IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

This Offering Memorandum contains and incorporates by reference information that you should consider when making your investment decision. Neither the Issuer nor any of the Initial Purchasers (as defined in "*Plan of Distribution*") has authorized anyone to provide you with information that is different from or additional to that contained in this Offering Memorandum, and we take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Neither the Issuer nor any of the Initial Purchasers is making an offer of the Notes in any jurisdiction where this offer is not permitted. You should not assume that the information contained or incorporated by reference in this Offering Memorandum is accurate at any date other than the date on the front cover of this Offering Memorandum.

This Offering Memorandum is strictly confidential. The Issuer is providing this Offering Memorandum only to prospective purchasers of the Notes (any such purchasers, "**Noteholders**"). You should read this Offering Memorandum, including the information incorporated by reference herein, before making a decision whether to purchase any Notes. You must not:

- use this Offering Memorandum for any other purpose;
- make copies of any part of this Offering Memorandum or give a copy of it to any other person; or
- disclose any information in this Offering Memorandum to any other person.

You are responsible for making your own examination of the Group (as defined below) and its business and your own assessment of the merits and risks of investing in the Notes. Where information has been sourced from a third party, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been included, its source has been stated.

By purchasing the Notes, you will be deemed to have acknowledged that:

- you have reviewed this Offering Memorandum;
- you have had an opportunity to request any additional information that you need from the Issuer;
- the Initial Purchasers or any person affiliated with the Initial Purchasers or their respective agents, are not responsible for, and are not making any representation to you concerning, the Group's future performance or the accuracy or completeness of this Offering Memorandum;
- you have not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers or their respective agents in connection with your investigation of the accuracy of such information or your investment decision; and
- no person has been authorized to give any information or to make any representation concerning the Group or the Notes other than those as set forth in this Offering Memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer, the Initial Purchasers or their respective agents.

Neither the Issuer nor the Initial Purchasers is providing you with any legal, business, tax or other advice in this Offering Memorandum, and you should not construe anything in this Offering Memorandum as such advice. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase Notes.

To the best of the Issuer's knowledge and belief, having taken all reasonable care to ensure that such is the case, the Issuer confirms that the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility for the information contained in this Offering Memorandum accordingly.

This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is

unlawful to make such an offer or invitation. Laws in certain jurisdictions may restrict the distribution of this Offering Memorandum and the offer and sale of the Notes. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Notes or possess this Offering Memorandum. You must also obtain any consents or approvals that you need in order to purchase any Notes. Neither the Issuer nor the Initial Purchasers are responsible for your compliance with these legal requirements.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration thereunder or an exemption therefrom. See "*Book-Entry, Delivery and Form*" and "*Transfer Restrictions*."

The Issuer and the Initial Purchasers may reject any offer to purchase the Notes in whole or in part, sell less than the entire principal amount of the Notes offered hereby or allocate to any purchaser less than all of the Notes for which it has subscribed.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements, including the section entitled "*Book-Entry, Delivery and Form*", is subject to change in or reinterpretation of the rules and procedures of Euroclear or Clearstream currently in effect. While the Issuer accepts responsibility for accurately summarizing the information concerning Euroclear and Clearstream, the Issuer accepts no further responsibility in respect of such information.

Neither the U.S. Securities and Exchange Commission (the "**SEC**"), any U.S. state securities commission nor any non-U.S. securities authority nor other authority has approved or disapproved of the Notes or determined if this Offering Memorandum is truthful or complete. Any representation to the contrary is a criminal offense in the United States.

You are urged to pay careful attention to the risk factors described under the section "*Risk Factors*" of this Offering Memorandum, as well as the other information contained herein, before making your investment decision. The occurrence of one or more of the risks described herein, could have an adverse effect on our activities, financial condition, or results of operations. Furthermore, other risks not yet identified or not considered significant by us could have adverse effects, and you may lose all or part of your investment.

STABILIZATION

In connection with the issue of the Notes, Natixis (the "**Stabilizing Manager**") (or any person acting on behalf of the Stabilizing Manager) may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or persons acting on behalf of a Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilization action or over allotment must be conducted by the relevant Stabilizing Manager (or person(s) acting on behalf of any Stabilizing Manager) in accordance with all applicable laws and rules.

NOTICE TO U.S. INVESTORS

This Offering is being made in reliance upon an exemption from registration under the Securities Act for offers and sales of securities that do not involve a public offering. By purchasing the Notes, investors are deemed to have made the acknowledgements, representations, warranties and agreements set forth under "*Transfer Restrictions*."

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Neither the United States Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or passed upon the accuracy or adequacy of this Offering Memorandum or any supplement thereto. Any representation to the contrary is a criminal offense in the United States.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and within the United States to QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that the sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Notes will not have the benefit of any exchange offer or registration rights. For a description of these and certain other restrictions on offers, sales and transfers of the Notes and the distribution of this Offering Memorandum, see "*Plan of Distribution*" and "*Transfer Restrictions*".

NOTICE TO CERTAIN INVESTORS

General

This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Offering Memorandum and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Memorandum comes are required to inform themselves about and to observe any such restrictions. This Offering Memorandum may only be used for the purposes for which it has been published.

No action has been taken in any jurisdiction that would permit a public offering of the Notes. No offer or sale of the Notes may be made in any jurisdiction except in compliance with the applicable laws thereof. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Notes or possess this Offering Memorandum.

For a description of certain restrictions relating to the offer and sale of the Notes, see "*Plan of Distribution*". We accept no liability for any violation by any person, whether or not a prospective purchaser of the Notes, of any such restrictions.

Notice to Prospective Investors in the United Kingdom

This Offering Memorandum is for distribution to and is directed solely at (i) persons located outside the United Kingdom, (ii) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "**Order**"), (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order and (iv) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities of the Issuer or any member of its group may otherwise lawfully be communicated or caused to be communicated (all such persons in (i) to (iv) above being "**relevant persons**"). Any investment activity to which this Offering Memorandum relates will only be available to and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.

UK MiFIR Product Governance/Professional Investors and ECPs Only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK PRIIPs Regulation / Prohibition of Sales to UK Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail

investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II Product Governance/Professional Investors and ECPs Only Target Market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation / Prohibition of Sales to EEA Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the European Union Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Notice to Prospective Investors in Canada, Australia and Japan

The Notes may not be offered, sold or purchased in Canada, Australia or Japan.

Notice to Prospective Investors in Italy

The Offering has not been cleared by the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") (the Italian securities exchange commission) pursuant to Italian securities legislation and will not be subject to formal review by CONSOB. Accordingly, the Notes may not be offered, sold or delivered, directly or indirectly nor may copies of this Offering Memorandum or of any other document relating to the Notes be distributed in the Republic of Italy, except (a) to qualified investors (*investitori qualificati*) pursuant to Article 2 of the Prospectus Regulation, Article 100 of Legislative Decree No.58 of February 24, 1998, as amended (the "**Financial Services Act**") and the implementation CONSOB regulations, including CONSOB Regulation No. 20307 of February 15, 2018, as amended ("**Regulation 20307**"), pursuant to Article 34-*ter*, first paragraph letter (b) of CONSOB Regulation No. 11971 of May 14, 1999, as amended ("**Regulation 11971**"), implementing Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the "**Italian Financial Act**") and (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Italian Financial Act and the implemented CONSOB regulations, including Regulation 11971.

For the purposes of this provision, the expression "**offer of the Notes to the public**" in Italy means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes

to be offered so as to enable an investor to decide to purchase or subscribe the Notes, including the placement through authorized intermediaries.

Each Initial Purchaser has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Offering Memorandum or of any other document relating to the Notes in the Republic of Italy will be carried out in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Any such offer, sale or delivery of the Notes or distribution of copies of this Offering Memorandum or any other document relating to the Notes in the Republic of Italy must be in compliance with the selling restrictions under (a) and (b) above and must be:

(i) made by *soggetti abilitati* (including investment firms, banks or financial intermediaries, as defined by Article 1, first paragraph, letter (r), of the Italian Financial Act), to the extent duly authorized to engage in the placement or underwriting or purchase of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Italian Financial Act, Regulation 20307, as amended, Italian Legislative Decree No. 385 of September 1, 1993, as amended (the "**Italian Banking Act**"), Regulation 11971 and any other applicable laws and regulations;

(ii) in compliance with all relevant Italian securities, tax, exchange control and any other applicable laws and regulations and any other applicable requirement or limitation that may be imposed from time to time by CONSOB, the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) or any other relevant Italian competent authorities; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or any other Italian authority.

Any investor purchasing the Notes is solely responsible for ensuring that any offer, sale, delivery or resale of the Notes by such investor occurs in compliance with applicable Italian laws and regulations.

CERTAIN DEFINITIONS

In this Offering Memorandum (except as otherwise defined in "*Description of the Notes,*" for purposes of that section only, or in our audited consolidated financial statements, which have been incorporated by reference into this Offering Memorandum) the following terms shall have the meanings set out below:

- References to "**our Group**" or the "**Group**" are to FORVIA and its consolidated subsidiaries, whereas references to "**FORVIA**" or the "**Issuer**" or the "**Company**" are to FORVIA S.E. (formerly Faurecia S.E.) and references to "**us**", "**we**" or "**our**" are to the Group or to FORVIA, as the context requires;
- "**2026 Notes**" refers to €750 million in principal amount of 3.125% Notes due 2026, comprising €500 million in principal amount of 3.125% Notes due 2026 which we issued on March 27, 2019 and €250 million in principal amount of 3.125% Notes due 2026 which we issued on October 31, 2019, and which the Issuer intends to refinance in full with the proceeds of the Notes offered hereby;
- "**2026 JPY Notes**" refers to JPY 11.7 billion in principal amount of 2.480% yen-denominated notes due 2026, which we issued on December 15, 2023;
- "**2026 Sustainability-Linked Notes**" refers to €330.2 million in principal amount of 7.250% Sustainability-Linked Notes due 2026 that remains outstanding following tender offers that settled on December 14, 2023, March 11, 2024 and May 7, 2024, originally comprising €700 million in principal amount of 7.250% Sustainability-Linked Notes due 2026 which we issued on November 15, 2022 and €250 million in principal amount of 7.250% Sustainability-Linked Notes due 2026 which we issued on February 1, 2023;
- "**2027 Notes**" refers to €890 million in principal amount of 2.375% Notes due 2027, comprising €700 million in principal amount of 2.375% Notes due 2027 which we issued on November 27, 2019 and €190 million in principal amount of 2.375% Notes due 2027 which we issued on February 3, 2021;
- "**2027 JPY Notes**" refers to JPY 6.8 billion in principal amount of 2.810% yen-denominated notes due 2027, which we issued on December 15, 2023;
- "**2027 Sustainability-Linked Notes**" refers to €1.2 billion in principal amount of 2.750% Sustainability-Linked Notes due 2027, which we issued on November 10, 2021;
- "**2028 Notes**" refers to €700 million in principal amount of 3.750% Notes due 2028 which we issued on July 31, 2020;
- "**2028 JPY Notes**" refers to JPY 700 million in principal amount of 3.190% yen-denominated notes due 2028, which we issued on December 15, 2023;
- "**2029 Notes**" refers to €500 million in principal amount of 5.125% Notes due 2029 which we issued on March 11, 2024;
- "**2029 Green Notes**" refers to €400 million in principal amount of 2.375% Notes due 2029 which we issued on March 22, 2021 and which are "Green Bonds";
- "**2031 Notes**" refers to €700 million in principal amount of 5.500% Notes due 2031, comprising €500 million in aggregate principal amount of 5.500% Notes due 2031 which we issued on March 11, 2024 and €200 million in principal amount of 5.500% Notes due 2031 which we issued on May 7, 2024;
- "**Clarion**" refers to Clarion Co, Ltd.;
- "**CO_2**" refers to carbon dioxide;
- "**Coagent Electronics**" refers to Jiangxi Coagent Electronics Co. Ltd;
- "**Cockpit of the Future**" refers to our development of products and technology for vehicle seating and interiors which are aligned with the increasing connectedness and autonomy of vehicles;

- "**Controlled Emissions**" means Scope 3 Emissions, excluding emissions of vehicles equipped with FORVIA products, but including emissions from upstream and downstream activities: purchases, lease, freight, travel, our use of products, waste and recycling;
- "**EIB Loan**" refers to the €315 million loan due 2029 from the European Investment Bank as part of a program to partially finance the Group's investments in hydrogen mobility activities, under which €315 million was drawn as of December 31, 2024;
- "**FCE Europe**" refers to Faurecia Clarion Electronics Europe, formerly, Parrot Faurecia Automotive SAS;
- "**Fitch**" means Fitch Ratings Inc. or any successor to its rating business;
- "**g**" refers to the unit of mass, "gram";
- "**g/km**" refers to grams per kilometer;
- "**HELLA**" means HELLA GmbH & Co KGaA, a majority-owned subsidiary of FORVIA SE since the HELLA Acquisition was consummated and a limited partnership with shares (*Kommanditgesellschaft auf Aktien*) incorporated under the laws of Germany, registered with the Commercial Register (*Handelsregister*) of Paderborn under number HRB 6857, with its registered office at Rixbecker Straße 75, 59552 Lippstadt, Germany, including its consolidated subsidiaries where the context so requires;
- "**HELLA 2027 Notes**" refers to the €500 million in principal amount of 0.5% Notes due 2027 which HELLA issued in September 2019;
- "**HELLA Acquisition**" means our acquisition of HELLA which was completed on January 31, 2022;
- "**HELLA Credit Facility Agreement**" refers to a syndicated credit facility agreement, under which a consortium of international banks have agreed to lend to HELLA up to €450 million pursuant to the terms thereof, including an option to increase the facility by an additional €150 million, which expires in December 2026, with possible extension to December 2027 (the "**HELLA Credit Facility**");
- "**HELLA Family Pool**" means the Hueck family shareholders of HELLA having concluded a pooling agreement between them, and collectively our largest shareholder with approximately 9% of our share capital;
- "**HELLA Indebtedness**" refers collectively to (i) the HELLA 2027 Notes, (ii) the HELLA Japanese Yen Debt, (iii) the HELLA USD Loan and (iv) the HELLA SSD, together with financial liabilities from finance leases and profit participation certificates and amounts outstanding under the HELLA Credit Facility, if any;
- "**HELLA Japanese Yen Debt**" refers to (i) notes certificates denominated in Japanese Yen for an amount of JPY 12 billion, issued by HELLA in September 2002, due September 2032, carrying an annual interest of 3.50% (accruing in Japanese Yen) payable on March 17 and September 17 each year (the "**HELLA JPY Notes**"), and (ii) a loan denominated in Japanese Yen for an amount of JPY 10 billion, issued by HELLA in fiscal year 2003, due June 2033, carrying annual interest of 4.02% (accruing in U.S. dollars), payable on June 20 and December 20 each year (the "**HELLA JPY Loan**");
- "**HELLA SSD**" refers the €200 million senior unsecured Schuldschein issue completed in March 2024;
- "**HELLA USD Loan**" refers to loans denominated in U.S. dollars, in the equivalent amount of U.S.$75 million, due in January 2026;
- "**HMI**" refers to human-machine interfaces;
- "**Initial Purchasers**" refers to Natixis, Société Générale, BofA Securities Europe SA, Deutsche Bank Aktiengesellschaft, Crédit Industriel et Commercial S.A., Commerzbank Aktiengesellschaft, Intesa Sanpaolo S.p.A. and Landesbank Hessen-Thüringen Girozentrale;

- "**IVI**" refers to in-vehicle-infotainment;
- "**Japanese Yen Term and Revolving Facilities Agreement**" means the JPY30 billion term and revolving facilities agreement among us as borrower and various lenders dated February 7, 2020 of which JPY15 billion has been fully drawn and remains outstanding as at the date of this Offering Memorandum;
- "**JPY Notes**" refers to the 2026 JPY Notes, the 2027 JPY Notes and the 2028 JPY Notes, collectively;
- "**kg**" refers to the unit of mass, "kilogram";
- "**km**" refers to the unit of distance, "kilometer";
- "**Latin American Syndicated Loans**" means the loans due 2028 denominated in U.S. dollars and Mexican pesos, equivalent to U.S.$300 million, entered into in by FORVIA's subsidiary in Mexico with a syndicate of seven Latin American banks in September 2022 and March 2028;
- "**Moody's**" means Moody's Investors' Services Inc. or any successor to its rating business;
- "**OEMs**" refers to Original Equipment Manufacturers;
- "**Offering**" refers to the offering by the Issuer of the Notes;
- "**Refinancing**" refers to the offering of the Notes and the use of proceeds therefrom, as further described under "*Summary—The Refinancing*";
- "**S&P**" means Standard & Poor's Rating Agency or any successor to its rating business;
- "**SAS**" refers to SAS Autosystemtechnik GmbH und Co., KG;
- "**Schuldscheindarlehen**" means the Sustainability-Linked 2021 Schuldschein and the Sustainability-Linked 2024 Schuldschein;
- "**Scope 1 Emissions**" means, for any period, the total aggregate amount of direct emissions corresponding to combustion of fossil fuels consumed by sites and vehicles operated by FORVIA, including emissions linked to consumption of refrigerant gases, as calculated per the GHG Protocol Corporate Accounting and Reporting Standard;
- "**Scope 2 Emissions**" means, for any period, indirect emissions corresponding to energy consumption (electricity, heat) that the Issuer uses but does not produce, as calculated per the GHG Protocol Corporate Accounting and Reporting Standard;
- "**Scope 3 Emissions**" means, for any period, all indirect emissions not included in Scope 2 Emissions that occur in the value chain of FORVIA, including controlled emissions and uncontrolled emissions, as calculated per the GHG Protocol Corporate Accounting and Reporting Standard;
- "**Senior Credit Agreement**" means the €1,500 million senior credit agreement among us as borrower and various lenders, dated December 15, 2014, amended and restated on June 24, 2016, June 15, 2018 and May 28, 2021, and further amended on April 26, 2022;
- "**Sustainability-Linked 2021 Schuldschein**" refers to €700 million in principal amount of U.S. dollar- and euro-denominated sustainability-linked *Schuldscheindarlehen* (privately placed bank loan under German law), issued in multiple tranches with settlement in December 2021 for €435 million thereof and in January 2022 for €265 million thereof, with amounts outstanding maturing in January 2026, January 2027 and January 2028, and of which FORVIA repaid €138.0 million of the floating rate tranche upon maturity in July 2024;
- "**Sustainability-Linked 2024 Schuldschein**" refers to €742.6 million in principal amount of U.S. dollar- and euro-denominated sustainability-linked *Schuldscheindarlehen* (privately placed bank loan

under German law), issued in multiple tranches with settlement in July 2024, with amounts outstanding maturing in January 2027, January 2028 and July 2029 and July 2031;

- "**Sustainable Mobility**" refers to our development of products and processes which reduce CO_2 emissions, improve air quality, weight reduction, size reduction, energy recovery and the development of bio-sourced and renewable materials;
- "**Syndicated Credit Facility**" means the credit facility provided under the Senior Credit Agreement; and
- "**Term Loan**" refers to the €500 million syndicated loan with a maturity to June 2, 2026, subject to possible extensions through June 2, 2028, and with an interest rate varying depending on the achievement of the Group's target for CO_2 neutrality for its scope 1, 2 and 3 controlled emissions (see "*Business—Sustainable Development—Ambition to be CO_2 neutral for Controlled Emissions by 2030*").

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

FORVIA is the parent company of the Group. This Offering Memorandum incorporates by reference English translations of the audited consolidated financial statements of FORVIA as at and for the years ended December 31, 2024, including the statutory auditors' report thereon (the "**2024 Consolidated Financial Statements**"), 2023, including the statutory auditors' report thereon (the "**2023 Consolidated Financial Statements**"), and 2022, including the statutory auditors' report thereon (the "**2022 Consolidated Financial Statements**").

Our audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). Our (i) 2024 Consolidated Financial Statements, (ii) 2023 Consolidated Financial Statements and (iii) 2022 Consolidated Financial Statements, have been approved by our Board of Directors on February 27, 2025, February 16, 2024 and February 17, 2023, respectively. Our independent statutory auditors are Mazars and Ernst & Young Audit.

In this Offering Memorandum, (i) references to "**euro**" and "**€**" refer to the lawful currency of the member states participating in the third stage of the Economic and Monetary Union under the Treaty Establishing the European Community, as amended from time to time, (ii) references to "**U.S. dollar**" and "**U.S.$**" refer to the lawful currency of the United States of America, (iii) references to "**Mexican Peso**" and "**MXN**" refer to the lawful currency of the United Mexican States and (iv) references to "**Japanese Yen**", "**JPY**" and "**¥**" refer to the lawful currency of Japan. References to "**bps**" refer to basis points.

We publish our audited consolidated financial statements in euros. Some financial information in this Offering Memorandum has been rounded and, as a result, figures shown as totals in this Offering Memorandum may vary slightly from the exact arithmetic aggregation of the figures that precede them.

Unless otherwise indicated, references in this Offering Memorandum to "operating income" are to Operating income (before amortization of acquired intangible assets).

Constant Basis Presentation and Other Non-IFRS Measures

In addition to its reported historical results, the Group presents its sales growth on an "organic" basis at constant scope and currencies, which means that comparable items are presented to illustrate a "currency effect" and a "scope effect", as well as growth at constant scope and currencies. The percentage change from one period to another is thus presented in order to eliminate the impact of changes in consolidation scope (that is, changes in the entities that we consolidate in our audited consolidated financial statements due to acquisitions, divestures or mergers) as well as fluctuations in exchange rates from one period to another. For further information about the calculation of growth and constant scope and currencies, see "*Management's Discussion and Analysis of Results of Operations—Alternative Performance Measures—Growth and constant scope and currencies*".

In addition, this Offering Memorandum includes certain alternative measures of performance and liquidity that we use to monitor our operating performance and debt servicing ability. These measures include Adjusted EBITDA, net debt and net cash flow. These measures are unaudited and we are not required to present them under IFRS. Such indicators have limitations as analytical tools, and investors should not consider them in isolation from, or as a substitute for analysis of, related indicators derived in accordance with IFRS. We use these non-IFRS financial measures in this Offering Memorandum because we believe that they can assist investors in comparing our performance to that of other companies on a consistent basis. However, our computation of Adjusted EBITDA, net debt, net cash flow and other non-IFRS financial measures may not be comparable to similarly titled measures of other companies. For example, depreciation and amortization can vary significantly among companies depending on accounting methods, particularly where acquisitions or non-operating factors including historical cost bases are involved. We believe that Adjusted EBITDA, net debt and net cash flow and other non-IFRS financial measures, as we define them, are also useful because they enable investors to understand our performance over time, without the impact of various items that we believe do not durably affect our operating performance. However, investors should not consider these measures as alternatives to measures of financial performance, operating results or cash flows that are determined in accordance with IFRS.

