

- Lightweight solutions
- Eco-design

Use better

- Green manufacturing
- Recycled materials
- Bio-based materials

Use longer

- Recyclability
- Modularity

2030

KPI	Reduction of GHG Emissions (Absolute Scope 1, 2 & 3 emissions) (in %)
Definition	<p><u>Scope 1</u>: Direct emissions mainly correspond to the combustion of fossil fuels consumed by the sites and company vehicles operated by FORVIA. They also include emissions linked to the consumption of refrigerant gases.</p> <p><u>Scope 2</u>: Indirect emissions corresponding to energy consumption (electricity, heat) that the Company uses but does not produce.</p> <p><u>Scope 3</u>: All indirect emissions (not included in scope 2) that occur in the value chain of FORVIA, including:</p> <ul style="list-style-type: none"> - Controlled emissions: <ul style="list-style-type: none"> - Upstream activities (Cat. 1, 2, 3, 4, 5, 6, 7, 8) - Downstream activities (Cat. 9, 10, 12, 15) - Uncontrolled emissions: <ul style="list-style-type: none"> - Use of products sold in the car (Cat. 11)
Calculation methodology	<p>GHG Protocol Corporate Accounting and Reporting Standard (the “GHG Protocol”)³:</p> <ul style="list-style-type: none"> • 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 • Scope 3 emissions include all categories except downstream leasing and franchises which do not concern the Group’s activity. Description of the methodology for the most important scope 3 categories (1, 4, 9, 11) are included in FORVIA’s 2023 Universal Registration Document⁴ (p.436-438)
Perimeter	<p>To harmonize financial reporting and environmental reporting, only activities/products whose sales are recognized under IFRS 15 lead to greenhouse gas emissions estimates.</p> <p>For scope 1 & 2 emissions, this indicator covers production plants, assembly sites (called “Just in time” sites), R&D sites and registered office sites, i.e., a total of 251 sites at end-October 2023.</p> <p>For scope 3 emissions, this indicator covers the whole upstream and downstream value chain of FORVIA, except downstream leasing and franchises which do not concern the Group’s activity.</p> <p>Therefore, Scope 1, 2 and 3 GHG emissions included in this KPI represent 100% of FORVIA’s carbon footprint.</p>
Rationale	<p>Since the commitment of governments during COP21 in Paris in 2015, Climate change is an unavoidable issue for all companies, and especially in the Transport sector, which accounts for nearly one quarter of global energy-related CO2 emissions, according to the IEA⁵.</p> <p>Reducing FORVIA’s environmental footprint involves neutralizing the greenhouse gas footprint in all of the Group’s activities.</p> <p>A significant part of greenhouse gas emissions in FORVIA’s own operations are direct emissions from controlled facilities (due to fuel combustion) and indirect emissions from energy procured.</p>