Adjusted EBITDA as presented for FORVIA in this Offering Memorandum differs from "Consolidated EBITDA" contained in the section entitled "*Description of the Notes*" of this Offering Memorandum. For the

definition of Adjusted EBITDA used by FORVIA and for a reconciliation of our Adjusted EBITDA, see "*Summary Financial and Operating Data—Other Consolidated Financial Data*".

For a discussion of net debt and net cash flow, as well as a reconciliation of net cash flow, see "*Management's Discussion and Analysis of Results of Operations—Liquidity and Capital Resources".*

MARKET AND INDUSTRY DATA

Unless otherwise stated, the information provided in this Offering Memorandum relating to market position and the size of relevant markets and market segments for Seating, Clean Mobility, Interiors, Electronics, Lighting and Lifecycle Solutions is based on sales, solely determined on the basis of our own estimates, and is provided solely for illustrative purposes. We compile information on these markets through external sources including: S&P IHS Markit, "*LV and MVD Industry Forecast*", dated February 2025 ("**IHS Markit**"); Reuters, "*China vehicle export growth to slow in 2025,*" dated January 13, 2025 ("**Reuters**"); International Energy Agency, "*Global EV Outlook 2024*", dated April, 2024 ("**IEA**"), as well as industry professionals, industry publications, annual reports from competitors, and market research from independent third parties. Our estimates of relative market position in each of our markets are based on this information. We compare our sales for each business group or region with the total market, which we calculate as the total number of passenger cars produced globally or for each region, multiplied by our estimate of the average value of the content we can supply per car. We believe that such data is useful in helping investors understand the industry in which we operate and our position within that industry. However, we do not have access to the data and assumptions underlying the data. Unless otherwise indicated, our estimates of market position provided in this Offering Memorandum are for the year ended December 31, 2024. Our estimates in relation to the addressable market for products in our Sustainable Mobility strategic priority set out in "*Our Competitive Strengths—Technological innovations leveraging on a strong ecosystem of partners"* is based on management estimates.

The above-referenced estimates, which we consider reliable, have not been verified by independent experts. Neither we nor the Initial Purchasers guarantee that third parties using different methods to assemble, analyze or compute market data would obtain or generate the same results. In addition, our competitors may define their markets differently. To the extent the data relating to market size included in this Offering Memorandum is based solely on our own estimates, it does not constitute official data and should not be relied on. Moreover, any information regarding customer ranking, supplier percentages or similar data is based on total consolidated sales, rather than on number of units sold or value-added sales, unless otherwise noted. Neither we nor the Initial Purchasers make any representation as to the accuracy of such information.

INFORMATION INCORPORATED BY REFERENCE

The information set out below, which has previously been published or is being published simultaneously with this Offering Memorandum and has been filed with Euronext Dublin, shall be deemed to be incorporated in, and to form part of, this Offering Memorandum.

Such documents will be made available, free of charge, during normal business hours on any business day at the specified office of the listing agent, unless such documents have been modified or superseded.

The following documents are incorporated by reference in this Offering Memorandum:

- the 2024 Consolidated Financial Statements and the statutory auditors' report thereon included in sections 6.3 and 6.4, respectively, of the English translation of our 2024 Universal Registration Document (the "**2024 Universal Registration Document**"), which was filed with the *Autorité des marchés financiers* on March 7, 2025; and

- the 2023 Consolidated Financial Statements and the statutory auditors' report thereon included in sections 1.3 and 1.4, respectively, of the English translation of our 2023 Universal Registration Document (the "**2023 Universal Registration Document**"), which was filed with the *Autorité des marchés financiers* on February 27, 2024; and

- the 2022 Consolidated Financial Statements and the statutory auditors' report thereon included in sections 1.3 and 1.4, respectively, of the English translation of our 2022 Universal Registration Document (the "**2022 Universal Registration Document**"), which was filed with the *Autorité des marchés financiers* on February 28, 2023.

Any statement contained in the sections of the 2024 Universal Registration Document, the 2023 Universal Registration Document or the 2022 Universal Registration Document incorporated by reference herein (collectively, the "**Incorporated Documents**") shall be deemed to be modified or superseded for purposes of this Offering Memorandum to the extent that a statement contained in this Offering Memorandum (including any statement in an excerpt from a more recent document that is incorporated by reference in this Offering Memorandum) modifies or supersedes such statement. Any statement that is modified or superseded shall not be deemed, except as modified or superseded, to constitute a part of this Offering Memorandum. The Incorporated Documents are important parts of this Offering Memorandum. All references herein to this Offering Memorandum include the Incorporated Documents, as modified or superseded.

Any documents themselves incorporated by reference in the Incorporated Documents, or the sections of the Incorporated Documents that are not expressly incorporated by reference herein, shall not form part of this Offering Memorandum.

It is important that you read this Offering Memorandum in its entirety, including the documents incorporated by reference herein, before making an investment decision regarding the Notes.

Copies of the Incorporated Documents are available for viewing on our website (http://www.forvia.com). Except for the information specifically incorporated by reference in this Offering Memorandum, the information provided on such website is not part of this Offering Memorandum and is not incorporated by reference in it.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements that reflect our current expectations with respect to future events and our financial performance. The words "*believe,*" "*expect,*" "*intend,*" "*aim,*" "*seek,*" "*plan,*" "*project,*" "*anticipate,*" "*estimate,*" "*will,*" "*may,*" "*could,*" "*should,*" "*target,*" "*ambition,*" "*guidance*" and similar expressions are intended to identify forward-looking statements. These forward-looking statements reflect our present expectations with regard to future events and are subject to a number of important factors and uncertainties that could cause actual results to differ significantly from those described in the forward-looking statements.

Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions given our knowledge of our industry, business and operations as at the date of this Offering Memorandum, we cannot give any assurance that these assumptions will prove to be correct, and we caution you not to place undue reliance on such statements. These statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements, or the industry's results, to be significantly different from any future results, performance or achievements expressed or implied in this Offering Memorandum. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we expect to operate in the future. Some of these factors are discussed under the section headed "*Risk Factors*" of this Offering Memorandum and include, among other things:

- risks related to challenges associated with climate change and increasing environmental regulation on our reputation, business, financial condition and operations;
- risks related to the automotive sector and the commercial success of the models for which we supply components;
- risks related to the loss of key customers due to industry consolidation and risks that our customers could default on their financial obligations or enter bankruptcy;
- our dependence on suppliers to maintain production levels;
- risks relating to customers' demands and our ability to maintain product quality;
- risks relating to failure to identify risks when we tender for new contracts or appropriately monitor the performance of our programs;
- risks relating to any failure to attract and retain key individuals;
- risks relating to difficulties integrating acquired businesses or achieving anticipated synergies;
- economic, political, tax, legal and other related risks relating to the international nature of our business;
- risks relating to the highly competitive automotive supply industry where customers can exert significant price pressure;
- risks relating to increases in interest rates which would increase the cost of servicing our debt;
- risks relating to liquidity and access to capital;
- risks relating to exchange rate fluctuations, primarily between the euro and other operating currencies;
- risks relating to information technology systems and data protection and security infrastructure;
- risks relating to fluctuations in the prices of raw materials;
- litigation risks, including product liability, warranty and recall risk;
- insurance risks;
- intellectual and industrial property risks;

- industrial and environmental risks;
- risks related to negative incidents which affect our reputation;
- risks related to non-compliance with internal corporate governance requirements and anti-corruption regulations; and
- risks related to financial reporting standards or policies.

Our forward-looking statements speak only as at the date of this Offering Memorandum. We expressly disclaim any obligation or undertaking, and do not intend, to release publicly any updates or revisions to any forward-looking statements contained in this Offering Memorandum to reflect any change in our expectations or any change in events, conditions or circumstances, on which any forward-looking statement contained in this Offering Memorandum is based.

The discussions of the Group's outlook set forth in this Offering Memorandum includes forward-looking statements that have been prepared by, and are the responsibility of, management and represent, to the best of management's knowledge and opinion, the Group's intentions. Furthermore, such discussions of outlook, are not intended as forecast data or estimates of consolidated profit but instead are based on the Group's current strategic goals and action plans for the future. They are based on management's current beliefs, expectations, assumptions, business plan and estimates that the Group considers to be reasonable. The achievement by the Group of the targets and forecasts presented below implies the success of the Group's strategy. In addition, they involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from the trends and objectives described. No assurance can be given that the trends and objectives described will occur, continue or be achieved. These forward-looking statements involve assessments about matters that are inherently uncertain and actual results may differ for a variety of reasons including those described in "*Risk Factors*." No assurance can be given. The Group cannot give any assurance or guarantee that it will achieve the objectives described herein or that actual results will track those described herein. Investors are cautioned not to rely on such discussions of outlook when evaluating an investment decision in the Notes.

SUMMARY

The following summary highlights selected information contained elsewhere in this Offering Memorandum. Accordingly, this summary may not contain all of the information that may be important to you. We urge you to carefully read and review this Offering Memorandum in full, including the documents incorporated by reference herein, in order to fully understand the Group. You should also read the "Risk Factors" section in this Offering Memorandum to determine whether an investment in the Notes is appropriate for you.

Our Company

We are a world-leading automotive supplier company focused on developing innovative solutions for our customers. We are listed on Euronext Paris with the ticker symbol "FRVIA".

We were formed in 2022 following Faurecia's acquisition of HELLA, which allowed us to become one of the largest automotive suppliers in the world. Following the acquisition, we rebranded ourselves with our new name, "FORVIA." The acquisition has enabled FORVIA to achieve critical mass across all its segments, as demonstrated by its revenue, which has grown from €17.8 billion in revenue for Faurecia in 2019 to €27.0 billion in revenue for FORVIA for the year ended December 31, 2024. As a single group, FORVIA and HELLA collaborate closely and aim to create sustainable value for all stakeholders through technology sharing and synergies, while continuing to operate as separate legal companies and market products under their own brands. The pace of the combination with HELLA has accelerated and cumulated cost synergies generated at the end of 2024 amounted to €334 million.

We develop, manufacture and sell high-quality and highly-engineered solutions ranging from seating, interiors and cockpits and electronics to lighting and lifecycle management. With a cutting-edge technology portfolio that aims to address the major trends in the industry, we offer solutions to a wide spectrum of clients, from mass market to premium OEMs, and we have a global reach, notably in the U.S. and Asian markets.

Our strategy and business transformations in recent years have been aimed at embracing the major trends disrupting our industry, which include increased connectivity, autonomy and electrification, while offering solutions that aim to facilitate the transition to clean mobility. To this end, we have developed ultra-low and zero-emissions offerings while continuing to develop solutions for more connected, personalized and predictive cockpits in order to respond to the increasing demand for autonomous and connected vehicles.

As one of the leading global suppliers in the automotive industry, our geographic sales breakdown is divided between EMEA (47% of our revenues for the year ended December 31, 2024), Asia (27% of our revenues for the year ended December 31, 2024) and the Americas (26% of our revenues for the year ended December 31, 2024). As at the end of the 2024, we employed approximately 150,000 people in 40 countries across 249 industrial sites[1] and 78 R&D centers.

For the year December 31, 2024, our sales amounted to €26,974.2 million, compared to €27,247.9 million for the year ended December 31, 2023, representing a decrease of 1.0% (0.4% growth at constant scope and currencies). Our Adjusted EBITDA for the year ended December 31, 2024 amounted to €3,354.6 million (representing a 12.4% Adjusted EBITDA margin), compared to €3,328.0 million for the year ended December 31, 2023 (representing a 12.2% Adjusted EBITDA margin), representing a slight increase of 0.2 percentage points.

In addition, our order intake amounted to €31 billion for the year ended December 31, 2024 (in line with our order intake for the year ended December 31, 2023).

We are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, and reduce by 45% our Scope 3 Emissions by 2030. We are investing in innovation to advance the sustainability of our business as we aim to both reduce our environmental impact and create long-term value across our entire supply chain.

[1] Industrial sites include isolated plants and industrial campuses (two or more plants in a 0.5 km distance belonging to the same industrial campus, whatever their legal entities), plants include production sites or Just-in-Time plants and exclude warehouses or distribution centers, and R&D centers include main and mid-size tech centers and headquarters.

Business Groups

FORVIA is organized in six business groups: Seating, Interiors, Clean Mobility, Electronics, Lighting and Lifecycle Solutions. These business groups are managed by the Group on an independent basis in terms of reviewing their individual performance and allocating resources and for the year ended December 31, 2024, we held leading positions in each of our business groups.

Seating. We design and manufacture complete vehicle seats, seating frames and adjustment mechanisms that aim to optimize the comfort and safety of occupants. We develop a range of innovative solutions for thermal and postural comfort, health and wellness and advanced safety to meet current market requirements. We have leading market positions in this segment, and we believe we are the world's leading supplier of seat structure systems and the third largest supplier of complete seats.

For the year ended December 31, 2024, sales in the Seating business group reached €8,634.3 million (32.0% of FORVIA's total sales) compared to €8,551.1 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Seating business group reached €434.4 million, representing a 5.0% operating income margin, compared to €314.7 million for the year ended December 31, 2023, representing a 3.7% operating income margin.

As at December 31, 2024, the Seating business group employed approximately 46,000 individuals and operated 72 industrial sites and 14 R&D centers.

Interiors. We design, manufacture and assemble instrument panels and complete cockpits, door panels and modules as well as decoration and smart surfaces. We have strong expertise in the seamless integration of the full range of interior modules and incorporating functionalities such as ambient lighting and displays. We believe we are the largest automotive supplier in interiors equipment worldwide.

For the year ended December 31, 2024, sales in the Interiors business group reached €5,108.4 million (18.9% of FORVIA's total sales) compared to €4,922.7 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Interiors business group reached €109.4 million, representing a 2.1% operating income margin, compared to €200.9 million for the year ended December 31, 2023, representing a 4.1% operating income margin.

As at December 31, 2024, the Interiors business group employed approximately 32,000 individuals and operated 66 industrial sites and 13 R&D centers.

Clean Mobility. We design and manufacture exhaust systems, solutions for fuel cell electric vehicles and aftertreatment solutions for commercial vehicles. Our portfolio consists of zero and ultra-low emission solutions for passenger and commercial vehicles, including technologies for both battery electric and fuel cell electric vehicles to drive clean mobility. We believe we are currently the world's leading supplier of exhaust systems and components (the core activity of this business group) and are working towards our long-term goal of becoming a leader in hydrogen mobility while developing a comprehensive offering for electric vehicles, including hybrid electric vehicles ("HEVs"), plug-in electric vehicles ("PHEVs"), battery electric vehicles ("BEVs") and fuel cell electric vehicles ("FCEVs"). We are also building on HELLA's energy management portfolio, which includes sensors and actuators related to BEVs and battery management systems, voltage converters and onboard charging systems.

For the year ended December 31, 2024, sales in the Clean Mobility business group reached €4,153.4 million (15.4% of FORVIA's total sales) compared to €4,832.2 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Clean Mobility business group reached €346.3 million, representing a 8.3% operating income margin, compared to €383.7 million for the year ended December 31, 2023, representing a 7.9% operating income margin.

As at December 31, 2024, the Clean Mobility business group employed approximately 17,000 individuals and operated 71 industrial sites and 7 R&D centers.

Electronics. We design and manufacture display technologies, driver assistance systems and cockpit electronics. The Electronics business group was formed by combining Faurecia's former Clarion Electronics business with HELLA's electronics and software operations, with a view towards creating a global player in high-speed and low-speed advanced driver assistance systems. We believe we are the number one player in the low-voltage power electronics and car access body electronics segments worldwide. We believe we are also one of the top three players for radars, sensors and actuators.

For the year ended December 31, 2024, sales in the Electronics business group reached €4,188.7 million (15.5% of FORVIA's total sales) compared to €4,138.0 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Electronics business group reached €229.7 million, representing a 5.5% operating income margin, compared to €219.4 million for the year ended December 31, 2023, representing a 5.3% operating income margin.

As at December 31, 2024, the Electronics business group employed approximately 19,000 individuals and operated 21 industrial sites and 26 R&D centers.

Lighting. We design and manufacture lighting technologies, including headlamp, rear lamp, car body and interior lighting solutions for OEMs throughout the world. The Lighting business group was added upon the acquisition of HELLA, which enabled FORVIA to establish strength in the area of innovative lighting technologies with large scale production in full-LED headlamps. We believe we are the third largest lighting automotive supplier globally.

For the year ended December 31, 2024, sales in the Lighting business group reached €3,878.6 million (14.4% of FORVIA's total sales) compared to €3,745.8 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Lighting business group reached €186.6 million, representing a 4.8% operating income margin, compared to €192.7 million for the year ended December 31, 2023, representing a 5.1% operating income margin.

As at December 31, 2024, the Lighting business group employed approximately 22,000 individuals and operated 25 industrial sites and 15 R&D centers.

Lifecycle Solutions. We offer solutions extending the vehicle lifecycle as well as workshop equipment and special original equipment. We are an established partner in the aftermarket for spare parts, providing automotive parts, accessories and workshop equipment and acting as a service partner for wholesalers and repair and maintenance workshops. The Lifecycle Solutions business group was added upon the acquisition of HELLA.

For the year ended December 31, 2024, sales in the Lifecycle Solutions business group reached €1,010.9 million (3.7% of FORVIA's total sales) compared to €1,058.1 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Lifecycle Solutions business group reached €93.7 million, representing a 9.3% operating income margin, compared to €127.6 million for the year ended December 31, 2023, representing a 12.1% operating income margin.

As at December 31, 2024, the Lifecycle Solutions business group employed approximately 4,500 individuals and operated 5 industrial sites and 9 R&D centers.

Customers

We maintain close relationships with almost all of the world's leading car manufacturers and work closely with customers to develop the design and functionality of our products. We have a limited client concentration and serve over 80 different OEMs globally. With our four largest customers, VW Group, Ford Group, Stellantis and Mercedes-Benz, we have maintained decades-long relationships. Together, these four largest customers accounted for 45.4%, or €12,247.2 million, of our sales in 2024.

In the meantime, we continue to grow our exposure to Chinese OEMs, which accounted for 10.0% of our sales in 2024, up from 4.9% in 2020, while maintaining strong relationships with US-based OEMs such as Ford and General Motors, which, combined, accounted for 14.4% of sales in 2024.

We aim to foster long-standing relationship with OEMs, leveraging our ability to meet needs across the value chain, from mass market to premium segments, as well as support the creation of commercial vehicles and provide solutions to new entrants in the automotive OEM industry.

We are successfully developing and implementing customer vehicle production programs on a global scale. We have a broad geographic footprint and are one of the few automotive equipment suppliers with the capacity to supply automakers' global programs where the same car model is produced throughout several regions.

We are involved in all stages of the automotive equipment development and supply process. We design and manufacture automotive equipment adapted to each new car model or platform and conclude contracts to provide these products throughout the anticipated life of the model or platform (usually between five and ten years). Our customers rely increasingly on global platforms, based upon which they will produce a variety of car models. This allows us to decrease costs through a greater commonality of components, and to benefit from components or modules which can be used in more than one generation of cars. We participate in this evolution by offering generic products associated with our customers' platforms, such as standard seats frames.

The quality of our products is widely acknowledged among automakers. We operate from 249 industrial sites worldwide and 78 R&D centers, and employ approximately 150,000 people, with approximately 73,200 employees in Europe, 32,100 employees in the Americas and 44,400 employees in Asia, and including more than 15,000 engineers. With six business groups with differentiating product lines and a strong IP portfolio of over 12,900 patents, we aim to be the preferred innovation and integration partner for OEMs worldwide. We ensure the quality of our products through our FORVIA Excellence System, a rigorous set of project management procedures and methodologies, and by the expertise of our engineers and technicians who design products and develop technological solutions. This enables us to maintain very close relationships and to be seen as strategic suppliers to many of our customers.

Our Competitive Strengths

One of the world's largest automotive suppliers with leading positions in Clean Mobility, Seating, and Interiors

We have operated in the automotive industry for more than 110 years and have established ourselves as one of the leading global automotive Tier-1 suppliers. Based on our estimates, we have leading market positions in Clean Mobility, Seating and Interiors. Through the combination with HELLA, we acquired a complementary portfolio with recognized technology and leadership in both Electronics and Lighting, reinforcing our unique proposition with OEMs.

In 2024, we estimated that our Seating business was the world's leading supplier of frames and mechanisms for seating structures and the number three supplier for complete seats. We consider our Interiors business unit to be among the two leading suppliers of cockpit and interior systems. In Clean Mobility, we estimate that we are currently the world's leading supplier of exhaust systems and components (the core activity of this business group) and are working towards our long-term goal of becoming a leader in hydrogen mobility while developing a comprehensive offering for electric vehicles. We are also building on HELLA's energy management portfolio and offering of sensors, battery management systems, voltage converters and onboard charging systems.

The acquisition of HELLA in 2022 allowed us to become a major player in Electronics, with sales exceeding €4.1 billion in 2024. In the Electronics segment, we believe we hold a top three position in low-voltage power electronics, car access, radars, sensors and actuators, which are key for advanced driver assistance systems.

With the acquisition of HELLA, we have also attained a strong position in the Lighting segment and believe we are the third largest player globally, with recognized strengths in innovative lighting technologies and large-scale production capabilities in full-LED headlamps, as well as strong relationships with premium and German-based automotive manufacturers. We believe HELLA's lighting business offers an opportunity to advance this segment further by leveraging Faurecia's track record in industrial excellence and strong relationships with high-volume OEMs, including those based in Asia.

Based on revenues, in 2024, FORVIA was one of the largest automotive suppliers globally, with annual sales exceeding €3.9 billion in five of our six business groups. We believe our leadership and global platform are significant strategic advantages, as OEMs typically look for well-established suppliers with strong innovation

and scale capabilities that are able to support their global programs, new vehicle launches, and end customers' growing demands for increased connectivity, improved vehicle autonomy and clean mobility.

Attractive industry benefitting from key automotive megatrends

Significant global trends are impacting the automotive industry, including climate change, resource scarcity, growing and ageing populations, economic power shifting to Asia and urbanization. At the same time, technological developments continue to accelerate, transforming daily life and generating new business models. As a result of these technological developments, the evolving structure of society and global development challenges, we believe that the automotive industry is at a turning point. We expect that the consequence of these megatrends on the automotive industry will be a radical increase in mobility solutions that are increasingly connected, autonomous and electrified.

We believe we are well-positioned to address these automotive megatrends through our diversified business model and balanced portfolio, which has minimal exposure to internal combustion engine-only parts. For the year ended December 31, 2024, 31% of our order intake of €7 billion was related to BEV and FCEV platforms. We continue to develop a comprehensive offering for these platforms, and a significant portion of our order intake is related to electronics. We benefited from continued strong demand for automated driving systems and connected vehicles.

Despite some deceleration in BEV global demand growth due to lower consumer confidence, high interest rates and fading incentives, the shift towards electrification remains a key long-term trend for the industry, as regulations and government incentives boost both offer and demand and as society becomes increasingly concerned about climate change. We believe that by 2030, 38% of global automotive production will be BEVs, and 23% of vehicles will be hybrid (PHEV).

As the trends for mobility electrification, connectivity and autonomous driving accelerate, there are increasing business development opportunities for us in relation to new products, new customers and new business models including the following:

New Products

- **Clean mobility:** accelerating innovation for powertrain electrification and investing in zero and ultra-low emissions solutions, supported by incentives and regulatory push and responsive to an increase in global demand for mild hybrid and high voltage solutions. Recently launched products include battery and power electronics for 12v and 48v, high voltage energy management and thermal management systems;
- **Autonomous driving:** focusing on short time-to-market technology bricks for the Cockpit of the Future adaptable to autonomous driving, reflecting an increasing importance of software and higher willingness of customers to pay for automated driving features. Recently launched products include radars and sensors, x-by-wire applications, cameras, automated parking electronic control units ("ECU") and systems; and
- **Connected vehicles:** offering new functionalities through integrated electronics as cars develop into "computers on wheels," driven in part by safety regulations. Recently launched products include cockpit technologies and software, security with smart car access, zonal modules and ECUs.

New Customers

- rising Asian OEMs developing vehicles adapted to Asian consumers;
- pure electric vehicle consumers;
- Mobility as a Service ("MaaS") operators, fleets and cities; and
- high horsepower engine manufacturers.

New Business Models

- increased role of personalized user experiences;

- upgradability, retrofit and connected services; and
- developing cybersecurity of connected products.

Technological innovations leveraging on a strong ecosystem of partners

We are investing in technological innovations in the automotive sector and have a consistent track record of award-winning innovations. We have based our strategy of innovation on a strong ecosystem of partners to accelerate time-to-market and to integrate key competences for our systems for Sustainable Mobility and Cockpit of the Future. At FORVIA, we operate 78 research and development centers worldwide and employ more than 15,000 R&D engineers. In 2024, FORVIA filed 1,392 new patents, compared to 1,283 in 2023.

In 2024, we allocated €2,155.8 million to gross R&D costs, or 8.0% of sales in 2024, compared to €2,197.5 million, or 8.1% of sales in 2023 and have developed a deep technological investment base

Source: Company filings. December full-year calendarization.

Given the pace of technological change and the need for the efficient development of new products, we have developed an open innovation ecosystem to accelerate the integration of new competencies and bring together our own scientific and technical experts with a broad range of partners across industry sector organizations, including universities, thinktanks, start-ups, and technology or industrial specialists. This international network allows us to strengthen our areas of expertise, build on latest technology and science applications, acquire critical new competencies, and contribute to advances in technical and industrial domains.

Technological innovation with track record of award-winning innovations to promote sustainable mobility and continue to reduce CO_2 emissions

FORVIA 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; and
- Light Tile for Transparent Doo.

*Note: * in 2030 vs. 2019*

Strategic and technology partnerships

To rapidly accelerate development in key areas, we have developed partnerships with other industrial or technology companies.

We have entered into a partnership with Accenture for Artificial Intelligence ("AI") to combine innovation expertise and co-invest to develop products and services for connected and autonomous vehicles. We will focus initially on two areas: cognitive technologies to reinvent the on-board user experience and services to enhance health and wellness. We also intend to leverage digital technologies such as AI, advanced analytics, augmented and virtual reality, blockchain and quantum computing to further accelerate FORVIA's digital transformation.

Through our partnership with ZF Friedrichshafen AG ("ZF"), we are developing safety systems so that passengers can continue to travel safely in any seated position, whether they are driving, working or relaxing. We have also entered into a partnership with Mahle to collaborate on technologies for the thermal management of the Cockpit of the Future. We have partnered with Mahle to work together to integrate and connect different interior and seating features to enhance the onboard experience and in November 2018 we also announced a strategic partnership with HELLA for the development of innovative interior lighting solutions. Over time, we believe AI and contextual analysis will enable the vehicle to anticipate user preferences.

Through Symbio, our joint-venture with Michelin and Stellantis, we have accelerated in the hydrogen market with the objective to develop a new generation of fuel cells and mass produce them. We opened our Gigafactory in Saint-Fons in 2023, which consists of a large fuel cell stack and system production sites in Europe and is expected to have a total production capacity of 50,000 systems per year by 2026.

To develop new solutions for advanced and customized mobility, we have also created Appning in partnership with Aptoide. Appning marks a significant milestone in the apps market by integrating top applications TikTok, Webex and Zoom Meetings into the cockpit experience of cars, including Mercedes-Benz E-Class. This will enable users to have a mix of entertainment, video conferencing, webinars, and collaboration sessions, facilitating professionals and remote workers to join business meetings or catching up with friends and family. With a growing apps portfolio that already counts around 240 applications and an established partnership with fourteen different car brands, Appning is at the forefront of the automotive industry, supporting Android developers to develop the next generation of in-car infotainment.

In 2024, we signed a joint venture agreement with long-term partner CHERY to deepen our strategic cooperation in the field of smart and sustainable cockpits.

Investment in start-ups and technology platforms

Our network of tech and start-up scouts identifies promising partners with disruptive ideas in multiple areas like energy management, optics, artificial intelligence or materials science.

We have historically invested in start-ups such as Outsight for sensors, GuardKnox for cybersecurity and IRYStec Software to enable the personalization of displays according to the driver's vision and ambient light conditions giving a safer and more comfortable user experience at a lower cost. The Issuer also acquired

intellectual property assets of uMist Technologies Ltd., a Swedish start-up specialized in biomimetic spray technology, to accelerate our technology leadership for commercial vehicles ultra-low emissions, and designLED, a Scotland-based company specialized in advanced backlighting technologies, to strengthen our offer for display technologies and enrich the immersive experiences.

We also collaborate with local start-up ecosystems, establishing strong connections in major innovation clusters, and closely follow emerging trends and new technologies. The Group's platforms are located in Silicon Valley, Toronto, Shenzhen, Paris and Tel Aviv. The Tel Aviv platform was inaugurated in 2019 and concentrates on cyber security.

Academic partnerships and collaborative innovation

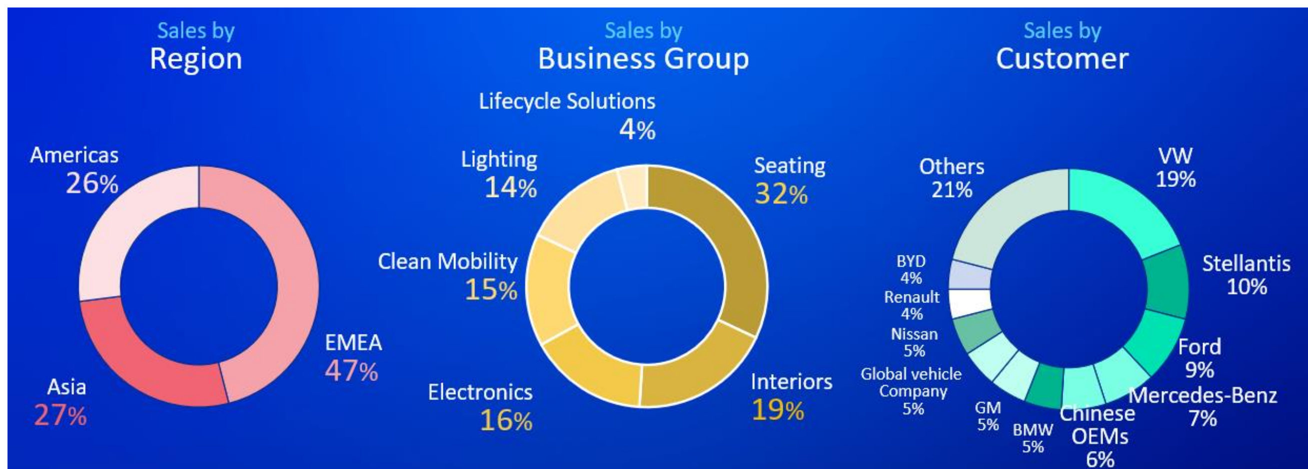
We work with several academic organizations in open innovation networks to test, assess and develop prototypes in order to obtain the relevant information to position research for the Group. Partnerships include those with French Alternative Energies and Atomic Energy Commission (CEA) for polymers and fuel cell technologies, Technische Unversität Dortmund for metals, Supelec-Esigelec for mechatronics, the Indian Institute of Science for sensors and CentraleSupélec for Artificial Intelligence (AI).

Highly diversified business model across geographies, products and customers with well-entrenched positions

As one of the largest automotive suppliers in the world, our business model exemplifies a high degree of diversification, which is evident in the multifaceted nature of our customer base, the geographical breadth of our operations and development activities, the large variety of products and solutions required by our customers and the various market segments we serve. Our highly diversified business profile is strengthened by (i) a strong presence across all our major regions, (ii) a balanced product portfolio across business segments and (iii) limited client concentration with no single OEM representing more than 19% of our total revenues in 2024.

We believe that the high degree of diversification through our business groups, geographic presence, number of customers and range of products limits our exposure to adverse changes in the global or local economic environment and in the various end-markets we serve, while simultaneously mitigating counterparty risk. In particular, our exposure to internal combustion engine-only parts is limited, as most of our product portfolio supports electric, hybrid and combustion engine vehicles. This high degree of diversification supports the resilience of our revenues and our profitability.

The below charts show our sales breakdown for the year ended December 31, 2024 by business group, region and customer:



Diversification across geographies

Our operations span across five continents. We employ approximately 150,000 people in 40 countries across 249 industrial sites and 78 R&D centers, of which 15,000 are engineers in our technology centers. Our global footprint of production facilities and development centers allows us to design, develop, engineer, manufacture

and deliver complete technological solutions and components in every major automotive producing region in the world.

In the year ended December 31, 2024, sales in Europe, the Middle East and Africa ("EMEA"), Americas and Asia remained stable at 47%, 26% and 27% of sales, respectively, compared to 46%, 27% and 27% of sales, respectively, in the year ended December 31, 2023. In Asia, the world's largest and fastest growing automotive market, we generated 21% of our sales for the year ended December 31, 2024 from China, operating 79 production facilities and 18 technology centers in China and employing over 44,000 workers in Asia. We believe we have substantial potential to grow further in Asia, notably with Chinese OEMs, and build upon the longstanding relationships with major Japanese and South Korean OEMs.

Our diversified workforce mirrors the breadth of our operations as one of the world's largest automotive suppliers. In 2024, out of our approximately 150,000 employees (including temporary employees), 48.9% were based in our European locations (126 industrial sites and 40 R&D centers), 21.5% were employed in the Americas (52 industrial sites and 8 R&D centers), and 29.6% were employed for our Asia operations (102 industrial sites and 30 R&D centers).

Diversification across customers and market segments

We conduct business with major global OEMs for both passenger and commercial vehicles and serve over 80 different accounts, including Volkswagen Group, Stellantis, Ford Group, Mercedes-Benz Group, BMW Group, Renault Nissan Group and General Motors Group, among others. In North America, we have particularly close ties with Ford and General Motors, with whom we have had relationships for over 15 years and which together accounted for 14% of our sales in 2024. Although Japanese and South Korean automakers tend to use their vertically integrated suppliers, we are today a direct supplier to Nissan, Honda, Kia and Hyundai. We have also grown our exposure to Chinese OEMs, serving 19 out of 20 Chinese OEMs, and realized 48% of our Chinese sales with Chinese OEMs in 2024, compared to 37% in 2023.

In recent years, we have further improved our customer diversification and benefitted from the acquisition of HELLA to strengthen our relationship with German-based premium OEMs. We believe this acquisition has improved our relationship with automakers and opened new sales opportunities through the leveraging of FORVIA's historically privileged access to key Asian OEMs and HELLA's reputation to further develop our relationships with German and other premium OEMs and benefit from complementary strengths with US-based OEMs. In the year ended December 31, 2024, our two largest customers, Volkswagen and Stellantis, together accounted for 29% of sales compared to 30% of sales in 2023. Our relationships with these customers have endured over 15 years and span across multiple business lines and product categories, engine technologies, regions and vehicle platforms.

Diversification across business groups and products

A large number of vehicles globally is equipped with one or more of FORVIA's offerings in seating, interiors and cockpits, electronics, lighting and lifecycle management. As a result, we are able to benefit from a well-balanced revenue profile across our main business groups.

Our portfolio ranges from more traditional products, such as seat structures, door panels and headlamps, to cutting-edge and more advanced technological solutions that allow our customers to respond to the demands for increased autonomy, connectivity and electrification in the automotive industry. Our advanced solutions include clean mobility offerings, as well as a large range of sensors, radars, automated driving systems, cockpit electronic and energy management solutions, which serve vehicles from full hybrid and battery electric vehicles to thermal engine vehicles.

We believe one of our strengths lies in our largely engine-agnostic product portfolio, as many of our products are used in ICE, hybrid and electric cars. For the year ended December 31, 2024, 85% of our revenues came from seating, interior, electronics, lighting and lifecycle solutions business segments which we estimate are not dependent on light vehicle ICE. This diversification across business lines and solutions offered allows the Group to leverage the growth opportunities and economic cycles in each segment presents, as these may respond to various economic indicators differently across geographic markets.

Diversification across end-markets

We are present across market segments, from entry-level models to premium and luxury cars, which make us less vulnerable to the parameters which may affect one particular market. Our exposure to the aftermarket business, which we gained following our acquisition of HELLA, serves as a reliable revenue stream that is less susceptible to the fluctuations of new vehicle sales given this business is tied to a steady demand for maintenance, repair and upgrades.

Unique and hard-to-replicate positioning underpinned by multi-year contract execution and the ability to support global programs

We are involved in all stages of the automotive equipment development and supply process and conclude contracts to provide these products throughout the anticipated life of the model or platform, which provides us with multi-year contracts (usually between five and ten years). Revenue visibility is further reinforced by the inherent challenges automakers face when changing suppliers in the midst of the development and production of a car model, which typically translates into high renewal rates on our programs.

This supports our long-term relationship with OEMs while establishing us as a strategic supplier on number of programs and car models. Our customers rely increasingly on global platforms, based upon which they will produce a variety of car models, allowing us to participate on those programs on a global scale and improve efficiencies by lowering costs through greater commonality of components and modules that can be used in more than one generation of cars.

The below is an illustration of new launches made during 2024 where we participated as key supplier:

Our global footprint, comprised of 249 industrial sites and 78 R&D centers, allows us to design, develop, engineer, manufacture and deliver complete technological solutions and components in every major automotive producing region in the world while ensuring high customer proximity, improved supply chain resilience and the support of key programs on a global scale close to our customers' local production sites in each of their core markets. As a result, we are one of the few automotive equipment suppliers with the capacity to supply automakers' global programs in which the same car model is produced throughout several regions.

A key partner for a broad and diversified base of OEMs around the globe with strong customer centricity

Our position as one of the leading automotive suppliers is underpinned by the nature of the global automotive supplier market, which is characterized by long-term customer relationships, the requirement by OEMs for reliable suppliers which can produce high volume products and the ability to provide services to customers not just in one geographic region, but globally. The Group has built long-term relationships with a large number of OEMs over the years, and our customer-centric approach has been instrumental in ensuring the strengthening of our leading market position and long-term growth prospects.

Our diversified model allows us to serve the full spectrum of OEMs, including blue-chip customers ranging from mass market to premium segments as well as commercial vehicles and new entrants in the OEM industry.

We have strategically been diversifying our customer base over the years and today serve all major OEMs across North America, Europe and Asia. We have been able to build longstanding relationships with these clients, many of which have extended over decades. Such relationships have been strengthened by years of cooperation to develop new products and innovative solutions and integrate into the supply chain of our customers on global programs. These relationships are difficult for our clients to replicate, as such levels of cooperation and programs require suppliers with a high degree of sophistication and a manufacturing footprint with a global reach.

With the help of the large scale of our operations, we have a long-term track record of delivering solutions to our customers on a highly reliable basis around the globe. We also have the ability to meet demand for high-volume production, which enables us to be seen as a strategic partner to our customers. This unique relationship and proximity with our customers support our growth, as demonstrated by our proven track record of new contract signings with existing as well as new clients who have indicated high levels of customer satisfaction.

The below provides a view of some of our key customer relationships:

Selection of Clients

Client	Relationship Duration	# of Programs
VW	15+ Years	223 Contracts
Stellantis	15+ Years	228 Contracts
Ford	15+ Years	149 Contracts
Mercedes-Benz	15+ Years	41 Contracts
BMW	15+ Years	27 Contracts
Renault	15+ Years	101 Contracts
Nissan	15+ Years	95 Contracts

Customer Satisfaction Highlights

> We achieved a score of 4.7/5 in our customer satisfaction index

Mass market OEMs

Premium OEMs

Chinese OEMs

To maintain our strong operational excellence, we have in place a dedicated customer satisfaction program. The Total Customer Satisfaction Strategy (TCS) enhances and affirms FORVIA'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. To guarantee quality performance and thus improve the customer experience from the innovation phase to the after-sales guarantee, FORVIA focuses on four pillars:

- program quality: ensuring quality from the innovation phase to mass production by designing products and processes that meet customer expectations;
- launch quality: to start mass production with quality standards while meeting customer expectations;
- operations quality: checking the absence of defects within internal operations and with our suppliers;
- customer experience quality: aiming for benchmark performance and quality customer service.

FORVIA benchmarks performance using a customer satisfaction index. Our Total Customer Satisfaction program also comprises initiatives such as our Digitalization initiatives and the FORVIA Excellence System.

Customer satisfaction index

The customer satisfaction index is used by FORVIA to assess its performance with regard to its customers. It combines relevant key performance indicators and customer perception: (1) *performance*: main indicator for customers based on the number of incidents and customer complaints; (2) *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.

Digitalization for customer experience

We use specialized quality reporting tools designed to meet the requirements of our main customers and to gauge 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, 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.

Across our sites, we deploy automated guided vehicles, data analysis, and 3D simulations to optimize operations. Our digital model plants are utilizing the latest digitalized tools and processes. Innovative approaches are tested in benchmark model plants before wider implementation.

The FORVIA Excellence System

Starting in 2023, we released the new FORVIA Excellence System (the "**System**"), which aims to deliver best-in-class industrial performance in an increasingly competitive world. With FORVIA Excellence System, we are taking a next step toward our ambition to become a sustainable mobility technology leader.

The System focuses on our key priorities: Total Customer Satisfaction, Sustainable Competitiveness, and Talent Development, all within a safe working environment. We intend the System to contribute to our operational efficiency and aim to deliver flawless program management to fulfil the Group's POWER25 profitability target. The System delivers a 360-degree approach to operations and covers a wide range of topics, from production and launches to production control & logistics, health, safety and environment, human resources, quality and plant management.

The main evolutions of the System include:

- Managing full profit and loss scope and performance improvement to reach benchmark status.
- Optimizing our execution in a volatile environment through digital solutions, now largely deployed and accelerating our continuous improvement by leveraging data.
- Raising environmental impact awareness, to build a sustainable future for the company and honor our commitment to reach CO_2 net zero by 2045.

The implementation of the System across all FORVIA sites is anticipated by 2025. This journey towards sustainable excellence starts with the understanding of what the FORVIA Excellence System means to our organization, how it is developed, and how it is going to be implemented.

Our FORVIA Education Path will help develop the right level of understanding and ownership of this new system, in particular among shopfloor teams, whose empowerment and engagement is pivotal.

Everyone, from operators to management, in plants, divisions, business groups and functions, must ensure we give the right focus, energy, and resources to achieve our business goals through the strong application of FORVIA Excellence System.

FORVIA Excellence System implementation will guarantee the stability, sustainability and performance of our plants, thus the competitiveness of our Group.

Awards

We believe that the numerous awards that we have received from our customers and our record order intake over the last few years demonstrates the confidence of our customers in our Total Customer Satisfaction strategy. We are a strategic partner of many of our major customers, regularly receiving customer recognition awards for global performance, manufacturing excellence, cost savings and innovation. In particular, in recent years we received a General Motors Supplier of the Year Award, a Ford World Excellence Award, and (in April 2024) two Automotive News PACEpilot Innovation to Watch recognitions acknowledging post-pilot, pre-

commercial innovations in the automotive and future mobility space. Our global performance and operational excellence as a strategic supplier has also led to various notable business developments, including the following received in 2024*:*

- In April 2024, FORVIA launched a new work lamp for vehicles in mining, construction and forestry: the RokLUME 280N SMART, which allows machine operators to customize the work lighting to suit their individual needs and lighting conditions.;
- In July 2024, FORVIA developed a completely new headlamp concept for the Q6 e-tron in collaboration with the German premium manufacturer Audi. Its specialty is a digital daytime running light matrix that gives end users the option of selecting their preferred digital light signature from up to eight preset designs;
- In October 2024, FORVIA partnered with Dacia, a Renault group brand, to provide its Aptoide Apps Market solution for Dacia vehicles. This collaboration kicked off with the integration in the all-new Duster as well as the new Spring, now in production. As of August, approximately 30,000 Dacia cars were already equipped with FORVIA's Apps Market. Complete Seat for VW Small BEV Spain;
- In November 2024, FORVIA launched an aerodynamic rear wing lighting for the full electric SUV LYNK & CO Z20 (LYNK & CO 02 in Europe) for the Chinese new energy vehicle brand LYNK & CO. This product incorporates an ultra-long overhang wing design, creating a highly three-dimensional and differentiated aesthetic appearance and significantly enhancing the aerodynamic performance of the vehicle.

Focus on profitability, financial discipline and resilience

Our profitability and financial discipline form an important foundation for our transformation and sustainable value creation. Over the past several years we have achieved significant improvements in our profitability, while remaining generally resilient in light of the shocks that have impacted the sector in the past few years, including inflation, volatility in automotive supply chains related to the war in Ukraine, and the Covid-19 related lockdowns in China during the period.