³ <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

⁴ https://www.faurecia.com/sites/groupe/files/documents/FORVIA_URD2023_EN.pdf

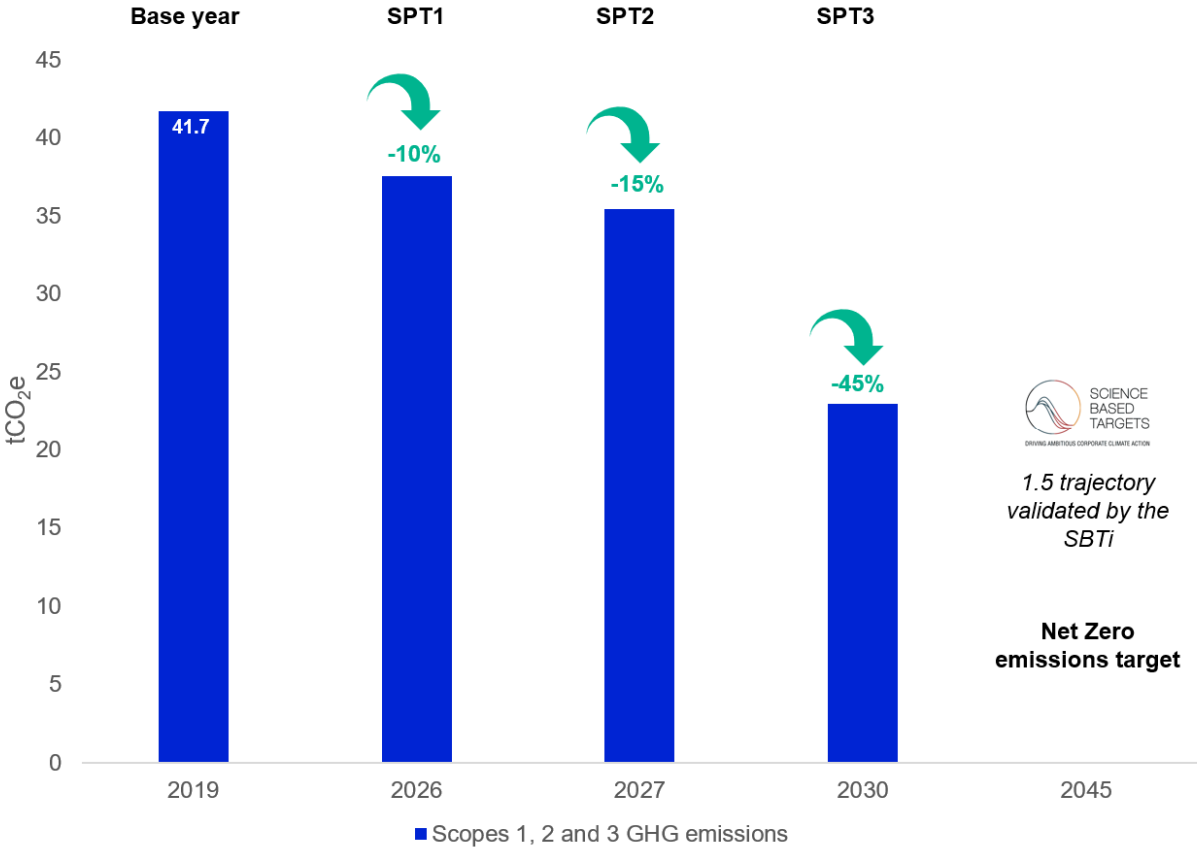
⁵ <https://www.iea.org/data-and-statistics/charts/global-energy-related-co2-emissions-by-sector-2020>

	Other emissions within the entire value chain (Scope 3) account for 98% of FORVIA's carbon footprint.						
Baseline	2019						
Historical data	<p>Since 2012, Faurecia has estimated its direct (scope 1) and indirect (scope 2) emissions and since 2016, has included its emissions related to the Group's entire value chain, i.e., including upstream and downstream from its own business activity (scope 3). Emissions displayed since end 2022 include HELLA.</p> <p>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. 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.</p>						
		(tCO ₂ eq)	2019 baseline	2022	2023		
			FORVIA	FORVIA	FORVIA		
	Scope 1	Scope 1 direct emissions	196,000	164,000	131,000		
	Scope 2	Scope 2 indirect emissions	972,000	648,000	557,000		
	Scopes 1 and 2 (Internal emissions)		1,168,000	812,000	688,000		
	Scope 3	Controlled	Upstream	Purchased goods and services	8,222,000	8,218,000	8,896,000
				Capital goods	581,000	510,000	504,000
				Upstream energy	238,000	208,000	169,000
				Upstream transport and distribution	1,617,000	2,016,000	1,908,000
				Wastes generated	191,000	121,000	137,000
			Business travel	83,000	52,000	74,000	
			Employee commuting	191,000	149,000	158,000	
			Upstream leased assets	52,000	60,000	59,000	
			Downstream	Downstream transport and distribution	217,000	235,000	238,000
				Processing of sold products	280,000	274,000	290,000
	Products end of life	1,004,000		985,000	1,016,000		
Downstream leased assets				N/A			
Franchises				N/A			
	Investments	100,000	60,000	42,000			
Scope 3 - controlled		12,776,000	12,888,000	13,491,000			
Uncontrolled (Downstream)	Use of products sold in the car	27,767,000	24,929,000	25,375,000			
Scope 3 - total		40,543,000	37,817,000	38,866,000			
SCOPES 1, 2, 3 TOTAL		41,711,000	38,629,000	39,554,000			
Contribution to SDG	SDG 12: Responsible consumption and production SDG 13: Climate Action						
Contribution to EU's environmental objectives	Climate Change Mitigation Pollution Prevention and Control Circular Economy						