For the year ended December 31, 2023, we reported strong sales growth of 14.0% at constant scope and currencies, outperforming growth in worldwide automotive production, with all our business groups growing at double digit rates at constant scope and currencies. This was largely due to favorable volumes and inflation pass-through which helped drive operating income to €1,439.1 million, representing 5.3% of our total sales, reflecting a rebound in automotive production across all regions that was facilitated by a gradual recovery of supply chains following Covid-19 disruptions and the automotive market recovering to its pre-Covid levels. For the year ended December 31, 2024, we reported sales growth of 0.4% at constant scope and currencies, outperforming growth in worldwide automotive production by 150 bps.

Despite continued inflation and negative currency impact related to the depreciation of the Argentinian peso and Turkish Lira, our operating margins also benefited from further progress in delivering cost synergies related to the integration of HELLA in key areas, including procurement, freight and selling and administrative expenses, amongst others, which reached a cumulative total of €334 million at the end of 2024 (compared to €190 million at the end of 2023), and we believe we are on track to deliver our revised guidance of over €400 million (compared to €350 million initially) of net cost synergies by the end of 2025. For the year ended December 31, 2024, we reported an operating income of €1,400.0 million, representing 5.2% of our total sales, compared to a reported operating income of €1,439.1 million for the year ended December 31, 2023, representing 5.3% of our total sales, reflecting the ramp-up of the EU-Forward project in EMEA and the positive impact of the termination of the loss-making Highland Park Seating program in Michigan, North America.

During the year ended December 31, 2023, we also achieved our top priority of further deleveraging our capital structure following the acquisition of HELLA, reducing our net debt by close to €1 billion through a combination of a strong focus on cash generation and the successful completion of our first one billion euro disposal program launched in mid-2022, bringing our ratio of net debt to Adjusted EBITDA for the year ended December 31, 2023 to 2.1x, from 2.7x as at December 31, 2022. In October 2023, we announced the launch of a second €1 billion disposal program to continue to simplify our portfolio as well as further accelerate our deleveraging beyond the initial POWER25 objective, with the first step of this second program being the disposal by HELLA

of a 50% stake in BHTC, co-owned with MAHLE. Our leverage was thus further reduced during the year ended December 31, 2024 to below 2.0x and we believe we are on track to meet our end-2025 target ratio of 1.8x (before disposals).

With positive momentum in our operating income during the year ended December 31, 2023, we increased our net cash flow to €649.1 million before our disposal program, reflecting stable capital expenditures, including capitalized R&D in absolute value at respectively 4.1% and 3.8% of revenues and a positive impact from the implementation of cash management initiatives such as stringent inventory management, enhanced receivables collection with our customers and synergies on payment terms with our key suppliers. We are working to achieve steady and predictable levels of capital expenditure and working capital going forward. We also plan to grow while limiting our capital expenditure and capitalized R&D requirements through project prioritization, the use of advanced AI to lower innovation costs and increase efficiencies and continued synergies from our integration of HELLA. For the year ended December 31, 2024, our net cash flow amounted to €654.9 million (2.4% of sales), compared to €649.1 million (2.4% of sales) for year ended December 31, 2023.

In addition, we continue to adapt our operations and take necessary measures to accommodate anticipated medium-term market evolution. In 2024, we launched "EU-Forward", a project that we intend to implement over the next four years to reinforce the competitiveness and agility of our operations in Europe and which we expect to translate into a material improvement on our profitability in the region.

Our liquidity, comprised of cash available and undrawn commitments, as at December 31, 2024 amounted to €6,542.1 million compared to €6,223.9 million as at December 31, 2023. We had €4,500.4 million of cash available as at December 31, 2024 compared to €4,273.9 million as at December 31, 2023. We also had €1.95 billion of undrawn commitments, collectively, under the Syndicated Credit Facility and the HELLA Credit Facility as at December 31, 2024, compared to €1.95 billion as of December 31, 2023. We reported net debt of €6,622.6 million as at December 31, 2024 compared to €6,987.3 million as at December 31, 2023.

Structural actions and cost flexibility

We are also implementing structural changes to make our cost structure more flexible in order to increase our agility and resilience. We aim to rationalize and optimize our industrial footprint and tightly manage our direct and indirect headcount, in addition to other selling, general and administrative cost-cutting measures. These measures have become increasingly important to us in the post Covid-19 and high inflationary environment.

In particular, to adapt our operations to the evolving market and regulatory environment, evolving customer landscape and lower-than-pre-Covid vehicle production levels in Europe, we announced the launch of "EU-Forward" a project that will be rolled out across our European operations until 2028 to adapt our manufacturing footprint and R&D set-up, which we expect will significantly reinforce our competitiveness and agility in the region while helping rebalance the regional mix of our operating income and improving the contribution of our European operations to the overall group's performance. This project is expected to impact up to 10,000 jobs over the coming five-year period from the total of approximately 75,000 current employees in the region and result in an estimated cash restructuring outflow of approximately €800 million for annual targeted savings of €500 million.

We generally seek to pass through increased raw material costs to our customers through a variety of means. Certain raw material cost fluctuations, such as for monoliths, are directly passed through, whilst others are passed through (typically with a time lag) through indexation clauses in our contracts. In addition, we seek to pass through certain other raw material costs to customers through periodic price reviews that are part of our contract management. Our ability to pass through such costs has had a positive impact on our margins and profitability during 2023 and 2024.

The Group has hedging policies in place that aim to protect our energy costs from adverse fluctuation in electricity and gas prices. On top of these hedging policies, we have implemented energy savings measures and accelerated energy self-production through the installation of solar panels at our sites. FORVIA is continuously working on its renewable electricity generation. In 2024, Forvia had reduced its energy intensity by 30% since 2019.

We seek to achieve steady and predictable levels of capital expenditure and working capital. We are still planning to grow while limiting our capital expenditure and capitalized R&D requirements by seeking better capital expenditure allocation.

ESG as business driver with net zero leadership forthcoming

We are the first automotive company in the world with an SBTi-approved net zero roadmap. We are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, reduce by 45% our Scope 3 Emissions by 2030 and reduce by 90% our Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 2045. Our climate change approach has been positively acclaimed externally, as evidenced by CDP which again assigned FORVIA an 'A' rating in 2024 for transparency on climate change. We have a comprehensive approach that encompasses all the value chain from products sourcing to end of use.

Our suppliers are a key element of our performance, and we aim to create together a responsible supply chain. Purchases of goods and services represent 66% of controlled emissions in scope 3. As such, selecting suppliers with CO_2 targets in line with those of FORVIA is key to help us achieve our carbon neutrality goal. We continue to raise awareness among our suppliers on the need for a CO_2 commitment supported by Executive Management, and a gradual increase of their EcoVadis score.

During the production phase, we are committed to incorporate recycled materials in our products whenever possible. Through our subsidiary MATERI'ACT, we develop and produce unique cutting-edge materials with low, and ultra-low footprint. The range of products includes recycled, bio-based and carbon-capturing compounds, bio-based foils, low CO_2 carbon fibers, and green steel for the automotive industry and beyond. For instance, we inaugurated a Net Zero plant in Fengcheng, China in 2023.

As per the FORVIA Excellence System, we are targeting to reduce energy consumption through several levers including energy savings and increased use of renewable energy through both on-site production and off-site purchase.

In terms of R&D, we are significantly investing into sustainable mobility. 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. We provide automakers with complete hydrogen storage system integration for different vehicle architectures, offering delivery of end-of-line tested turnkey systems. Meanwhile, we continue to invest in clean mobility and vehicle electrification.

We incorporate recyclability in our eco-design approach to anticipate the end-of-life phase and optimize production waste recovery. We systematically substitute for plastics that are not yet recyclable or difficult to recycle (PVC, thermoset or composite plastics such as polypropylenes loaded with glass fibers). We are also committed to offer repair solutions through our Lifecycle Solutions unit which aims to extend lifetime of products used, hence helping to reduce CO_2 footprint.

Our ESG commitment is further evidenced by its sustainability-linked financing framework, which aligns its business and financing with its commitments and values, by creating a direct link between its sustainability strategy and the funding strategy. Our managers are incentivized to achieve carbon reduction targets, as CO_2 criteria are included in the short-term compensation measures, demonstrating again our commitment to embed ESG in the strategy of the Group.

Experienced management with proven track record and supported by robust governance

We have two governance bodies, the Board of Directors and the Executive Committee, responsible for deciding and implementing our strategy.

The Board of Directors

The Board of Directors oversees our business, financial and economic strategies. This 14-member body, including 10 independent board members and 2 board members representing employees, meets at least four times a year. Three permanent committees are tasked with the preparation of discussions on specific topics: the Audit Committee, the Governance, Nominations and Sustainability Committee and the Compensation Committee. They make proposals and recommendations and give advice in their respective areas.

With their diverse backgrounds, experience and skills, our board members offer us their expertise, support in defining our strategy and tackling the challenges that we face within the context of our transformation and strategic direction.

The Executive Committee

Our executive functions are performed by an Executive Committee that meets monthly to review our results and oversees our operations and the deployment of our strategy. It discusses and prepares guidelines on important operational subjects, and its decisions are then deployed throughout the Group.

Experienced Management Team

Our management team has significant experience in the industry. Our new CEO, Martin Fischer, who succeeded Patrick Koller on March 1, 2025, is a global automotive industry leader with over 25 years of expertise. Bernard Schaferbarthold, HELLA's CEO and formerly its CFO, has been a member of HELLA's Management Board responsible for HELLA's Finance and Controlling functions since 2016 and has been with HELLA since 2013. The majority of the members of our Executive Committee have spent most of their careers in the automotive industry. We believe that the experience, industry knowledge and leadership of our management team will help us implement our strategy described below and achieve further profitable growth.

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

Strategy

We have adopted a transformation strategy to benefit from the four major trends of connectivity, autonomous driving, new mobility solutions and electrification which are disrupting the automotive industry. Our strategy is to develop innovative solutions for Sustainable Mobility and the Cockpit of the Future.

We implement our strategy by: (a) making significant investment in innovation and accelerating the integration of new products into the market through a strong ecosystem of strategic and technology partnerships; (b) focusing on operational efficiency and resilience through our Total Customer Satisfaction program and digital transformation program; and (c) maintaining a strong culture based on our core convictions and values.

Through our Sustainable Mobility strategy, we are facilitating the transition to clean mobility by developing solutions for fuel efficiency, zero emissions and air quality. Societal and political pressure on the automotive industry to reduce emissions has never been higher. As stringent new regulations are introduced around the world, and with demand for electrified vehicles consistently increasing, we have made sustainable mobility a strategic priority. We are addressing the major segments for internal combustion engines and electric vehicles by developing solutions for light vehicles, commercial vehicles and high horsepower engines.

Our Cockpit of the Future strategy provides solutions for a more connected, versatile and predictive environment, and responds to the increasing trend for autonomous and connected vehicles. The Cockpit of the Future will allow personalized consumer experiences combining functionalities such as infotainment, ambient lighting, postural and thermal comfort and immersive sound.

We believe that we are uniquely positioned to deliver solutions for Sustainable Mobility and Cockpit of the Future through our leading market positions in our Clean Mobility, Seating and Interiors businesses and through the addition of HELLA's Lighting business and combination of Faurecia Clarion Electronics with HELLA's Electronics business.

The HELLA Acquisition has been a strategic opportunity for us, enabling us to emerge as one of the world's largest suppliers to the automotive industry, with a cutting-edge technology portfolio that addresses the major trends in the industry, and to achieve the combination of two highly complementary companies focused on innovation, operational excellence, customer satisfaction and environmental, social and governance ("**ESG**").

Sustainable Mobility

Our current sustainability strategy rests on a long-term view towards becoming a leader in zero-emissions hydrogen solutions while developing innovative solutions for electric and hybrid vehicles in the near term. To that end, our strategic roadmap for Sustainable Mobility focuses on the following four areas:

- developing hydrogen solutions for zero emissions;
- developing solutions for ultra-low emission passenger vehicles;
- developing solutions for ultra-low emission commercial and industrial vehicles;
- developing sustainable and smart materials;
- developing after-sales and repair services.

Sustainable Mobility – Hydrogen solutions for zero emissions: We believe hydrogen mobility will accelerate rapidly and achieve significant adoption by 2030. Hydrogen can be produced from various energy sources and is a storable energy carrier that generates no CO_2 emissions or polluting gasses when used in vehicles.

We believe that hydrogen is very well suited to commercial, heavy-duty on- and off-road vehicles, as well as high-horsepower engines, giving it the potential to transform transportation and logistics. By 2030, it is estimated that three to five million vehicles equipped with fuel cell technology will be on the roads (*source: Hydrogen Council Discussion Paper 2018*). Since 2018, we have halved the cost of our fuel cell systems and our objective is to continue to reduce the cost significantly. We are developing the next generation of hydrogen systems for commercial and light vehicles, heavy-duty trucks and industrial applications. We currently have the ability to produce several thousands of hydrogen storage systems per year and we aim to significantly increase our production capacity.

We aim to become a leader both in hydrogen storage systems and distribution services, which we develop in-house and for which we have created a center of excellence in France, and in fuel cell stack systems and services produced by Symbio. We are well-positioned in both of these key elements of fuel cell systems, which we estimate represent 75% of the value chain. Since 2018, we have invested over €380 million in hydrogen technology development. The market is expected to grow to €20 billion in 2030. FORVIA and Symbio – our zero-emission hydrogen joint venture with Michelin and Stellantis – have registered a cumulated order intake of €1.2 billion aligned with the long-term ambition of FORVIA as a leader in hydrogen with targeted revenues of €3.5 billion in 2030.

We inaugurated our first mass production plant of hydrogen storage in Allenjoie, France (with a capacity of 100,000 tanks a year, as of 2023).

We further accelerated hydrogen activities in 2023 with the inauguration of SYMBIO's gigafactory Symphon'hy in France. The new factory has a current production capacity of 16,000 fuel cell systems, to reach 50,000 fuel cell systems by 2026, paving the way for large-scale production and supporting its customers in their drive for low-carbon transport. It represents Europe's largest integrated site producing hydrogen fuel cells.

In line with this ambition, in 2020 we inaugurated our global center of expertise, which aims to develop lightweight and cost-competitive hydrogen storage systems. Located in Bavans, France, the center is dedicated to the design and tests of these systems. Our homologated tanks (350 / 700 bar) will also be produced at this new center. With this global center, we also aim to develop new industrial processes to accelerate production and develop innovative materials and smart tanks to reduce the cost of the systems and increase their safety, durability and recyclability.

Moreover, in 2020, we acquired Ullit for high-pressure tanks. We believe this acquisition with Ullit's patented technology for impermeable tank shells will help reinforce our unique hydrogen ecosystem. We recently acquired a majority share in CLD, one of China's largest high-pressure tank manufacturers. We are working with CLD to develop and manufacture type III and IV hydrogen storage tanks for the Chinese market.

Sustainable Mobility – Solutions for ultra-low emission passenger vehicles: The requirement for increasing content in the powertrain to meet emissions control regulations, as well as the need for significant reduction in

CO_2 emissions, drive the need for several of our key technologies which we estimate will increase the overall value of the exhaust line by 20% by 2030. We supply post-treatment systems for internal combustion and hybrid powered engines in order to reduce emissions and noise levels and recover lost energy.

The key technologies for fuel economy and emissions reduction that are already in production or will be by 2025 are the Electric Heated Catalyst ("**EHC**") solutions including a pre-heating function that can give a near zero emissions vehicle, and a combined Exhaust Gas Recirculation ("**EGR**") / Exhaust Heat Recovery Systems ("**EHRS**") which can give over 3% CO_2 savings.

Electrification also drives demand for ultra-quiet vehicles and we have developed products to reduce engine noise through advanced exhaust line architecture, electric valves and resonance free pipes.

Sustainable Mobility – Solutions for ultra-low emission commercial and industrial vehicles: We are anticipating the ongoing emissionization of all commercial vehicles, particularly in growth markets like China and India, where regulations are converging towards European and North American standards. Technologies such as our heated doser contributes to ultra-low NOx emissions by operating efficiently even at lower temperatures and is compatible with current and future after treatment architectures.

In 2018, we acquired Hug Engineering, the European leader in complete exhaust gas purification systems for high horsepower engines. In 2020, stringent regulations were implemented in all regions both for stationary and marine applications. In order to adapt to stricter emission regulations and to improve air quality, we developed "Electric Heated Catalyst" technology that will enable the emission control system in vehicles to reach its maximum efficiency at a faster pace.

Sustainable and smart materials: we design products taking into account their entire life cycle, from the use of resources and raw materials to their eco-design and recyclability at the end of their life. We offer bio-sourced materials that reduce the weight of parts and their carbon footprint. In 2022, we launched MATERI'ACT to develop and produce sustainable materials with up to 85% CO_2 reduction versus current materials. MATERI'ACT develops, sources, produced and sells cutting edge materials including recycled, bio-based and carbon-capturing compounds, bio-based foils, low CO_2 carbon fibers, and green steel.

Sustainable Mobility – After-sale and repair services: we offer solutions to extend the vehicle lifecycle and participate to the circular economy.

Safe, Customized and Advanced Mobility

From our leading position in our Seating and Interiors business groups, we have undertaken a series of acquisitions and partnerships which gives us a unique position in interior modules and systems architecture. The creation of Faurecia Clarion Electronics, regrouping the complementary technologies of Clarion, FCE Europe and Coagent Electronics, technology companies CovaTech and Creo Dynamics, as well as an ecosystem of start-ups and partners, provides us with the electronics, software, computer vision and artificial intelligence competences to deliver on our vision of the Cockpit of the Future. The acquisition of HELLA in 2022 further allowed us to become a major player in Electronics, as the acquisition brought complementary electronics technology that enhanced our product portfolio and expanded our market reach.

We completed the acquisition of the remaining 50% of our joint venture with Continental Automotive GmbH on January 30, 2020, a project that was announced on October 14, 2019. SAS Autosystemtechnik GmbH und Co., KG ("**SAS**") is a leader in cockpit module assembly, logistics and Just-in-Time delivery. The acquisition provides us with expertise in complex logistics and assembly and reinforces our systems integration offer to cover the full range of interior modules. SAS has strong growth potential in North America and China and has also shown a very strong order intake in 2020.

Safe Mobility: Autonomous driving will lead to the development of new uses for the interior of vehicles. As occupant positions may no longer need to be fixed facing forward and upright, users will have more freedom to do other tasks during their journey. To ensure that passengers are safe in all seated positions, features such as airbags or the seatbelt can be integrated directly into the seat. This technology called the Advanced Versatile Structure ("**AVS**") allows occupants to drive, relax and work safely and efficiently. Smart kinematics effortlessly recline, lift, adjust and swivel the seat, and then return it smoothly and quickly back to the upright

or driving position. Through our partnership with ZF, we are developing safety systems so that passengers can continue to travel safely in any seated position, whether they are driving, working or relaxing.

Customized Mobility: We are also developing solutions that provide an optimal onboard experience and enhance wellness. Through close monitoring of the thermal and postural comfort of the occupants, the cockpit will learn each occupant's preferences over time and leverage artificial intelligence to make adjustments so that people feel better at the end of their journey.

In terms of personalized sound experiences, we are combining activated sound surfaces, smart headrests integrating local ANC, IP and telephony, and high-end premium sound, such as that provided through our partnership with Devialet.

In terms of immersive driving experiences, we concluded a contract in 2023 with a German OEM to introduce VIBE, its immersive technology that embeds tactile sensations within the car seat. After five years of R&D in collaboration with Aurasens, pioneers in vibro-haptic composition, VIBE is expected to debut in a next-generation premium SUV by the end of 2025.

Advanced Mobility: We are focused on developing "smart surfaces" for drivers' expecting greater intuitive interaction with their vehicles. "Smart surfaces" combine traditional vehicle interior surfaces, such as the dashboard, with digital displays that are able to control cockpit temperature, sound and lighting. Increased connectivity in vehicles will drive new business models for upgradability, retrofit and services across the vehicle lifetime. We have developed a number of partnerships for connected services, for example with Microsoft for cloud connectivity, and Accenture for digital services.

In May 2019, we announced a 50/50 joint venture with Aptoide, one of the largest independent Android app stores to develop and operate Android app store solutions for the global automotive market. This joint venture offers OEMs an affordable and secured automotive apps market, available worldwide with adaptable content per region. The Aptoide app store offers one million Android apps covering a variety of use cases such as gaming, navigation, content streaming services, point of interest recommendations or parking. Aptoide also offers an integrated secure payment mechanism supporting OEM strategies for service monetization, whilst securing the vehicle and occupants' data privacy.

In May 2019, we announced an investment in GuardKnox, an Israeli automotive cybersecurity provider, to reinforce passenger safety and data security in the connected car and for new user experiences. This investment allows us to offer comprehensive cyber defense solutions (hardware and software) for connected and autonomous vehicles.

Strategic Programs and 2025 Targets

Our ambitions and targets for our future results presented below constitute forward-looking statements and reflect our present ambitions with regard to future performance. Our future performance is subject to a number of important factors and uncertainties that could cause actual results to differ significantly from those described below. Although we believe that the ambitions reflected in these statements are based on reasonable assumptions given our knowledge of our industry, business and operations as at the date of this Offering Memorandum, we cannot give any assurance that these assumptions will prove to be correct, and we caution you not to place undue reliance on such statements. For more information, see "Forward-looking Statements" and "Risk Factors."

This information has been prepared by, and is the responsibility of, management and has not been audited or reviewed by Mazars or Ernst & Young Audit, nor have any procedures been performed by them with respect thereto. The below information is also based in part on preliminary results and estimates and is not intended to be a comprehensive statement of our financial or operational results.

Our strategic pillars are supported by the implementation of several ongoing strategic projects that aim to support our position as a leader in our industry.

On February 19, 2024, we announced the launch of our project "EU-Forward," a five-year project to reinforce our competitiveness in Europe from 2024 to 2028. The objectives of the EU-Forward project are to:

- *Adapt the Group's operations to the fast-changing environment*. Changes in the industry include the expected implementation of internal combustion engine bans in Europe through 2035 that oblige the industry to adapt to an evolving regulatory environment. We anticipate an acceleration in electrification and a structural shift in vehicle sales.

- *Prepare for the evolution of the OEM customer landscape in Europe*. We anticipate the arrival of new entrants from Asia, with Asia expected to soon account for 60% of world vehicle volumes. Our aim is to secure our strong European Union ("**EU**") positions.

- *Improve FORVIA's profitability in the EU and rebalance FORVIA's regional mix*. To address structural overcapacities in Europe, we intend to adapt our regional manufacturing and R&D set-up. In addition to natural attrition, we anticipate implementing a recruitment freeze to reduce recruitment in Europe and reductions in hiring short-term and temporary workers, including external R&D resources. We anticipate increased global R&D and program management efficiency, notably by aiming to leverage artificial intelligence and generative artificial intelligence, including our "AI/GenAI transformation" initiative with the ambition of achieving up to 50% efficiency gains on R&D and core program teams in each business group. The EU-Forward project could impact up to 10,000 jobs (out of approximately 77,100) over the five-year period.

In addition to our "EU-Forward" program, we have developed our "West East" program, which aims to reinforce our competitiveness by benefitting from electric vehicle production growth in Asia. In particular, we intend to leverage the structural advantages that exist in China, such as direct access to critical resources, cheaper energy costs compared to the EU and subsidies available to local companies, to produce more affordable electric vehicles. These advantages allow vehicle production costs to be significantly more competitive in Asia than in the EU, and we believe that adapting our European industrial setup and increasing our industrial footprint in Asia are important to remaining competitive. We have already worked with 19 out of the top 20 Chinese OEMs and aim to continue to reinforce our positioning in Asia, including by strengthening our ties with Japanese and South Korean OEMs and benefitting from growth prospects in India.

Furthermore, through our "Engage" program, we have defined another set of strategic priorities that we expect will bolster our larger financial objectives. "Engage" highlights our ambition of designing based on Scope 3 Emissions, and we are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, and reduce by 45% our Scope 3 Emissions by 2030. As part of this program, we have also set a target of increasing our efficiency gains in 2028 by up to 50% with the help of AI and Generative AI and through the transformation of our engineering and program management.

Additionally, we have recently developed our "Power25" initiative, a medium-term plan created with the mission of driving profitable growth. The ambitions of this plan are based on three key priorities: (i) focusing on operational excellence; (ii) managing through cash; and (iii) accelerating deleveraging and managing maturities.

With these key priorities in mind, the Group has defined the following financial objectives for 2025:

- **Sales**: between €26.3 billion and €27.5 billion at constant exchange rates;
- **Operating margin:** between 5.2% and 6.0% of sales, supported by initiatives for operational excellence and fixed costs reduction;
- **Net cash flow**: equal to or above 2024 levels, through margin expansion and continued actions to reduce capex and inventories; and
- **Net-debt-to-adjusted-EBITDA**: at or below 1.8x (before disposals) at December 31, 2025.

These objectives are based on an assumption of worldwide automotive production of 89.5 million light vehicles in 2025 (S&P forecast of February 2025), with no major disruption materially impacting production or retail sales in any automotive region during 2025. In particular, these objectives are based on market assumptions in line with the S&P forecast of February 2025, including: Europe excluding Russia: -4.9% (of which -8.7% in the first half of 2025 and -0.4% in the second half); North America: -2.1% (of which -4.9% in the first half of 2025 and +0.9% in the second half); China: +1.9% (of which +7.8% in the first half of 2025 and -2.8% in the second

half); Rest of Asia: +1.1% (of which +0.3% in the first half of 2025 and +1.8% in the second half); South America: +6.6% (of which +10.5% in the first half of 2025 and +3.5% in the second half). At FORVIA's mix of sales, this should correspond to organic growth of -2.0% in 2025 compared to 2024, with a significant imbalance between the first half and second half of 2025 (-4.0% in H1 and broadly stable in H2).

These objectives also assume constant average currency exchange rates year-on-year. Tariffs that have been imposed and enforced by the United States as of February 2025 measures are factored into these objectives; however, the impact of any additional measures imposed or enforced by the United States has not been taken into account due to uncertainty concerning scope, implementation, duration and potential impact on industry volume.

Sustainable Development

The political and societal drive towards addressing climate change has now reached the forefront of the agenda in many countries and regions of the world. The Green Deal in Europe to reduce greenhouse gas emissions by 55% in 2030 and to have no net emissions in 2050 is a clear demonstration of this, as is the emphasis put on renewable energy in economic recovery plans. With transport accounting for around one quarter of global CO_2 emissions and passenger vehicles accounting for around 10%, the automotive industry has a strong responsibility to reduce greenhouse gas emissions and reduce its environmental impact. We believe these actions with respect to climate change present a number of opportunities for us. In September 2021, we joined *Entreprises pour l'Environnement* (EpE), a French association bringing together more than 60 French and international companies from all business sectors, willing to better include the environment in their strategy and business decisions.

Sustainable development is fully integrated into our transformation strategy and corporate culture. Within this cultural framework, we have defined six convictions and six values that guide our actions and behaviors. Our six convictions form the basis of our corporate social responsibility ("**CSR**") strategy, "Inspired to Care", and our CSR roadmap.

Our CSR roadmap is based on the following main projects:

- *Achieving Net Zero by 2045,* with 2 intermediate milestones: CO_2 neutrality on Scope 1 Emissions & Scope 2 Emissions by 2025; and a reduction of 45% on Scope 3 Emissions by 2030 (compared to 2019) by focusing on three main levers: "use less", "use better" and "use longer". We design our products for scope 3: working with fewer virgin material, transitioning to frugal architecture, and creating products that last longer and are easier to recycle.

- *Developing more sustainable materials into our products.* We intend to use more sustainable and/or recyclable materials, reducing the amount used and extending their lifespan, to help reduce the overall environmental impact of our products. For example, we have introduced our "Seat for the Planet" and "Interiors for the Planet" innovation programs to advance use of sustainable, low carbon emission and/or recyclable materials in our products. Under our "Interiors for the Planet" program, we have launched the NAFILean™ and NFPP Family product lines.

- *Innovating for Sustainable Mobility and Cockpit of the Future*. We intend on accelerating our transition towards clean mobility solutions through our investment in hydrogen technologies, such as our collaboration with Michelin via the Symbio joint venture. We believe our Electronics business unit, including Faurecia Clarion Electronics, which has been combined with HELLA's electronics and software operations, will offer various growth opportunities for our Cockpit of the Future solutions. We have also partnered up with various industrial partners and invested in start-ups to accelerate innovation in our Sustainable Mobility and Cockpit of the Future strategies.

- *Committing to Total Customer Satisfaction*. We launched our Total Customer Satisfaction program in 2019. The program aims at capturing a holistic picture of customer satisfaction and feedback, both in term of performance and perception of the overall value chain, from order taking to the start of production.

- *Engaging suppliers for sustainable procurement and supply chains*. Our purchasing policy is an integral part of our social and environmental responsibility. Our suppliers have to comply with our supply chain

requirements to assist us in achieving our carbon neutrality goal. We rely on our partner, EcoVadis, in assessing our suppliers in terms of their social and environmental responsibility.

- *Developing an inclusive culture for hiring and retention of talent*. We have launched an inclusive management approach, with particular emphasis on gender diversity. Through this approach we aim to better understand and promote the contribution of diversity in our teams to increase creativity, positivity and better results amongst our employees. We aim to achieve this by focusing on three areas: training management teams developing future talents and recruiting high-potential candidates. In May 2021, we hosted a first-of-its-kind global event dedicated to diversity and inclusion. Two virtual sessions were organized to celebrate the many initiatives happening across the company. Focus was placed on gender diversity, an area where we are committed to progressing. We are also focused on continuously improving female representation with a target for women to represent 35% of total managers and professionals by 2030 alongside 30% of female employees in the Top 300.

- *Promoting training and apprenticeships to prepare for the major changes of the future*. We provide training to our employees through our internal training universities to enable all employees to understand the fundamentals of their relevant business area, integrate technological developments and adapt to the changes in our external environment.

- *Committing to projects with a social impact*. In March 2020, we launched the FORVIA Corporate Foundation to contribute to supporting and developing projects that promote education, mobility and the environment. In the second half of 2020, we initiated projects to promote these three areas in India, Mexico and Morocco and in 2021 eight more employee solidarity projects were supported in China, Europe and the Unites States. We estimate that approximately 6,000 individuals have been supported through the FORVIA Corporate Foundation since 2020.

Ambition to achieve CO_2 neutrality for all scopes 1, 2 and 3 by 2045.

We are committed to tackling climate change and have launched an ambitious program to become CO_2 neutral by 2045. Through this program, we aim to both reduce our environmental impact and create long-term value across our entire supply chain. We are investing in innovation to advance the sustainability of our products and industrial processes across all of our businesses.

We have developed a plan in three steps to achieve this goal. This plan is validated by the Science Based Targets initiative ("**SBTi**"). FORVIA is the first automotive company whose CO_2 neutrality has been validated by SBTI against its new "net-zero emissions" standard.

The steps in FORVIA's plan to achieve CO_2 neutrality are as follows:

- *By 2025:* we aim a reduction of at least 80% in Scope 1 Emissions and Scope 2 Emissions across all our sites compared to 2019. 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.

- *By 2030:* we aim to reduce our Scope 3 Emissions by 45% compared to 2019, including Controlled Emissions of our products and emissions of vehicles equipped with our products. We are focusing on the use of sustainable materials, the development of eco-design (frugal architecture) and the Life Cycle Analysis of our products. These levers enable the CO_2 neutrality strategy to be managed across the entire supply chain.

- *By 2045:* we aim to achieve CO_2 neutrality by reducing our Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by at least 90% (compared to 2019) and we will focus on neutralizing our residual emissions by promoting CO_2 sequestration solutions in our products.

FORVIA's Scope 1 & 2 strategy is based on:

- *Energy frugality:* from 2019 to 2023, we reduced our energy intensity by 26%. To roll out energy efficiency programs, the Group has entered into partnerships with Schneider Electric, Engie and

GreenYellow. These contracts cover more than 60 sites and have enabled reductions in the consumptions of the sites concerned.

- *Replacing fossil fuels with renewable energies:* in 2023, the Group contracted two virtual power purchase agreements in Northern Europe providing up to 642 GWh/year of renewable electricity. These projects make it possible to decarbonize up to 70% of FORVIA's European consumption, and up to 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 61MWp. 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.

To reduce Scope 3 Emissions, the Group is developing materials with an ultra-low CO_2 footprint.

- FORVIA has created a dedicated entity, MATERI'ACT, 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 ranges of low CO_2-materials from sustainable foils bio-based and recycled plastic compounds, and carbon fibers with an ultra-low footprint, enabling a reduction in CO_2 emissions up to 85% by 2030 compared to existing materials.

- 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).

- As of December 31, 2024, the Group had reduced the CO_2 emissions in its supply chain (Scope 3) by 15% compared to 2019, showing progress towards its goal to reduce Scope 3 Emissions by 45% by 2030.

Planet, Business and People

Guided by the United Nations Sustainable Development Goals, our CSR Strategy, "Inspired to Care", is structured around three pillars: Planet, Business and People.

- *Planet:* We are seeking to reduce the carbon footprint of our sites and activities through energy and transport purchases. We are also addressing the carbon footprint of our products by using more environmentally friendly materials and processes. We have an ambition to be CO_2 neutral for all scopes 1, 2 and 3 by 2045. Our emissions reduction targets have been approved by SBTi as compatible with the reduction required to limit global warming to 1.5°C. We have signed contracts with several Energy partners to develop an action plan to optimize energy sourcing and to use less energy and clean energy across all of our sites.

- *Business:* We are seeking to innovate and develop solutions for increasingly clean mobility. With organizations being challenged to be increasingly agile and faster, we work towards being more vigilant and compliant with the highest ethical business standards. Our goal is to become the preferred reference partner of sustainable mobility in the market. The Group is a board member of the Hydrogen Council, which is a global initiative bringing together more than 140 leading companies in the field of energy, transport, industry and investment. 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, former Chief Executive Officer of FORVIA SE.

- *People:* We are implementing stringent workplace safety and risk prevention policies. To prepare the teams for future changes, we provide many different types of training to as many employees as possible. To attract and develop talent, we favor a more inclusive culture. As a global company, our goal is to increase our role towards society by contributing to solving social issues.

In line with our convictions, we adhere to international initiatives for sustainable development. The Group is a signatory of Global Compact and contributes to the ambitions of the 17 Sustainable Development Goals of the United Nations. We are also a signatory of the French Business Climate pledge and have committed to following the recommendations of the Task Force on Climate Financial Disclosure. The Group is also

committed through the Act4nature global alliance to act in favor of biodiversity with concrete actions planned. Finally, FORVIA has been a signatory of the Women Empowerment Principles (WEPs), an initiative established by the United Nations Global Compact and UN Women.

The Refinancing

The proceeds of the Notes will be used, together with cash on hand, to refinance in full the 2026 Notes (the "**Refinancing**").

The Refinancing is part of the Group's plan to repay long-term financial liabilities, which may include outstanding notes or other outstanding debt, to be financed through one or more issuances, including potentially concomitantly with or shortly after the offering of the Notes, of debt securities in dollars, euros or other currencies, with various maturities, by the end of 2025. The Issuer makes no commitment as to the timing or total amount of refinancing ultimately realized, which will depend on market conditions, among other factors.

See "*Use of Proceeds*" and "*Capitalization*."

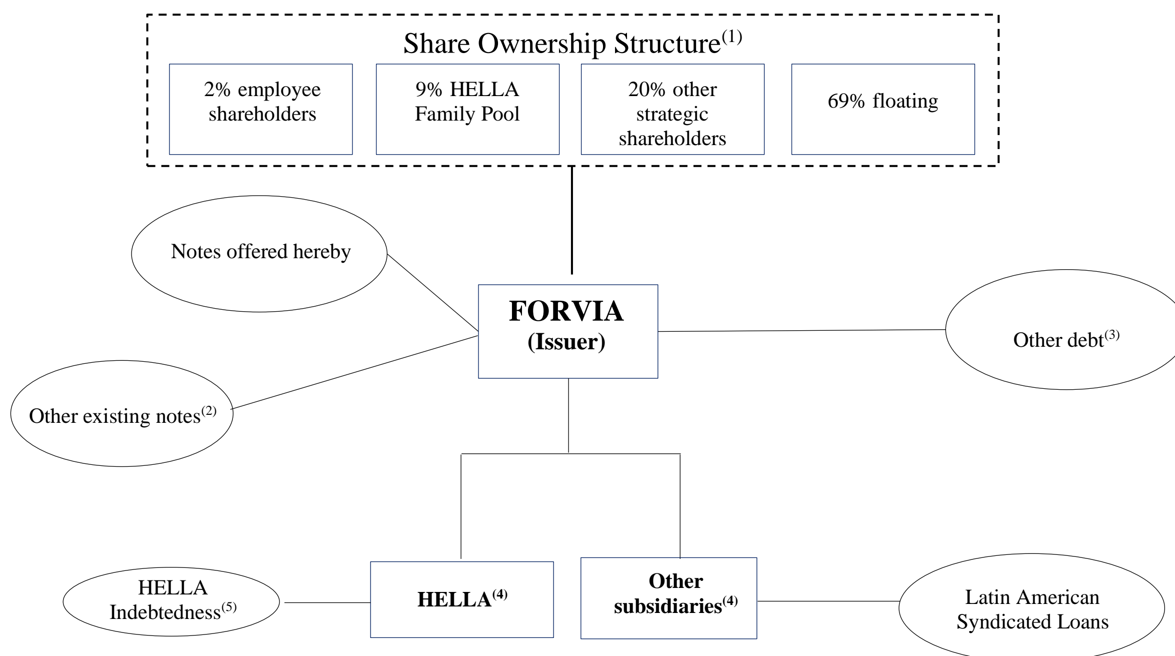
Recent Developments

Changes in Management

On March 1, 2025, Martin Fischer officially assumed the role of CEO of FORVIA, succeeding Patrick Koller. His appointment follows the announcement made by FORVIA's Board of Directors on December 2, 2024. To ensure a smooth transition, Martin Fischer was appointed Deputy CEO on December 6, 2024, before stepping into the CEO position on March 1, 2025. See "*Management*".

SUMMARY CORPORATE AND FINANCING STRUCTURE

The following is a simplified summary of our corporate and financing structure as of December 31, 2024 after giving effect to the Offering. This structure chart excludes certain financing arrangements and indebtedness borrowed by our Group, some of which is at the subsidiary level, including bank loans, overdrafts, factoring arrangements and finance lease obligations. For more information on our capitalization, see "*Capitalization*" and "*Description of Other Indebtedness*".



(1) For more information on FORVIA's ownership structure, see "*Principal Shareholders and Related Party Transactions—Principal Shareholders*".

(2) Other existing notes includes (i) the 2026 Sustainability-Linked Notes, (ii) the 2027 Notes, (iii) the 2027 Sustainability-Linked Notes, (iv) the 2028 Notes, (v) the 2029 Notes, (vi) the 2029 Green Notes, (vii) the 2031 Notes and (viii) the JPY Notes.

(3) Other debt includes (i) the Syndicated Credit Facility, (ii) the Term Loan, (iii) the EIB Loan Syndicated Credit Facility, (iv) the Japanese Yen Term and Revolving Facilities Agreement and (v) the Schuldscheindarlehen.

(4) As at December 31, 2024, our subsidiaries, including HELLA, had €1,480.7 million of gross financial debt to third parties, excluding leases of €1,054.3 million. Such indebtedness will be structurally senior to the Syndicated Credit Facility, the Japanese Yen Term and Revolving Facilities Agreement, the Schuldscheindarlehen, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the EIB Loan, the JPY Notes, the Term Loan and the Notes, and the 2026 Sustainability-Linked Notes.

(5) The HELLA Indebtedness includes (i) the HELLA 2027 Notes, (ii) the HELLA Japanese Yen Debt, (iii) the HELLA USD Loan, (iv) the HELLA SSD and (v) to the extent drawn, if at all, the HELLA Credit Facility. Under the HELLA Credit Facility Agreement, €450 million in funds is available to HELLA, as well as an option to increase the facility by an additional €150 million, and the facility remains fully undrawn as of the date of this Offering Memorandum.

THE OFFERING

The summary below describes the principal terms of the Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. You should carefully read the "*Description of the Notes*" section of this Offering Memorandum for a more detailed description of the terms and conditions of the Notes.

Issuer	FORVIA, *société européenne*, a company with limited liability, *societas europaea* incorporated under the laws of the Republic of France.
Notes Offered	€750,000,000 aggregate principal amount of its 5.625% Senior Notes due 2030 (the "**Notes**").
Maturity Date	The Notes will mature on June 15, 2030.
Issue Date	March 24, 2025.
Issue Price	100.000%, plus accrued and unpaid interest, if any, from the Issue Date.
Interest Rate	The Notes will bear interest at 5.625% *per annum*.
Interest Payment Dates	Semi-annually in arrears on June 15 and December 15 of each year, commencing on June 15, 2025 (short first coupon). Interest will accrue from the issue date of the Notes, and will be computed on the basis of a 360-day year comprised of twelve 30-day months.
Denomination	€100,000 and integral multiples of €1,000 in excess thereof.
Ranking	The Notes will be senior unsecured and unguaranteed obligations of the Issuer and will: • rank equally in right of payment among themselves and with all existing and future unsecured senior indebtedness of the Issuer, including indebtedness under the Syndicated Credit Facility, the Schuldscheindarlehen, the Japanese Yen Term and Revolving Facilities Agreement, the 2026 Sustainability-Linked Notes, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the 2031 Notes, the JPY Notes, the EIB Loan and the Term Loan; • rank senior in right of payment to any existing and future subordinated obligations of the Issuer; • rank effectively junior to all existing and future secured indebtedness of the Issuer to the extent of the value of the assets securing such indebtedness; and rank structurally junior to all existing and future indebtedness, liabilities and commitments (including trade payables and lease obligations) of the Issuer's subsidiaries, including HELLA. As the Issuer is a holding company with no trading operations of its own, substantially all of the Group's trade payables are incurred by our subsidiaries. As at December 31, 2024, our subsidiaries, including HELLA, had €1,480.7 million of gross financial debt to third parties, excluding leases of €1,054.3 million, and our consolidated trade payables amounted to €8,508.7 million. See "*Risk Factors—Risk Factors Related to the Notes—The Notes are solely obligations of the Issuer and will be structurally subordinated to all of the claims of the creditors of the Issuer's subsidiaries, including HELLA*."
Optional Redemption	At any time prior to June 15, 2027, the Issuer may, at its option, redeem the Notes, in whole or in part, at a redemption price equal to 100% of the

principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the redemption date, plus the applicable "make-whole" premium set forth in "*Description of the Notes—Optional Redemption*."

At any time on or after June 15, 2027, the Issuer may, at its option, redeem the Notes, in whole or in part, at redemption prices that vary by period, as set forth in "*Description of the Notes—Optional Redemption*", plus accrued and unpaid interest, if any, to the redemption date.

At any time prior to June 15, 2027, the Issuer may, at its option, redeem up to 40% of the aggregate principal amount of the Notes at a redemption price equal to 105.625% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the redemption date, using the net proceeds from one or more specified equity offerings.

Additional Amounts .... Any payments made by the Issuer with respect to the Notes will be made without withholding or deducting for taxes in any relevant taxing jurisdiction, unless required by law. If the Issuer is required by law to withhold or deduct for such taxes with respect to a payment to the holders of the Notes, the Issuer will pay the additional amounts necessary (subject to certain exceptions) so that the net amount received by the holders of the Notes after the withholding is not less than the amount they would have received in the absence of the withholding. See "*Description of the Notes—Taxation*."

Tax Redemption.................... The Issuer may, but is not required to, redeem the Notes at any time in whole, but not in part, at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, in the event the Issuer has become or would become obligated to pay "additional amounts" with respect to such Notes as a result of certain changes in tax laws or their interpretation. See "*Description of the Notes—Taxation*."

Change of Control .... Upon the occurrence of certain specified changes of control, the holders of the Notes will have the right to require the Issuer to repurchase all or part of the Notes at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date. See "*Description of the Notes—Change of Control*".

Covenants .... The indenture dated on or about the issue date of the Notes offered hereby (the "**Indenture**") will, among other things, limit the ability of the Issuer and its Subsidiaries (as that term is defined below under "*Description of the Notes—Definitions*") to:

- incur or guarantee additional indebtedness;
- create liens; and
- merge or consolidate with other entities.

Each of the covenants is subject to a number of important exceptions and qualifications. See "*Description of the Notes—Covenants*".

Certain of the above covenants will be suspended upon achievement and during maintenance of investment grade status for the Notes, in the event that the Notes have been assigned at least two of the following ratings: (i) BBB- or higher by S&P, (ii) Baa3 or higher by Moody's, or (iii) BBB- or higher by Fitch. See "*Description of the Notes—Suspension of Covenants During Achievement of Investment Grade Status*".