3.2. Calibration of Sustainability Performance Targets (“SPTs”)

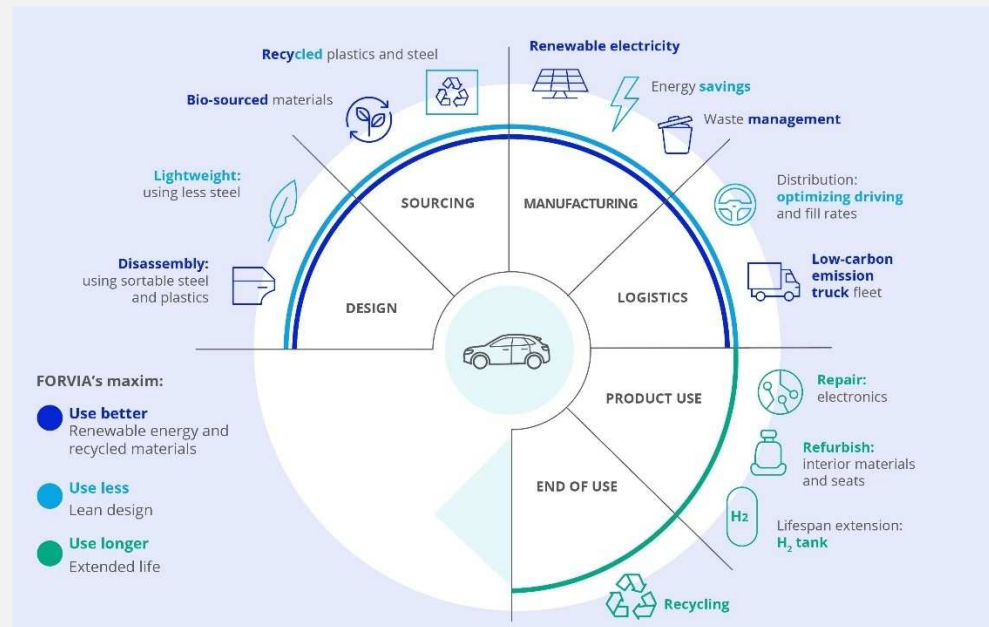
The Sustainability Performance Targets (SPTs) have been set in line with FORVIA’s commitment to CO₂ neutrality and its SBTi Net-Zero Standard-approved roadmap.

The number of SPTs will vary depending on the maturity of the Sustainability-Linked Instrument.



SPTs	<p>SPT 1: Reduce Absolute Scope 1, 2 and 3 GHG emissions by 10% by 2026 from a 2019 base year</p> <p>SPT 2: Reduce Absolute Scope 1, 2 and 3 GHG emissions by 15% by 2027 from a 2019 base year</p> <p>SPT 3: Reduce Absolute Scope 1, 2 and 3 GHG emissions by 45% by 2030 from a 2019 base year</p>
Benchmark	<p>In 2022, FORVIA became the first automotive company in the world to be certified by the new Net-Zero standard of the Science Based Targets initiative. FORVIA's goal is to become carbon neutral by 2045 for all its emissions. As part of this roadmap, and as one of its two intermediate targets, FORVIA set a target in 2020 to become CO2 neutral in its operations by 2025 (scopes 1 & 2). This roadmap has been assessed and approved by the Science-Based Target initiative (SBTi) with a -80% commitment for scopes 1 & 2. This is in line with the target in the 2015 Paris Agreement of limiting global warming to 1.5°C.</p> <p>In 2022, FORVIA became the first automotive company in the world to be certified by the new Net-Zero standard of the Science Based Targets initiative. FORVIA's goal is to become carbon neutral by 2045 for all its emissions.</p> <p>As part of this roadmap, and as the second of its intermediate targets, FORVIA is committed to reduce its absolute scopes 1,2 and 3 emissions by -45% by 2030. This is in line with the target in the 2015 Paris Agreement of limiting global warming to 1.5°C and has been assessed and approved by the SBTi.</p>
Target Observation Dates	<p>SPT 1: 31/12/2026</p> <p>SPT 2: 31/12/2027</p> <p>SPT 3: 31/12/2030</p>
Means to achieve SPTs	<p><u>Actions to accelerate the energy transition and increase energy savings:</u> To reach its goal of operational CO2 neutrality, FORVIA launched a global energy transition plan for 2020-2025 to develop digitalized energy efficiency for all Group sites around the world. As part of this plan, the Group is committed to self-produce renewable energy for the sites compatible with solar panel installation.</p> <p>Energy efficiency:</p> <ul style="list-style-type: none"> • Heat recovery • Energy savings • Digitalization & smart actuators <p>Transition to low carbon energy:</p> <ul style="list-style-type: none"> • Process & heating electrification <p>Renewable energy:</p> <ul style="list-style-type: none"> • On-site production • Off-site Power Purchase Agreements <p><u>Building a CO2 neutrality plan with a strong ecosystem:</u> From planning to action – measuring the Group's CO2 footprint, developing a roadmap and implementing action plans – FORVIA relies on an ecosystem of expert partners to achieve its CO2 neutrality goals and ensure compliance with state-of-the-art requirements.</p> <p><u>Climate strategy and sustainable transformation initiative:</u> The CO2 neutrality project is managed as part of the “climate strategy and sustainable transformation” initiative, reporting to the Executive Committee. Its holistic implementation includes an operational interface network for all Business Groups and support functions. A monthly and global dashboard of key indexes is used to closely monitor the roadmap and react appropriately.</p> <p><u>Improving sites' environmental performance:</u> FORVIA has committed to ISO 14001 environmental certification for its production plants that have been operational for more than two years, based on a principle of continuous improvement.</p>

FORVIA's global approach on reducing the CO2 footprint of its products is focusing on three main levers: "use less", "use better" and "use longer".