Form of Notes......................... The Notes will be issued in the form of global notes which will be delivered through Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). See "*Book-Entry, Delivery and Form.*"

ISIN and Common Codes .....

	Rule 144A	Regulation S
ISIN:	XS3023963617	XS3023963534
Common Codes:	302396361	302396353

Transfer Restrictions............ The Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or any other jurisdiction and the Notes may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Issuer has not agreed to, or otherwise undertaken to, register the Notes (including by way of an exchange offer) under the Securities Act. See "*Notice to U.S. Investors,*" "*Plan of Distribution*" and "*Transfer Restrictions*".

No Prior Market .... The Notes will be new securities. Although the Initial Purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and may discontinue market making at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained. See "*Risk Factors—Risks Related to the Notes—There currently exists no market for the Notes, and we cannot provide assurance that an active trading market will develop for the Notes*".

Use of Proceeds .... The proceeds of the Notes will be used to repay existing indebtedness. See "*Summary—The Refinancing,*" "*Use of Proceeds*" and "*Capitalization.*"

Listing.................................... Application will be made to list the Notes on the Official List of Euronext Dublin and to admit the Notes for trading on the Global Exchange Market. Currently there is no public market for the Notes.

Listing Agent.......................... Walkers Listing Services Limited.

Trustee................................... Citibank, N.A., London Branch.

Principal Paying Agent and Transfer Agent....................... Citibank, N.A., London Branch.

Registrar................................ Citibank, N.A., London Branch.

Governing Law of the Notes and the Indenture .... The Indenture and the Notes will be governed by the laws of the State of New York.

Risk Factors .... You should refer to "*Risk Factors*" of this Offering Memorandum for a description of certain risks involved in investing in the Notes.

SUMMARY FINANCIAL AND OPERATING DATA

The following tables set forth our summary financial and operating data for the years ended and as at the dates indicated below. Our summary financial information as at and for the years ended December 31, 2024, 2023, and 2022 have been derived from the 2024 Consolidated Financial Statements, 2023 Consolidated Financial Statements and the 2022 Consolidated Financial Statements, which are incorporated by reference in this Offering Memorandum. The consolidated financial statements of the Issuer incorporated by reference in this Offering Memorandum have been prepared in accordance with IFRS.

The following information should be read in conjunction with the section headed "Presentation of Financial and Other Information" and the section headed "Management's Discussion and Analysis of Results of Operations" elsewhere in this Offering Memorandum, as well as our consolidated financial statements and the related notes thereto. Our historical results do not necessarily indicate results that may be expected for any future period.

Summary consolidated income statement data

	For the year ended December 31,		
	2022†*	**2023**	**2024**
		(in € millions)	
SALES	**24,573.7**	**27,247.9**	**26,974.2**
Cost of sales	(21,442.1)	(23,585.5)	(23,371.4)
Research and development costs	(896.0)	(953.0)	(934.8)
Selling and administrative expenses	(1,175.1)	(1,270.3)	(1,268.0)
OPERATING INCOME	**1,060.5**	**1,439.1**	**1,400.0**
Amortization of intangible assets acquired in business combinations	(189.9)	(193.2)	(190.5)
Other non-operating income and expenses	(442.5)	(181.4)	(423.7)
Income from loans, cash investments and marketable securities	50.3	90.7	129.4
Finance costs	(377.1)	(586.2)	(624.6)
Other financial income and expenses	(168.4)	36.6	(49.8)
INCOME BEFORE TAX OF FULLY CONSOLIDATED COMPANIES	**(67.1)**	**605.6**	**228.8**
Taxes	(177.0)	(232.4)	(235.3)
of which deferred taxes	*177.5*	*181.6*	*146.9*
NET INCOME OF FULLY CONSOLIDATED COMPANIES	**(244.1)**	**373.2**	**(6.5)**
Share of net income of associates	11.4	(2.2)	(17.7)
NET INCOME FROM CONTINUED OPERATIONS	**(232.7)**	**371.0**	(24.2)
NET INCOME (LOSS) FROM DISCONTINUED OPERATIONS	**(17.7)**	**(5.4)**	**0.0**
Consolidated Net Income	**(250.4)**	**365.6**	**(24.2)**
Attributable to owners of the parent	(381.8)	222.2	(185.2)
Attributable to minority interests from continued operations	131.4	143.4	**-**

† Results for the year ended December 31, 2022 include the consolidated results of HELLA from February 1, 2022.

* Results for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

Breakdown by Region

	For the year ended December 31,		
	2022†*	2023	2024
	(in € millions, except ratios)		
Sales	**24,573.7**	**27,247.9**	**26,974.2**
EMEA	11,050.3	12,650.5	12,606.9
Americas	6,822.7	7,207.2	7,151.6
Asia	6,700.7	7,390.1	7,215.6
Operating income	**1,060.5**	**1,439.1**	**1,400.0**
EMEA	175.0	316.4	313.0
Americas	175.5	308.1	333.0
Asia	710.0	814.5	754.0
Operating income margin (%)	**4.3**	**5.3**	**5.2**
EMEA	1.6	2.5	2.5
Americas	2.6	4.3	4.7
Asia	10.6	11.0	10.4

† Results for the year ended December 31, 2022 include the consolidated results of HELLA from February 1, 2022.

* Results for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

The tables below set out the Group's sales growth by region at constant scope and currencies for the periods indicated.

(in € million except for percentages)	2023	Scope Effect	2024	% Growth (Reported)	% Growth (Constant Scope & Currency)
EMEA	12,650.6	(148.8)	12,606.9	-0.3	1.3
Americas	7,207.2	(203.8)	7,151.6	-0.8	3.2
Asia	7,390.1	271.0	7,215.6	-2.4	-3.9
Of which China	*5,850.8*	*271.0*	*5,654.2*	*-3.4*	*-6.4*
Total	**27,247.9**	**(81.7)**	**26,974.2**	**-1.0**	**0.4**

(in € million except for percentages)	2022 (Restated)	Scope Effect	2023	% Growth (Reported)	% Growth (Constant Scope & Currency)
EMEA	11,050.3	327.5	12,650.6	14.5	14.0
Americas	6,822.7	68.8	7,207.2	5.6	10.9
Asia	6,700.7	118.8	7,390.1	10.3	17.0
Of which China	*5,282.5*	*104.6*	*5,850.8*	*10.8*	*17.7*
Total	**24,573.7**	**515.2**	**27,247.9**	**10.9**	**14.0**

Breakdown by Business Group

	For the year ended December 31,		
	2022[†*]	**2023**	**2024**
	(in € millions, except ratios)		
Sales	**24,573.7**	**27,247.9**	**26,974.2**
Seating	7,704.3	8,551.1	8,634.3
Interiors	4,644.9	4,922.7	5,108.4
Clean Mobility	4,735.8	4,832.2	4,153.4
Electronics	3,521.7	4,138.0	4,188.7
Lighting[(1)]	3,074.0	3,745.8	3,878.6
Lifecycle Solutions[(1)]	893.0	1,058.1	1,010.9
Operating income	**1,060.5**	**1,439.1**	**1,400.0**
Seating	197.0	314.7	434.4
Interiors	191.3	200.9	109.4
Clean Mobility	336.3	383.7	346.3
Electronics	140.8	219.4	229.7
Lighting[(1)]	106.5	192.7	186.6
Lifecycle Solutions[(1)]	88.5	127.6	93.7
Operating income margin (%)	**4.3**	**5.3**	**5.2**
Seating	2.6	3.7	5.0
Interiors	4.1	4.1	2.1
Clean Mobility	7.1	7.9	8.3
Electronics	4.0	5.3	5.5
Lighting[(1)]	3.5	5.1	4.8
Lifecycle Solutions[(1)]	9.9	12.1	9.3

† Results for the year ended December 31, 2022 include the consolidated results of HELLA from February 1, 2022.

* Results for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

(1) Lighting and Lifecycle Solutions were not operating segments of the Group prior to the acquisition of HELLA in 2022.

The tables below set out the Group's sales growth by business group at constant scope and currencies for the periods indicated:

(in € million except for percentages)	**2023**	**Scope Effect**	**2024**	**% Growth (Reported)**	**% Growth (Constant Scope & Currency)**
Seating	8,551.1	-	8,634.3	1.0	1.8
Interiors	4,922.7	-	5,108.4	3.8	5.0
Clean Mobility	4,832.2	(352.7)	4,153.4	-14.0	-5.3
Electronics	4,138.0	-	4,188.7	1.2	2.6
Lighting	3,745.8	271.0	3,878.6	3.5	-2.7
Lifecycle Solutions	1,058.1	-	1,010.9	-4.5	-3.8
Total	**27,247.9**	**(81.7)**	**26,974.2**	**-1.0**	**0.4**

(in € million except for percentages)	**2022 (Restated)**	**Scope Effect**	**2023**	**% Growth (Reported)**	**% Growth (Constant Scope & Currency)**
Seating	7,704.3	-	8,551.1	11.0	16.2
Interiors	4,644.9	-	4,922.7	6.0	11.5
Clean Mobility	4,735.8	(101.6)	4,832.2	2.0	11.4
Electronics	3,521.7	247.1	4,138.0	17.5	14.8
Lighting	3,074.0	281.4	3,745.8	21.9	15.2
Lifecycle Solutions	893.0	88.2	1,058.1	18.5	12.8
Total	**24,573.7**	**515.2**	**27,247.9**	**10.9**	**14.0**

Summary consolidated cash flow statement data

	For the year ended December 31,		
	2022[†*]	**2023**	**2024**
		(in € millions)	
Net cash provided (used) by:			
Operating activities	2,464.6	2,614.5	2,631.0
Of which from discontinued activities	*32.0*	*(148.9)*	*0.0*
Investing activities	(6,250.7)	(1,524.1)	(1,799.8)
Of which from discontinued activities	*(44.6)*	*255.7*	*0.0*
Financing activities	3,119.9	(889.0)	(636.4)
Of which from discontinued activities	*(0.9)*	*60.6*	*0.0*

† Cash flows for the year ended December 31, 2022 include the consolidated cash flows of HELLA from February 1, 2022.
* Cash flows for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

Summary consolidated balance sheet data

	As at December 31,		
	2022	**2023**	**2024**
		(in € millions)	
Assets			
TOTAL NON-CURRENT ASSETS	**17,587.8**	**16,973.7**	**17,262.2**
of which intangible assets	4,590.1	4,374.8	4,580.0
of which property, plant and equipment	5,055.8	4,934.9	4,978.9
TOTAL CURRENT ASSETS	**14,630.6**	**13,511.5**	**13,009.1**
of which inventories, net[‡]	2,924.2	2,903.7	2,580.7
of which trade accounts receivables	5,065.9	4,132.9	3,962.3
of which cash and cash equivalents	4,171.4	4,273.9	4,500.4
of which assets held for sale	—	—	—
TOTAL ASSETS	**32,218.4**	**30 485,2**	**30,271.3**
Liabilities			
Equity attributable to owners of the parent	4,548.0	4,509.4	4,291.8
Total shareholders' equity	6,239.1	6,171.4	6,070.4
Total non-current liabilities	11,169.2	10,553.0	11,126.1
Total current liabilities	14,810.1	13,760.8	13,074.8
Liabilities linked to assets held for sale	—	—	—
TOTAL EQUITY AND LIABILITIES	**32,218.4**	**30,485.2**	**30,271.3**

Other consolidated financial data

	As at and for the year ended December 31,		
	2022†*	2023	2024
	(in € millions, except ratios and as indicated)		
Order intake (€ billions)	31	31	31
Sales	24,573.7	27,247.9	26,974.2
% Growth (constant scope & currency)	*17*	*14*	*0.4*
Worldwide automotive production (millions of units) [(1)]	82.3	90.5	89.5
% change from prior year [(1)]	*6.7*	*9.9*	*-1.1*
Outperformance (bps) [(1)]	*1,080*	*430*	*150*
Adjusted EBITDA[(2)]	2,907.3	3,328.0	3,354.6
Adjusted EBITDA margin *(%)*	11.8	12.2	12.8
Operating income	1,060.5	1,439.1	1,400.0
Operating income margin (*%*)	4.3	5.3	5.2
Gross cash interest expense	(377.1)	(586.2)	(624.6)
Total capital expenditure[(3)]	(1,137.0)	(1,137.3)	(972.6)
Capitalized development costs	1,170.8	1,269.9	1,242.7
Net cash flow	483.4	649.1	654.9
Net debt[(4)]	7,939.1	6,987.3	6,622.6
Ratio of net debt to Adjusted EBITDA[(5)]	2.7x	2.1x	2.0x
Ratio of Adjusted EBITDA to gross cash interest expense[(6)]	7.7x	5.7x	5.4x

† Results for the year ended December 31, 2022 include the consolidated results of HELLA from February 1, 2022.

* Results for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

Adjusted for the Offering and the Refinancing

	As at and for the year ended December 31, 2024
	(in € millions, except ratios)
Adjusted gross cash interest expense[(7)]	643.4
Adjusted net debt[(8)]	6,626.4
Ratio of adjusted net debt to Adjusted EBITDA[(9)]	2.0x
Ratio of Adjusted EBITDA to adjusted gross cash interest expense[(10)]	5.2x

(1) Reflects worldwide automotive production data sourced from IHS Markit. See "*Our Industry—Global automotive market performance*." Outperformance refers to Group sales growth at constant scope and currencies in excess of worldwide automotive production.

(2) Adjusted EBITDA is a non-IFRS measure, which as used in this Offering Memorandum refers to operating income (before amortization of acquired intangible assets), before depreciation, amortization and provisions for impairment of property, plant and equipment and capitalized R&D expenditures. Adjusted EBITDA should not be considered as an alternative to operating income, net income, cash flow from operating activities or as a measure of liquidity. Companies with similar or different activities may calculate Adjusted EBITDA differently than us. See "*Presentation of Financial and Other Information*."

In accordance with the European Securities and Markets Authority rules regarding the labelling of performance measures published in October 2021, the term "Adjusted EBITDA" is used by the Group with effect as of January 1, 2022 instead of the term "EBITDA" that was previously used.

The following table shows for each period a reconciliation to Adjusted EBITDA of operating income (before amortization of acquired intangible assets) for the period:

	For the year ended December 31,		
	2022†*	2023	2024
	(in € millions)		
Operating income	**1,060.5**	**1,439.1**	**1,400.0**
Depreciation and amortization of assets[(a)]	1,846.8	1,888.9	1,954.6
Adjusted EBITDA	**2,907.3**	**3,328.0**	**3,354.6**

† Results for the year ended December 31, 2022 include the consolidated results of HELLA from February 1, 2022.

* Results for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

(a) Includes provisions for impairment of capitalized development costs.

(3) Total Capital Expenditures include Property, Plant & Equipment and Intangibles.

(4) Net debt represents total non-current and current financial liabilities, including leases liabilities, less derivatives classified under non-current and current assets, less cash and cash equivalents, as reported.

(5) Net debt to Adjusted EBITDA represents net debt divided by Adjusted EBITDA.

(6) Adjusted EBITDA to gross cash interest expense represents Adjusted EBITDA divided by gross cash interest expense.

(7) Adjusted gross cash interest expense for the year ended December 31, 2024 is based on our gross cash interest expense for the year ended December 31, 2024, as adjusted to give effect to the Offering and the Refinancing (see "—*The Refinancing*", "*Use of Proceeds*" and "*Capitalization*"), as if the Offering and the Refinancing had occurred on December 31, 2024 and assumes the repayment in full of the 2026 Notes (without taking into account borrowings made since January 1, 2025 as set out in "*Capitalization*"); adjusted gross cash interest expense has been presented for illustrative purposes only and does not purport to represent what our gross cash interest expense would have actually been had the Offering and the Refinancing occurred on the date assumed, nor does it purport to project the Group's gross cash interest expense for any future period or our financial condition at any future date.

(8) Adjusted net debt as of December 31, 2024 is based on our net debt as of December 31, 2024, as adjusted to give effect to the Offering and the Refinancing (see "—*The Refinancing*", "*Use of Proceeds*" and "*Capitalization*"), as if the Offering and the Refinancing had occurred on December 31, 2024 and assumes the repayment in full of the 2026 Notes (without taking into account borrowings made since January 1, 2025 as set out in "*Capitalization*"); adjusted net debt has been presented for illustrative purposes only and does not purport to represent what our net debt would have actually been had the Offering and the Refinancing occurred on the date assumed, nor does it purport to project the Group's net debt for any future period or our financial condition at any future date.

(9) Ratio of adjusted net debt to Adjusted EBITDA for the year ended December 31, 2024 is the ratio of our adjusted net debt as at December 31, 2024, as described in footnote (7) above, to our Adjusted EBITDA for the year ended December 31, 2024, as described in footnote (1) above.

(10) Ratio of Adjusted EBITDA to adjusted gross cash interest expense for the year ended December 31, 2024 is the ratio of our Adjusted EBITDA for the year ended December 31, 2024, as described in footnote (1) above, to our adjusted gross cash interest expense for the year ended December 31, 2024, as described in footnote (6) above.

RISK FACTORS

Potential investors should carefully read and consider the risk factors described below and the other information contained in this Offering Memorandum before they make a decision about acquiring the Notes. The realization of one or more of these risks could individually or together with other circumstances adversely affect our business, financial condition and results of operations. The market price of the Notes could decline as the result of any of these risks, and investors could lose all or part of their investment. The risks described below may not be the only risks we face. Additional risks that are presently not known to us or that are currently considered immaterial could also adversely affect our operations and have material adverse effects on our business, financial condition and results of operations. The sequence in which the risks factors are presented below is not indicative of their importance, their likelihood of occurrence or the scope of their financial consequences.

Risks Related to Our Operations

Our business is dependent on the automotive sector and the commercial success of the models for which we supply components.

Given that we specialize in the manufacture of original equipment for our automaker customers, our business is directly related to vehicle production levels of these customers in their markets. The cyclical nature that characterizes our customers' businesses can have a significant impact on our sales and results. The level of sales and production for each of our customers depends on numerous parameters, notably the general level of consumption of goods and services in a given market, confidence levels of participants in that market, buyers' ability to access credit for vehicle purchases, and in some cases, governmental aid programs (such as the financial support provided to the automotive sector and incentives introduced for the purchase of vehicles).

Our sales are directly linked to the performance of the automotive industry in the major geographic regions where we and our customers operate, especially in EMEA (which constituted 47% of our sales in 2024), Asia (which constituted 27% of our sales in 2024) and the Americas (which constituted 26% of our sales in 2024). 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 or generate a shift in geographic supply to different markets or locations from the current footprint of FORVIA.

Our sales are also related to the commercial success of the models for which we produce components and modules. At the end of a vehicle's life cycle, there is significant uncertainty around whether our products will be taken up again for the replacement model. In addition, orders placed with us are open orders without any guarantees of minimum volumes and are generally based on the life of the vehicle model concerned. There can be no guarantee that our products will be utilized for the replacement model, and we could therefore be required to make certain investments in supply contracts that may not be offset by customer order volumes, which would generate a significant impact on our operating income. A shift in market share away from the vehicles for which we produce components and modules (and in particular, internal combustion engine vehicles) could have a material adverse effect on our business, financial condition and results of operations.

We may be adversely affected by the loss of key customers due to industry consolidation and by the risk that our customers could default on their financial obligations or enter bankruptcy.

In 2024, our four largest customers accounted for 45% of sales, as follows: Volkswagen (19%), Ford (9%), Stellantis (10%) and Mercedez-Benz (7%).

In view of the economic context in the automotive sector, new entrants and strong competition in China, a decrease in volumes, increasingly stringent environmental standards, we cannot rule out the possibility that one or more of our customers may not be able to honor certain contracts or may suffer financial difficulties. In addition, changes in the automotive sector could accelerate the concentration of automakers, ultimately resulting in the disappearance of certain brands or vehicle models for which we produce equipment. Our major customers could also face a slowdown in activity, including as a result of the potential impact of increased regulatory scrutiny of emissions tests, among other factors. The occurrence of one or more of these events could have a material adverse effect on our business, financial condition and results of operations.

We are dependent on many suppliers to maintain production levels.

We use a large number of suppliers based in different countries for our raw materials and basic parts supplies. For the year ended December 31, 2024, we made total purchases (direct and indirect, excluding monolithic catalytic converters) of more than €20 billion from approximately 30,000 suppliers.

If one or more of our main suppliers were to go bankrupt, or experience an unforeseen stock-out, quality problems, social unrest, a strike or any other incident disrupting the supplies for which it is committed to us, this could negatively impact our image or production output or lead to additional costs, which in turn could have a material adverse effect on our business, financial condition and results of operations. We have been and could be impacted in the future in the event of supplier failures, for example, following a major disaster impacting a supplier's production sites, a health crisis, production quality issues, delivery of lower than required quantities or a shortage of certain raw materials and components, such as electronic components, or a liquidation or even bankruptcy.

We are also subject to negative impacts as a result of disruptions to suppliers in the global supply chain. The global value chain has in the past experienced disruptions as the result of a general lack of production capacity for certain raw materials or components, such as the post Covid-19 shortage of semiconductors, which had an adverse impact on vehicle production levels. Such shortages may be further exacerbated by external events, such as a pandemic, natural disasters, accidents or social unrest, geopolitical tensions and regulatory changes, or other external factors. In addition, the global economic context, such as the recovery from the impacts of the Covid-19 pandemic, has created and may continue to create pressure on demand for raw materials or components, which may result in a disruption to production further down the global value chain.

In addition, if we or one of our suppliers or service providers default at any stage of the manufacturing process, or if we are no longer able to purchase such raw materials or components in sufficient quantities or at sufficiently affordable prices to meet existing customer orders, we may be held liable for failure to fulfil our contractual obligations or for technical problems. In such a case, we may also be required to pay compensation related to the difficulty of continuing current projects.

Disruptions in supply chains or a decline in the volume of vehicles produced by global carmakers as a result of tension in supply and logistics chains would have a material adverse effect on our business, turnover, sales, financial situation, financial results, outlook and share price.

We may not always be able to satisfy our customers' demands or maintain the quality of our products.

As a components producer and components and systems assembler for the automotive industry, and given the high volumes that our customers order, we must adapt our business activity to our customers' demands with respect to their supply chains, production operations, services and R&D. If the software provided by our suppliers is defective, the product may not function as intended. In particular, a number of our products, including infotainment, Advanced Driver Assistance Systems (ADAS), Android system embedded applications, cloud computing applications and wireless chargers that also connect with smartphones, include embedded software which is obtained from third-party providers. Should we, or one of our suppliers or service providers, default at any stage of the manufacturing process or provide a defective service, we could be held liable for failure to fulfil our contractual obligations or for any technical problems that may arise. This remote access control can lead to significant handling of the vehicle, which could endanger the safety of passengers.

In addition, any actual or alleged instances of inferior product quality, or of damage caused or allegedly caused by our products, or the actual or alleged failure of products designed by us could damage our reputation and brand, force us to recall and exchange products and could lead to new or existing customers becoming less willing to conduct business with us.

We may experience difficulties integrating acquired businesses or achieving anticipated synergies.

As part of our external growth policy, we have made, and may make in the future, acquisitions of varying sizes, some of which have been, and may be, significant to us. These acquisitions entail risks, such as:

- 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.

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.

Since January 31, 2022, the FORVIA Group has held 81.6% of HELLA's share capital. The expected benefits of the HELLA acquisition in particular will depend upon the successful integration of HELLA's activities into the Group's. We may face significant difficulties when implementing the ongoing 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.

Our gross margins may be adversely affected if we fail to identify risks when we tender for new contracts or appropriately monitor the performance of our programs.

The contracts which we enter into are awarded after a complex equipment supply bidding process by our customers. Each contract we make with a customer is a program with a lifespan of up to ten years from the development phase through to the production phase. As part of the tender process, we carry out a detailed risk assessment to ensure that we identify and manage the nature and level or risks that we may be exposed to and, during the life of the program, we monitor the program in order to ensure operational and financial performance.

If we fail to identify and manage risks in connection with the bidding for and establishment of new programs, or fail to appropriately monitor our operational and financial performance, our gross margins could be adversely affected, which could also have a material adverse effect on our business, financial condition and results of operations.

Failure to attract and retain key individuals could adversely affect our business.

Our success largely depends on the services of our management team and key individuals with particular expertise. Our business also depends on our ability to retain key know-how and implement an adaptive human resources strategy to attract and develop a diverse talent pool within the evolving automotive industry.

In addition, we must compete with other companies for suitably qualified personnel, including technical and engineering personnel. 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.

The loss or unavailability of our management team or key individuals for an extended period of time (for example, during the integration of an acquisition) could have an adverse effect on our operations. In addition, we could experience difficulties in attracting and retaining the necessary talent able to provide the skills required for the development or production of our products and services, particularly if the automotive industry is considered less attractive to younger generations. Moreover, we compete with other companies for suitably qualified personnel, including technical and engineering personnel.

The failure to attract and retain management and key individuals could have a material adverse effect on our business, financial condition and results of operations.

The international nature of our business exposes us to a variety of economic, political, tax, legal and other related risks.

Due to the international nature of our business activities, we are exposed to economic, political, fiscal, legal and other types of risks.

These may result in particular from heightened geopolitical tensions (including those between the U.S. and China and between Russia and Ukraine and in the Middle East), regional instability or the imposition of trade barriers and protectionist policies in various countries.

As of December 31, 2024, we operated in more than 40 countries, and in 2024 we generated 47% of our revenue in EMEA, 27% in Asia and 26% in the Americas (we no longer have any operations in Russia). Our international business activities, notably in emerging countries, expose us to certain risks, including:

- 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, monetary control policies, investment restrictions or requirements on investments or relating to international trade, such as international sanctions or any other constraints such as levies or other forms of taxation on settlements and other payment terms adopted by subsidiaries;
- difficulties in enforcing agreements, collecting receivables and protecting assets through legal systems, including intellectual property protection; and
- supply chain tensions and their consequences.

Inadequate planning or preparations for regulatory decisions or changes made to legal requirements could have a significant negative impact on our business, finances and results of operations. For example, the government authorities in a country in which we operate could update standards that apply to our products, which could have negative consequences on our operating income.

We operate in the highly competitive automotive supply industry where customers can exert significant price pressure.

The global automotive supply sector is highly competitive. Competition is based mainly on price, global presence, technology, quality, delivery, design and engineering capabilities, new product innovation and customer service as a whole. There are no guarantees that our products will be able to compete successfully with those of our competitors. Supply contracts are mostly awarded through competitive bids, and are often subject to renewed bidding when their terms expire. Although the overall number of competitors has decreased due to on-going industry consolidation, we face significant competition within each of our major product areas, including from new competitors entering the markets that we serve. We cannot assure you that we will be able to continue to compete favorably in these competitive markets or that increased competition will not have a material adverse effect on our business, financial condition and results of operation by reducing our ability to increase or maintain sales and profit margins.

The failure to obtain new business projects on new models, or to retain or increase business projects on redesigned existing models, could adversely affect our business, financial condition and results of operations. In addition, as a result of the relatively long lead times required for many of our structural components, it may be difficult for us to adequately manage the execution of a program from development to launch, adequately

respond to any deterioration in the profitability of a program or to obtain new revenues in the short-term to replace any unexpected decline in the sale of existing products.

A failure of our information technology ("IT") and data protection and security infrastructure could adversely impact our business, operations and reputation.

We rely upon the capacity, reliability and security of our IT and data protection and security infrastructure, as well as our ability to expand and update this infrastructure in response to the changing needs of our business.

If we experience a problem with the functioning of an important IT system or a security breach of our IT systems, including during system upgrades and/or new system implementations, the resulting disruptions could have an adverse effect on our business. We implement security measures in relation to our IT systems but we, like other companies, are vulnerable to damage from computer viruses, natural disasters, unauthorized access, cyber-attacks, breakdowns and other similar disruptions.

In particular, our implementation of digital services and storage have made our computer systems important for our day-to-day operations and as a result we faced with risks that could compromise (i) the availability and proper functioning of computer equipment used in plant production, (ii) the confidentiality of personal data, as well as, more generally, (iii) the integrity and availability of information systems, particularly those contributing to business processes related to ordering, supply and invoicing or to marketed digital products and services. In addition, certain of our 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.

We collect, store, process, transmit and use certain personal information and other user data belonging to our employees, customers and suppliers in our business. We must ensure that any processing, collection, use, storage, dissemination, transfer and disposal of data for which we are responsible complies with relevant data protection and privacy laws, including the European Union General Data Protection Regulation ("**GDPR**"). Non-compliance with the EU General Data Protection Regulation can lead to legal consequences, including fines, as well as reputational damage.

As a result, any system failure, accident, security breach, cyberattack, breakdown or delivery of flawed digital product or service could result in disruptions to our operations. A material network breach in the security of our IT systems could result in the theft of our intellectual property, trade secrets, customer or supplier information, human resources information or other confidential information. To the extent that any disruptions or security breach result in a loss or damage to our data, or an inappropriate disclosure of confidential, proprietary or customer or supplier information, it could cause significant damage to our reputation, affect our relationships with our customers or suppliers, lead to claims against us and ultimately harm our business. In addition, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future.

A rise in interest rates would increase the cost of servicing our debt.

Before taking into account the impact of interest rate hedges, 26.4% of our gross debt was exposed to variable rates as at December 31, 2024, compared with 25.7% as at December 31, 2023. Our variable rate financial debt relates primarily to the Syndicated Credit Facility, when drawn, the EIB Loan, the Latin American Syndicated Loans and the Term Loan, as well as our short-term debt. Our main fixed rate debt consists of the 2026 Notes (which the Issuer intends to refinance in full with the proceeds of the Offering), the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2026 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the 2031 Notes, the Schuldscheindarlehen and the JPY Notes.

We manage hedging of interest rate risks centrally. This management is handled by our Group's Treasury Department, which reports to our General Management. Interest rate hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis.

As a significant portion of FORVIA's 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 financial expenses and could have a significate impact on our financial results.

We face challenges associated with climate change, and increasing environmental regulation could have a significant impact on the economy, our reputation, business, financial condition and operations.

The political and societal drive towards action against climate change has now reached the forefront of the political agenda in many countries and regions of the world. The Green Deal in Europe to reduce greenhouse gas emissions by 55% in 2030 and to have no net emissions in 2050 is a clear demonstration of this, as is the emphasis put on renewable energy in economic recovery plans. With transport accounting for around one quarter of global CO_2 emissions and passenger vehicles accounting for around 10%, the automotive industry has a strong responsibility to reduce greenhouse gas emissions and reduce its environmental impact. Climate change, and businesses' response to its emerging threats, are under increasing scrutiny by governments, regulators and the public alike. We face various risks associated with climate change including increasing levels of regulation, changes in consumer behavior and the potential impact of increases in extreme weather events.

The automotive sector is subject to increasing regulatory constraints related to CO_2 emissions including, in particular, European Regulation 2019/631, which provides for additional reductions in CO_2 emissions of passenger vehicles by 37.5% from 2021 to 2030. In addition, 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 we provide. Our greenhouse gas emissions footprint consists of our direct and indirect emissions (scopes 1 and 2, respectively), and mostly from our controlled upstream and downstream value chain (scope 3), as well as from our purchasing activities. To accelerate the climate transition, public authorities are expected to constrain total footprint with new taxes and regulations. In addition, more extensive regulations aimed at reducing emissions of NOx in urban areas and CO_2 globally could lead to an increase in demand for vehicles that pollute less. 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. Operating in 40 countries, our industrial sites and R&D centers may be exposed to extreme weather events such as storms, heat waves, flooding and similar. Such events may cause business disruptions, which could lead to customer delays and financial losses.

Failure to anticipate, identify and manage risks associated with climate transition could have a significant impact on our financial condition, business and reputation. Furthermore, our operations may be interrupted due to the loss, closure or suspension of our production facilities, whether as a result of extreme weather-related events or failure to comply with more stringent regulations.

Our failure to successfully maintain health, safety and environmental policies and procedures could have a material adverse effect on our reputation and otherwise on our business and financial condition.

As part of our production activities, our 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.

As of December 31, 2024, the Group employed around 70,674 operators worldwide, i.e., approximately 58% of our total headcount. 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.

If our personnel were to experience harm in the workplace, our business, reputation and financial condition could be negatively impacted.

We rely on capital markets to provide liquidity to operate and grow our business.

The capital and credit markets provide us with liquidity to operate and grow our business beyond the liquidity that operating cash flows provide. A worldwide economic downturn and/or capital market disruptions could reduce the Group's ability to raise the funding required to run its operations and execute its strategic plan. If our

access to capital 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 its financial condition, results of operations and cash flows.

We are subject to fluctuations in exchange rates, primarily between the euro and other operating currencies.

Given our international footprint, we are exposed to risks arising from fluctuations in the exchange rates of certain currencies, particularly due to the location of some of our industrial sites, as well as the fact that certain subsidiaries purchase raw materials and other supplies or sell their products in a currency other than their functional currency. 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.

We centrally hedge foreign exchange rate risk and our subsidiaries mainly using forward or optional foreign exchange transactions as well as foreign currency financing. We manage foreign exchange risks centrally, through our Finance and Treasury Department, which reports to our General Management.

Hedging decisions are made by a Market Risk Management Committee that meets on a monthly basis. Currency risks on forecast transactions are hedged based on estimated cash flows determined in forecasts validated by our General Management. The related derivatives are classified as cash flow hedges when there is a hedging relationship that satisfies IFRS 9 financial instruments: recognition and measurement (which outlines the requirements for the recognition and measurement of financial assets) ("**IFRS 9**") criteria.

A fluctuation in exchange rates could have an adverse impact on the Group's financial results.

We are subject to fluctuations in the prices of raw materials and inflation.

We are exposed to commodity risk through our direct purchases of raw materials and indirectly through components purchased from our suppliers. In 2024, the proportion of our direct purchases of raw materials, mainly steel, thermoplastic resins and electronic components, and the raw materials share of indirect purchases of components made of these same raw materials, represented approximately 45% of the Group's total purchases. The prices of these raw materials are subject to fluctuations, the underlying causes of which are linked to structural supply capacity, demand and international geopolitical relations. Our operating and net income could be adversely affected by changes in the prices of the raw materials we use, notably steel and plastics.

To the extent that our sales contracts with customers do not include price indexation clauses linked to the price of raw materials, we are exposed to risks related to unfavorable fluctuations in commodity prices. We do not use derivatives to hedge our 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.

In addition, our business is affected by general economic conditions and macroeconomic trends which can impact overall demand for our products and the markets in which we operate. For example, any increase in inflation or weakening in economic conditions may affect the automotive supply industry globally, and negative economic conditions in one or more regions may affect the automotive supply industry in other regions. Our business, financial condition and results of operations may be materially and adversely affected by an economic downturn on a global scale or in significant markets in which we operate. These risks may be further exacerbated by geopolitical developments, such as trade tensions between various countries and regions, which could lead to unfavorable changes in trade policies that apply to our products. For example, trade tensions between the U.S. and the EU and between the U.S. and China have given rise to an increase in protectionist policies and the imposition on tariffs that could impact the automotive sector. These developments could have a material adverse effect on our business, financial condition and results of operations.

If commodity prices were to rise steeply, we may not be able to pass on all such price increases to our customers, which could have an unfavorable impact on our sales and which could in turn have a material adverse effect on

our business, financial condition and results of operations. In addition, if we are unable to secure a sufficient quantity of electronic components, we could be exposed to operational losses as well as client claims seeking indemnification. 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 we have limited control, could result in higher costs of transportation, raw materials, energy, workforce and quality assurance, for example, which may affect our financial results.

These raw materials risks could also affect customer-supplier relationships. Automakers could require the creation of larger safety stocks, which could result in revisions of existing contractual arrangement. Impacts from such changes to customer-supplier relationships may affect our financial results.

The Covid-19 pandemic had a material adverse effect on our business, affecting sales, production, supply chains and employees, and a resurgence or the outbreak of a similar health crisis may continue to cause, severe disruptions in the global economy and financial markets, which could potentially create widespread business continuity issues.

We are present in many countries that were particularly affected by the Covid-19 pandemic, and from March 2020 we implemented measures to protect our employees, suppliers and subcontractors and aiming to reduce the economic and financial impacts that the Covid-19 pandemic had on our business.

The effects of the Covid-19 pandemic had (and a resurgence of Covid-19 or the outbreak of a similar heath crisis may again have) a material adverse effect on our business and results of operations, including as a result of:

- the disruption of production and supply chains in countries affected by the pandemic;
- the global demand for our customers' products (new ways of working, etc.);
- the health impacts on the wellbeing and availability of our employees and service providers, particularly in our factories and R&D centers; and
- the impact of the Covid-19 pandemic on our financial performance (sales, operating margin and cash in particular),

the consequences of which included the partial or total shutdown of the Group's industrial sites and R&D centers located in impacted areas, which led to delays in the execution of contracts, or the postponement of decisions concerning the placement of orders, or even their cancellation. The effects of the Covid-19 pandemic materially impacted our sales in the year ended December 31, 2021 and, particularly due to Covid-related restrictions in China, the six months ended June 30, 2022, and similar events may in the future have a material adverse impact on our sales. In addition, the shortage of semiconductors linked to the Covid-19 pandemic, which began in late 2020, had an impact on our sales volumes.

Some of our sites and suppliers had to reduce or cease their activities as a result of the Covid-19 pandemic, and we cannot guarantee that they will not be forced to do so again in the future, particularly in the event of new surges in Covid-19 cases, the appearance of new variants or as the result of another virus or health crisis in the countries in which we or our suppliers operate.

The extent of the impact of the Covid-19 pandemic, or any such similar health crisis in the future, on our business and financial performance, including our ability to execute our near-term and long-term operational, strategic and capital structure initiatives, will depend on future developments, including the duration and severity of any new pandemics, which remain uncertain.

We face litigation risks, including product liability, warranty and recall risk.

We are currently and may in the future become subject to legal proceedings and commercial or contractual disputes. These are typically lawsuits, claims and proceedings that arise in the normal course of business including, without limitation, claims pertaining to product liability, product safety, environmental, safety and health, intellectual property, employment, commercial and contractual matters, the regulation of FORVIA and HELLA as publicly traded companies on EU-regulated markets, and various other matters. We are also subject

to investigations by various regulatory authorities regarding compliance with local laws in certain jurisdictions. See "*Business—Litigation*" for further information.

The frequency and outcome of such lawsuits, investigations, claims or proceedings cannot be predicted with certainty. There exists the possibility that such claims may have an adverse impact on our results of operations that is greater than we anticipate, and/or negatively affect our reputation.

We are also subject to a risk of product liability or warranty claims if our products actually or allegedly fail to perform as expected or the use of our products results, or is alleged to result, in bodily injury and/or property damage. While we maintain reasonable limits of insurance coverage to appropriately respond to such exposures, large product liability claims, if made, could exceed our insurance coverage limits and further insurance may not continue to be available on commercially acceptable terms, if at all. We may incur significant costs to defend these claims or experience product liability losses in the future. 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 our products could have a material adverse effect on our business, financial condition and results of operations.

Our insurance coverage may not be adequate to cover all the risks we may face and it may be difficult to obtain replacement insurance on acceptable terms or at all.

Our production plants, equipment and other assets are insured for property damage and business interruption risks, and we carry insurance for products liability risks. Our insurance policies are subject to deductibles and other coverage limitations and we cannot ensure you that we are fully insured against all potential hazards incident to our business, including losses resulting from risks of war or terrorist acts, certain natural hazards (such as earthquakes), environmental damage or all potential losses, including damage to our reputation. We have entered into liability insurance which includes specific policies such as environmental liability insurance and coverage of liability for damages resulting from accidents.

However, as some risks cannot be assessed or can only be assessed to a limited extent, the possibility of loss or damage not being covered by the insured amounts and provisions cannot be ruled out. Should such loss or damage occur, this could have a material adverse effect on our business, financial conditions and results of operations.

If we incur a significant liability for which we are not fully insured or if premiums and deductibles for certain insurance policies were to increase substantially as a result of any incidents for which we are insured, this could have a material adverse effect on our business, financial condition and results of operations.

We face risks related to the intellectual and industrial property we use.

We consider that we either own or may validly use all the intellectual and industrial property rights required for our business operations and that we have taken all reasonable measures to protect our rights or obtain guarantees from the owners of third-party rights. However, we cannot rule out the risk that our intellectual and/or industrial property rights may be disputed by a third party on the grounds of pre-existing rights or for any other reason.

We conduct an active R&D policy and file patents and designs for technologies, products and processes in many countries. As of December 31, 2024, we have more than 12,900 patents in our patent portfolio. Due to this significant volume, we may be exposed to infringement of our intellectual property rights by third parties. In addition, we may also be exposed to the involuntary infringement of intellectual property rights held by third parties, such as in the case of unpublished or unidentified rights. The infringement of intellectual property rights held by the Group is likely to have an adverse impact on our business and results, as well as our image and the reputation of our products.

We cannot guarantee that our intellectual property rights will not be disputed by a third party, including by non-practicing entities or "patent trolls" on the grounds of pre-existing rights or for any reason. The use of new technologies also entails the risk of infringing upon patent of other companies, and the materialization of such risk could result in a negative financial impact as a result of claims for damages, loss of business income or damage to our reputation. We may also be required to modify our products or processes or negotiate rights of use with third parties, which may generate significant financial consequences.

Furthermore, for countries outside France, we cannot be sure of holding or obtaining intellectual and industrial property rights offering the same level of protection as those in France.

The ongoing military action between Russia and Ukraine could adversely affect our business, financial condition and results of operations.

In February 2022, Russian military forces launched a military action against Ukraine, and sustained conflict and disruption in the region remains likely. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict has and could continue to disrupt markets, including significant volatility in commodity prices, financial markets, supply chain interruptions, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

The conflict in the region has had a direct impact on our operations and sales in Russia, and has also had (and may continue to have) an indirect impact on automotive production globally. We historically operated certain sites in Russia. FORVIA completed 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 the end of December 2023. We do not have direct operations or material sales in Ukraine, although Ukraine is a major exporter of wire harnesses used in the production of automobiles. Continuation of the conflict could lead to further supply chain disruptions and may have a material adverse impact on demand for our products.

The ongoing conflict between Russia and Ukraine has also impacted global energy markets, particularly in Europe, leading to high volatility and increasing prices for crude oil, natural gas and other energy supplies. Higher energy costs result in increases in operating expenses at our manufacturing facilities, in the expense of shipping raw materials to our facilities, and in the expense of shipping products.

Russia's annexation of portions of Ukraine and military action against Ukraine have led to sanctions being levied by the United States, the European Union, the United Kingdom, Canada, Switzerland, Japan and other countries targeting persons and entities in Russia, Belarus, and certain regions of Ukraine, including, among others, removing certain Russian financial institutions from the Society for Worldwide Interbank Financial Telecommunication ("**SWIFT**") payment system, which can significantly hinder the ability to transfer funds in and out of Russia. In response, Russia has instituted counter-sanctions against such countries. The situation is rapidly evolving as a result of the conflict in Ukraine, and the United States, the European Union, the United Kingdom and other countries may implement additional sanctions, export controls or other measures against Russia or other countries, regions, officials, individuals or industries in the respective territories. Such sanctions and other measures, as well as any potential responses from Russia or other countries to such sanctions, tensions and military actions, could adversely affect the global economy and financial markets and could adversely affect our business, financial condition and results of operations.

We are actively monitoring the situation in Ukraine and assessing its impact on our business, including its impact on commodity prices and supply chains. We have no way to predict the progress or outcome of the conflict in Ukraine or its impacts in Ukraine, Russia or Belarus as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations. Any such disruptions may also magnify the impact of other risks described in this Offering Memorandum.

Industrial and environmental risks could disrupt our business and a have a material adverse effect on our business, financial condition and results of operations.

The Group has approximately 249 industrial sites and 78 R&D centers. Our manufacturing sites are subject to risks associated with fire, explosion, natural disaster (such as floods, earthquakes, cyclones or blizzards, including those resulting from climate change), systems failure, accidental pollution and non-compliance with current or future regulations. We have experienced major accidents in the past, such as fires, flooding and explosions, and although we have extensive health and safety policies in place, we cannot assure you that we will be able to prevent future industrial accidents at our plants or R&D centers in the future. In addition, some

of our plants are highly specialized in terms of manufacturing, and it would be difficult to set up alternative solutions within a short period of time in the event of a major accident.

Our industrial activities and use of a large number of potentially polluting products and materials in the context of the product manufacturing process expose us to environmental risks, such as the risk of accidental pollution and other risks related to the tightening of environmental regulations. We may also be exposed to operational risks related to poor energy management (such as generating excessive CO_2 emissions) or poor management of raw materials or waste. Any failure to comply with environmental regulations could cause damage to our reputation and generate a significant financial impact, including in the form of criminal law sanctions or lost opportunities. Accidental pollution could also require us to incur significant costs for the decontamination of the sites impacted.