Using environment-friendly materials: The Group is reorganising its purchasing process for low-carbon raw materials and services (controlled scope 3) and has launched a project to measure and reduce CO2 emissions.

Focus on MATERI'ACT – a new division to develop materials for CO2 neutral products: To develop materials with an ultra-low carbon footprint, FORVIA has created a dedicated entity, MATERI'ACT, in 2022. This entity develops bio-sourced and recycled materials from the circular economy, bringing more than 10 years of expertise on the topic. All sustainable materials from MATERI'ACT are aligned with the European Green Taxonomy.

Improving eco-design: For each innovation project, the Group has implemented an eco-design assessment to address the following points: avoiding substances of concern; recyclability; environmental impact; and interior air quality. The possibilities for end-of-life recycling are an ongoing consideration.

FORVIA systematically studies plastics substitutes that are not easily recyclable (PCV, thermoset or composite plastics such as glass-fibre reinforced polypropylenes).

The Group innovates for greater frugality via:

- Lean cockpit architecture & seat design
- Material reduction
- Use of CO2-negative material
- Scrap reduction.

Life Cycle Analysis: FORVIA conducts a simplified LCA of all its innovations on the impact of CO2e. Based on the ISO 14040 and 14044 standards, it measures impacts including greenhouse gas emissions, consumption of non-renewable resources and materials, and water eutrophication. The Group is also an active in 4 Life Cycle Assessment working groups led by the main industry associations.

Supplier engagement:

In addition, FORVIA develops partnerships and agreements with its suppliers to reduce materials' carbon footprint, such as:

- Recycled and bio-sourced composite plastics for interiors, seats and lighting.
- Low CO2e footprint covers for seats and interiors;
- Carbon fibers with a low CO2e footprint for pressurized hydrogen vessels;
- Decarbonized steel using recycled steel and electric furnace and Green steel, produced by reducing iron oxides using hydrogen and low-carbon electricity. FORVIA is also the co-founder of the company Gravithy, which will produce very low-carbon steel from hydrogen (the creation of a plant in France is planned for 2027)

FORVIA is also mobilizing its partner ecosystem, including its suppliers, to converge towards a net-zero future. Suppliers with CO2 targets in line with those of FORVIA are essential to reduce its CO2 emissions by 45% by 2030. 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 of their products (materials, eco-design...).

Of note, purchased goods and services represent 70% of controlled emissions in scope 3, and total purchases account for 85% of them.

3.3. Financial characteristics

All Sustainability-Linked Instruments issued under this Framework have a sustainability-linked feature that will result in a coupon or margin adjustment or a premium payment at maturity, if a Trigger event occurs.

A Trigger Event occurs if, following the publication of the relevant Universal Registration Document within 6 months following the end of the relevant fiscal year:

- The Issuer fails to achieve the selected SPT(s) on the relevant Target Observation Date(s), or
- The reporting does not meet the requirements as set out in the KPI Reporting section of this Framework, or
- The verification of the SPT(s) has not been provided and made public as set out in the Verification section of this Framework.

The relevant KPI, SPT(s), financial mechanism applicable to the relevant interest periods or premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction (e.g. Prospectus and/or Final Terms of the Sustainability-linked

Instrument). The SPT(s) will be measured once at the Target Observation Date for SLBs while the KPI will be reported annually (as described in the Framework).

For the avoidance of doubt, if FORVIA has achieved its SPT(s), as identified in the relevant documentation of a given Sustainability-Linked Instrument and reporting and verification for the SPT(s) have been provided and made public in accordance with the reporting and verification sections of this Framework, the financial characteristics of such Sustainability-Linked Instrument shall remain unchanged.

3.4. KPI reporting

The SPTs will be observed in the frame of the annual extra-financial performance reporting that will be made available through the Universal Registration Document published on FORVIA's website⁶.

In line with the annual publication of FORVIA's Universal Registration Document, and until the maturity of the Sustainability-linked Instrument, FORVIA will make readily available in its annual Universal Registration Document information on:

- The performance of the KPI, as per the relevant reporting period and when applicable, as per the Target Observation Date including the calculation methodology and baselines where relevant;
- Impact on the financing instruments' interest rate, margin or other (if any);
- Any update in FORVIA's sustainability strategy or any recent announcements, strategic decisions and means mobilized that might impact the achievement of the SPT(s);
- Qualitative and/or quantitative explanations of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI;
- When possible, illustration of the positive sustainability impacts of the performance improvement (e.g. translation of the positive climate impact of the KPI on the Group's carbon intensity);
- When relevant, any re-assessments of KPI and/or restatement of the SPT and/or pro-forma adjustments of KPI scope Information on the products range/mix as evolution drivers of the KPIs.

⁶ <https://investors.forvia.com/en>

3.5. Verification

i. Second Party Opinion

ISS Corporate Solutions, Inc. (ICS), a leading Second Party Provider, issued a Second-Party Opinion on the Framework, to confirm the alignment of the Framework to the latest version of ICMA's Sustainability-Linked Bond Principles.

The Second Party Opinion document will be made available on FORVIA's website⁷.

ii. Post-issuance external verification

An external verification on the KPI Reporting will be provided by an independent external auditor, on an annual basis and until the maturity of the Sustainability-linked Instrument. The external auditor will verify the soundness of the KPI reporting and the progress on the KPIs adopted by FORVIA.

3.6. Recalculation event

In the event of any change, which occurs between the issue date of a Sustainability-Linked Instrument and the relevant Target Observation Date:

- i. in the Group's perimeter (due to an acquisition, a merger or a demerger or other restructuring, an amalgamation, a consolidation or other form of reorganization with similar effect, a spin-off, a disposal or a sale of assets);
- ii. in or any amendment to any applicable laws, regulations, rules, guidelines, and policies relating to the business of the Group; or
- iii. to the methodology for calculation of any Key Performance Indicator to reflect changes in the market practice or the relevant market standards

which, individually or in aggregate, has a significant impact on the level of any Sustainability Performance Target or any Key Performance Indicator baseline (each, a "Recalculation Event"), the relevant Sustainability Performance Target may be recalculated in good faith by FORVIA to reflect such change, provided that an independent external verifier has independently confirmed that the proposed revision is consistent with or higher than the initial level of ambition of the relevant Sustainability Performance Target taking into account the Recalculation Event.

⁷ <https://investors.forvia.com/en>

Disclaimer

The information and opinions contained in this FORVIA Sustainability-Linked Financing Framework (the “Framework”) are provided as at the date of this Framework and are subject to change without notice. None of FORVIA or any of its affiliates (“FORVIA”) assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents FORVIA’s current policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights, or obligations. This Framework may contain statements about future events and expectations that are “forward-looking statements”. Forward-looking statements are subject to risks, uncertainties and other factors that are difficult to predict and that may cause the actual results of FORVIA to differ materially from future results expressed or implied by such forward-looking statements. Forward-looking statements speak only as of the date they are made, and FORVIA does not assume any obligation to update such statements, except as required by law. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of any sustainability-linked bonds (“SLBs”) to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of SLBs should determine for itself the relevance of the information contained or referred to in this Framework or the relevant SLBs documentation for such SLBs, including, but not limited to, the relevant prospectus. However, nothing in this Framework is intended to modify or add to any covenant or other contractual obligation undertaken by FORVIA in any SLBs that may be issued in accordance with this Framework. This Framework does not create any legally enforceable obligations against FORVIA; any such legally enforceable obligations relating to any SLBs are limited to those expressly set forth in the indenture and notes governing such SLBs. Therefore, unless expressly set forth in the terms and conditions governing such SLBs, it will not be an event of default or breach of contractual obligations under the terms and conditions of any such bonds if FORVIA fails to adhere to this Framework, whether by failing to meet SPTs described in this Frameworks, or by failing (due to a lack of reliable information and/or data or otherwise) to provide investors with reports on such SPTs. In addition, it should be noted that all of the expected benefits of the SPTs as described in this Framework may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, could limit the ability to achieve some or all of the expected benefits of these initiatives. Each environmentally focused potential investor should be aware that SPTs may not deliver the environmental or sustainability benefits anticipated and may result in adverse impacts. This Framework does not constitute a recommendation regarding any securities of FORVIA. This Framework is not, does not contain and may not be intended as an offer to sell or a solicitation of any offer to buy any securities issued by FORVIA. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe, any applicable restrictions on distribution. Any decision to purchase or otherwise invest in any SLBs should be made solely on the basis of the information to be contained in any offering document provided in connection with the offering of such SLBs. Prospective investors are required to make their own independent investment decisions.