Moreover, the occurrence of any natural disaster could cause the total or partial destruction of a plant and thus prevent us from supplying products to our customers, causing further disruption at their plants for an indeterminate period of time. These various risks may result in us incurring additional costs, which could have a material adverse effect on our business, financial condition and results of operations.

Non-compliance with internal corporate governance requirements and anti-corruption regulations.

We have a number of company-wide policies and measures, including our "Code of Ethics", which addresses the latest requirements of applicable French anti-corruption legislation, our management code and other measures such as our Code of Conduct for the Prevention of Corruption and our Guide to Good Practice in Combating Anti-Competitive Practices, which put into practice many of the principles set out in the Code of Ethics. There can be no assurance that violations of our internal corporate governance requirements will not occur. In the event violations do occur, they could harm our reputation and result in fines, which could in turn have a material adverse effect on our business, financial condition and results of operations and therefore on our ability to fulfil our obligations under the Notes.

Furthermore, our organization is decentralized and located in 40 countries, and each of these countries may have anti-corruption legislation that is potentially extra-territorial in scope. This is in particular 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. Moreover, we are subject to capital markets regulations. The Group is exposed to sanctions in the event of any non-compliance with any such regulations. 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). These regulations, some of which are quite recent, and the specific nature of the sector mean that the Group is exposed to potential fines by regulatory authorities and claims by third parties 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. 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.

Our reputation is critical to our business.

Our results of operations depend on maintaining a positive reputation with customers. Any negative incident could significantly affect our reputation and damage our business.

We may be adversely affected by any negative publicity, regardless of its accuracy, including without limitation with respect to:

- the quality of our products;
- damage to the environment (including our carbon footprint and impact on climate change);
- employee or customer injury;
- failure of our information technology (IT) and data security infrastructure, including security breaches of confidential customer or employee information;
- employment-related claims relating to alleged employment discrimination, wages and hours;

- violations of law or regulations;
- labor standards or healthcare and benefits issues; or
- our brand being affected globally for reasons outside of our control.

While we try to ensure that our suppliers maintain the reputation of our brand, suppliers may take actions that adversely affect our reputation. In 2024, we worked with more than 30,000 suppliers. Due to this large number of suppliers, we may be unable to exclude, and may not be aware of, bad practices within these suppliers in terms of compliance with environmental standards, business ethics, employment law or human and fundamental rights. If one of our suppliers has failed, or is suspected of having failed, to comply with environmental standards, business ethics, employment law or human and fundamental rights, or if our integrity on these issues is called into doubt, we may experience significant consequences to our reputation, business activity and financial position.

In addition, through the increased use of social media, individuals and non-governmental organizations have the ability to disseminate their opinions regarding the safety of our products, and our business, to an increasingly wide audience at a faster pace. Any failure to effectively respond to any negative opinions or publicity in a timely manner could harm the perception of our brand and products and damage our reputation, regardless of the validity of the statements against us and ultimately harm our business.

We are subject to changes in financial reporting standards or policies which could materially adversely affect our reported results of operations and financial condition.

Our consolidated financial statements are prepared in accordance with IFRS, which is periodically revised or expanded. Accordingly, from time to time we are required to adopt new or revised accounting standards issued by recognized bodies, including the International Accounting Standards Board ("**IASB**"). It is possible that future accounting standards which we are required to adopt, or as a result of choices we make, could change the current accounting treatment that applies to our consolidated financial statements and that such changes could have a material adverse effect on our reported results of operations and financial condition and may have a corresponding impact on capital ratios. As a result, our credit ratings and perceived financial condition might be negatively affected, which as a result could negatively impact our ability to access the capital markets for funding purposes.

Risks Related to the Notes

The Notes are solely obligations of the Issuer and will be structurally subordinated to all of the claims of creditors of the Issuer's subsidiaries, including HELLA.

None of the Issuer's subsidiaries will guarantee the Notes. You will therefore not have any direct claim on the cash flows or assets of the Issuer's subsidiaries, and the Issuer's subsidiaries will have no obligation, contingent or otherwise, to pay amounts due under the Notes, or to make funds available to the Issuer for those payments.

Generally, claims of creditors of a subsidiary, including lenders and trade creditors, will effectively have priority with respect to the assets and earnings of the subsidiary over the rights of its ordinary shareholders, including the Issuer. Accordingly, claims of creditors of a subsidiary will also effectively have priority over the claims of creditors of the Issuer, including claims of holders of the Notes. In the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to the Issuer. The Notes, therefore, will be effectively junior and structurally subordinated to all debt and other liabilities of our subsidiaries, including liabilities owed to trade creditors. As at December 31, 2024, our subsidiaries, including HELLA, had €1,480.7 million of gross financial debt to third parties, excluding leases of €1,054.3 million. In addition, as at December 31, 2024, our consolidated trade payables amounted to €8,508.7 million, substantially all of which was incurred by our subsidiaries. Pursuant to the Indenture governing the Notes, our subsidiaries will be permitted to incur additional indebtedness, which will rank structurally ahead of the Notes. See "*Description of the Notes—Covenants—Limitation on Indebtedness*."

We will rely on payments from our subsidiaries to pay our obligations under the Notes.

The Issuer is primarily a holding company, with business operations principally located at the level of our subsidiaries. Accordingly, we will have to rely largely on dividends and other distributions from our subsidiaries to make payments under the Notes. We cannot be certain that the earnings from, or other available assets of, these operating subsidiaries will be sufficient to enable us to pay principal or interest on the Notes when due.

The payment of dividends and the making of loans and advances to us by our subsidiaries are subject to various restrictions, including:

- restrictions under applicable company law that restrict or prohibit companies from paying dividends unless such payments are made out of profits available for distribution;
- restrictions under the laws of certain jurisdictions that can make it unlawful for a company to provide financial assistance in connection with the acquisition of its own shares or the shares of any of its holding companies;
- statutory or other legal obligations that affect the ability of our subsidiaries to make payments to us on account of intercompany loans; and
- existing or future agreements governing our or our subsidiaries' debt may prohibit or restrict the payment of dividends or the making of loans or advances to us.

In addition, any such dividends, distributions, loans or advances may be subject to tax, including withholding tax. If we are not able to obtain sufficient funds from our subsidiaries, we will not be able to make payments on the Notes.

We may not have the ability to repay the Notes.

We may not be able to repay the Notes at maturity. Moreover, we may be required to repay all or part of the Notes prior to their scheduled maturity upon an event of default. If you were to require us to repay the Notes following an event of default, we cannot guarantee that we would be able to pay the required amount in full. Our ability to repay the Notes will depend, in particular, on our financial condition at the time of the required repayment, and may be limited by applicable law, or by the terms of our indebtedness and the terms of new facilities outstanding on such date, which may replace, increase or amend the terms of our existing or future indebtedness.

Our other creditors, in particular the lenders under the loans and creditors under factoring arrangements and other indebtedness described in "*Description of Other Indebtedness*", would be able to accelerate their loans or claims if certain events occur, such as breach of certain financial covenants that would not permit the acceleration of the Notes. Such an event would have a significant impact on our ability to repay the Notes. Furthermore, our failure to repay the Notes could result in a cross-default under other indebtedness.

A substantial amount of our indebtedness will mature before the Notes, and we may not be able to repay this indebtedness or refinance this indebtedness at maturity on favorable terms, or at all.

Substantially all of our indebtedness will mature prior to the maturity of the Notes.

Our ability to service our current debt obligations and to repay or refinance our existing debt will depend in part on a combination of generation of cash flow from our operations and cash produced by the disposal of selected assets, as well as on our ability to obtain financing. There can be no assurance that we will continue to generate sufficient cash flow in the future to service our current debt obligations and our other operating costs and capital expenditures, particularly if global or regional economies were to experience another significant economic downturn. Further, there can be no assurance that we will be able to consummate such disposals or, if consummated, that the terms of such transactions will be advantageous to us.

In addition, our ability to refinance our indebtedness, on favorable terms, or at all, will depend in part on our financial condition at the time of any contemplated refinancing. Any refinancing of our indebtedness could be at higher interest rates than our current debt and we may be required to comply with more onerous financial and

other covenants, which could further restrict our business operations and may have a material adverse effect on our business, financial condition, results of operations and prospects and the value of the Notes. We cannot assure you that we will be able to refinance our indebtedness as it comes due on commercially acceptable terms or at all and, in connection with the refinancing of our debt or otherwise, we may seek additional financing, dispose of certain assets, reduce or delay capital investments or seek to raise additional capital.

The Issuer intends to use a portion of the proceeds of the Offering to repay certain outstanding indebtedness of the Issuer or any of its subsidiaries. If and until the date on which any such outstanding indebtedness will be repaid, the Issuer will retain such proceeds in a general corporate treasury account. The general corporate treasury account may be a term deposit account and/or may be invested in short-term money-market and similar instruments and will be available to fund ongoing operating and investment requirements.

If there were an event of default under any of our debt instruments that was not cured or waived, the holders of the defaulted debt could terminate their commitments thereunder and cause all amounts outstanding with respect to such indebtedness to be due and payable immediately, which in turn could result in cross defaults under our other debt instruments, including the Notes. Any such actions could force us into bankruptcy or liquidation, and we may not be able to repay the Notes in such an event.

Restrictions imposed by our debt arrangements limit our ability to take certain actions.

The Syndicated Credit Facility, the Latin American Syndicated Loans, the EIB Loan, the HELLA Indebtedness, the Japanese Yen Term and Revolving Facilities, the Schuldscheindarlehen, the Term Loan, the Indenture and the trust deeds governing the 2026 Sustainability-Linked Notes, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the JPY Notes and the 2031 Notes limit our flexibility to operate our business. For example, certain of these agreements restrict or will restrict, our and certain of our subsidiaries' ability to, among other things:

- borrow money;
- create certain liens;
- guarantee indebtedness; or
- merge, consolidate or sell, lease or transfer all or substantially all of our assets.

In addition, the Syndicated Credit Facility limits, among other things, our ability and our subsidiaries' ability to pay dividends or make other distributions, make certain asset dispositions, make certain loans or investments, issue or sell share capital of our subsidiaries or enter into transactions with affiliates. The total amount available under the EIB Loan is subject to conditions related to our investment and refinancing in the hydrogen business, and failure to meet such conditions may cause a reduction in the amount available for borrowing. The operating and/or financial restrictions and/or covenants in the Syndicated Credit Facility, the Japanese Yen Term and Revolving Facilities, the Schuldscheindarlehen, the EIB Loan, the Latin American Syndicated Loans, the Term Loan, the Indenture and the trust deeds governing the 2026 Sustainability-Linked Notes, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, JPY Notes and the 2031 Notes may adversely affect our ability to finance our future operations or capital needs or engage in other business activities that may be in our interest. In addition to limiting our flexibility in operating our business, a breach of the covenants in the Syndicated Credit Facility, the Japanese Yen Term and Revolving Facilities, the Schuldscheindarlehen, the EIB Loan, the Latin American Syndicated Loans, the Term Loan, the Indenture or the trust deeds governing the 2026 Sustainability-Linked Notes, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the JPY Notes and the 2031 Notes could cause a default under the terms of each of those agreements, causing all the debt under those agreements to be accelerated. If this were to occur, we may not have sufficient assets to repay our debt.

We may be unable to raise funds necessary to finance any change of control repurchase offers required by the Notes.

If we experience a change of control, pursuant to the Indenture, each holder of the Notes will have the right to require that we purchase all or any of the outstanding Notes of such holder at a price equal to 101% of the

principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase. Additionally, a change of control under the Syndicated Credit Facility, or the Schuldscheindarlehen, unless waived by a lender, would result in cancellation of such lender's commitments under such facility and all amounts outstanding under such facility owed to such lender would become immediately due and payable. In addition, a change of control under the 2026 Sustainability-Linked Notes, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the 2031 Notes, the JPY Notes, the Notes or the HELLA Indebtedness would give bondholders the option to have their respective bonds repurchased at par or 101% of the principal amount thereof, respectively, in each case plus accrued and unpaid interest.

We may not have the resources to finance the repurchase of the Notes, the 2026 Sustainability-Linked Notes, the 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Notes, the 2029 Green Notes, the 2031 Notes, the JPY Notes and the HELLA Indebtedness or the early repayment of certain of our indebtedness following a change of control. Therefore, we expect that we would require third party financing to make an offer to repurchase the Notes upon a change of control. We cannot give any assurances that we would be able to obtain such financing. Our failure to effect a change of control offer when required would constitute an event of default under the Indenture.

In addition, the change of control provision in the Notes may not necessarily afford investors protection in the event of certain important corporate events, including a reorganization, restructuring, merger or other similar transactions involving our Group that may adversely affect holders of Notes, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a "Change of Control" as defined under "*Description of the Notes*".

The Notes are not necessarily suitable for all investors.

Investors must have sufficient knowledge and experience in financial markets and familiarity with our Group to evaluate the benefits and risks of investing in the Notes, as well as knowledge and access to analytical tools in order to assess these benefits and risks in the context of their financial situation. The Notes are not suitable for investors who are not familiar with concepts such as optional redemption, covenants, events of default or other financial terms governing these types of securities.

Investors must also be sure that they have sufficient financial resources to bear the risks inherent in the purchase of Notes and that an investment in this type of security is appropriate in the context of their financial situation.

Exchange rate risks exist for certain holders of the Notes.

We will make all payments under the Notes in euros. Any holder of the Notes who conducts its financial activities mainly in a currency other than the euro should take into consideration the risk that the rates of exchange could fluctuate and the risk that the authorities of the countries of the relevant currencies could modify any exchange controls. An appreciation of the value of the currency of the holder of the Notes compared to the euro would decrease, in the currency of the holder of the Notes, the value of payments (interest and principal) received under the terms of the Notes, the market value of the Notes, and thus the return of the Notes for such holder of the Notes.

Moreover, governments and monetary authorities could impose (as some have done in the past) exchange controls that could affect the applicable exchange rate. In such a case, holders of the Notes could receive principal or interest in amounts lower than expected, or even no principal or interest.

There currently exists no market for the Notes, and we cannot provide assurance that an active trading market will develop for the Notes.

The Notes will be new securities for which there currently is no market. Application will be made to list the Notes on the Official List of Euronext Dublin and to admit the Notes for trading on the Global Exchange Market. However, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. In an illiquid market, an investor is subject to the risk of not being able to sell Notes at any time at fair market prices or at all.

The liquidity of any market for the Notes will depend on the number of holders of the Notes, prevailing interest rates, the market for similar securities and other factors, including general economic conditions and our financial condition, results of operations and prospects, as well as recommendations of securities analysts. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities and is subject to disruptions that may cause volatility in prices. It is possible that the market for the Notes will be subject to disruptions. Any such disruption may have a negative effect on investors in the Notes, regardless of our financial condition, results of operations and prospects.

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments, inflation rates and the level of demand for the Notes and for high yield securities generally, as well as our financial condition, results of operations and prospects. The Notes may thus trade at prices that are lower than their initial purchase price. The holders are therefore exposed to the risk of an unfavorable development of market prices of their Notes which materialize if the holders sell the Notes prior to the final maturity.

The Notes may not become, or remain, listed on Euronext Dublin.

Although the Issuer has, pursuant to the Indenture, agreed to use its commercially reasonable efforts to have the Notes listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market thereof and to maintain such listing as long as the Notes are outstanding, the Issuer cannot assure you that the Notes will become, or remain, listed. If the Issuer cannot maintain the listing on the Official List of Euronext Dublin and the admission to trading on the Global Exchange Market or it becomes unduly burdensome to make or maintain such listing, the Issuer may cease to make or maintain such listing on the Official List of Euronext Dublin, provided that it will use reasonable best efforts to obtain and maintain the listing of the Notes on another recognized stock exchange in Europe, although there can be no assurance that the Issuer will be able to do so. Although no assurance can be made as to the liquidity of the Notes as a result of listing on the Official List of Euronext Dublin or another recognized stock exchange in Europe in accordance with the Indenture, failure to be approved for listing or the delisting of the Notes from the Official List of Euronext Dublin or another listing exchange in accordance with the Indenture may have a material adverse effect on a holder’s ability to resell Notes in the secondary market.

The market value of the Notes could decrease if our creditworthiness worsens.

The market value of the Notes will suffer if the market perceives us to be less likely to fully perform all our obligations under the Notes, which could occur, for example, because of the materialization of any of the risks listed above regarding our Group. Even if the likelihood that we will be in position to fully perform all our obligations under the Notes has not actually decreased, market participants could nevertheless have a different perception. In addition, the market participants’ estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as us could adversely change, causing the market value of the Notes to fall. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialization of these risks. Under these circumstances, the market value of the Notes will decrease.

Risks associated with Notes held in book-entry form.

Owners of the book-entry interests will not be considered owners or holders of Notes unless and until definitive notes are issued in exchange for book-entry interests. Instead, Euroclear or Clearstream, or their nominees, will be the sole holders of the Notes.

Payments of principal, interest and other amounts owing on or in respect of the Notes in global form will be made by the Issuer to the Principal Paying Agent, which will make payments to the clearing system. Thereafter, such payments will be credited to the clearing system participants’ accounts that hold book-entry interests in the Notes in global form and credited by such participants to indirect participants. After payment to the clearing systems, neither we, nor the Trustee nor the Principal Paying Agent, will have any responsibility or liability for any aspect of the records relating to, or payments of, interest, principal or other amounts to the clearing system, or to owners of book-entry interests.

Owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions for holders of the Notes. Instead, holders of the Notes may be entitled to act only to the extent that they have received appropriate proxies to do so from the clearing system or, if applicable, from a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions on a timely basis

The Notes will be issued in registered global form. Unless and until Notes in definitive registered form, or definitive registered Notes, are issued in exchange for book-entry interests, owners of book-entry interests will not be considered owners or holders of Notes. Instead, Euroclear or Clearstream, or their nominees, will be the sole holders of the Notes (as defined in "*Book-Entry, Delivery and Form*").

Unlike the Noteholders themselves, holders of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from Noteholders. Instead, if you hold a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream or their nominees, as applicable. The procedures implemented for the granting of such proxies may not be sufficient to enable you to vote on a timely basis. Similarly, upon the occurrence of an event of default under the Indenture governing the Notes, if you hold a book-entry interest, you will be restricted to acting through Euroclear or Clearstream or their nominees, as applicable. The procedures to be implemented through the clearing system may not be adequate to ensure the timely exercise of rights under the Notes.

Early redemption of the Notes may reduce an investor's expected yield.

We may redeem, in whole or in part, the Notes at our option at the principal amount of the Notes plus accrued and unpaid interest, if any, to the date fixed for redemption, plus the applicable "make-whole" premium, if applicable, as more fully described in "*Description of the Notes—Optional Redemption*".

In addition, if certain changes in the law of any Relevant Taxing Jurisdiction (as defined under "*Description of the Notes—Taxation*") become effective that would impose withholding taxes or other deductions or government charges on the payments on the Notes, we may redeem the Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, and Additional Amounts, if any, to the date of redemption. We are unable to determine whether such a change to any tax laws will be enacted, but if such change does occur, the Notes will be redeemable at our option.

Such redemptions may occur at times when prevailing interest rates are relatively low. In the event that we exercise the option to redeem the Notes, you may suffer a lower-than-expected yield on your investment in the Notes and may not be able to reinvest the funds on the same terms.

Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

The Notes have not been, and will not be, and are not required to be, registered under the Securities Act or the securities laws of any other jurisdiction, and, unless so registered, they may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and all other applicable laws. These restrictions may limit the ability of investors to resell the Notes. It is the obligation of investors in the Notes to ensure that all offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See "*Notice to U.S. Investors,*" "*Plan of Distribution*" and "*Transfer Restrictions*".

Your ability to recover in civil proceedings for U.S. securities law violations may be limited.

The Issuer is incorporated in France. Most of its directors and executive officers are non-residents of the United States, and a substantial portion of the Group's assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or upon its directors and executive officers or to enforce against the Issuer judgments obtained in U.S. courts predicated upon civil liability provisions of the federal securities laws of the United States. See "*Enforceability of Judgments*."

French insolvency laws may not be as favorable to you as the insolvency laws of the United States or other countries.

French insolvency laws may apply to us. Under French insolvency law, should court-administered insolvency proceedings (being accelerated safeguard proceedings (*procédure de sauvegarde accélérée*), safeguard proceedings (*procédure de sauvegarde*), judicial reorganization proceedings (*procédure de redressement judiciaire*) and judicial liquidation proceedings (*procédure de liquidation judiciaire*)) be opened against us in France, our creditors (including holders of Notes) must file their proof of claims with the creditors' representative (*mandataire judiciaire*) or liquidator (*liquidateur*), as the case may be, within two months (or within four months in the case of creditors domiciled outside metropolitan France) of the publication of the opening judgment of the relevant proceedings in the BODACC (*Bulletin officiel des annonces civiles et commerciales*). In France, insolvency legislation tends to favor the continuation of a business and protection of employment over the payment of creditors, and the ability of Noteholders to enforce their rights under the Notes could be limited or suspended in such proceedings. The insolvency, administration and other laws of France may not be as favorable to your interests as the laws of the United States or other jurisdictions with which you are familiar.

As part of safeguard proceedings or judicial reorganization proceedings, the affected parties (being creditors and equity holders whose rights are affected by the proposed restructuring plan(s)) may be grouped into classes of affected parties, each reflecting a sufficient commonality of economic interest based on objective verifiable criteria, for the purpose of voting on restructuring plan(s). Such class of affected parties shall be formed (i) when the debtor company (together with its subsidiaries) meet, at the date of the application for the commencement of proceedings, either of the following thresholds: (x) 250 employees and a net turnover of €20 million or (y) a net turnover of €40 million (on a standalone basis or together with other entities that they hold or control, within the meaning of Articles L. 233-1 and L. 233-3 of the French *Code de commerce*), or (ii) upon the debtor's request and with the authorization of the supervisory judge if they do not meet such thresholds. As part of accelerated safeguard proceedings, class-based consultation of affected parties is mandatory irrespective of the thresholds.

The allocation of affected parties among classes is carried out by the court-appointed judicial administrator (*administrateur judiciaire*). Should they be directly affected by the proposed restructuring plan(s), holders of Notes would be members of a class of affected parties (the "**Relevant Class of Affected Parties**"), potentially along with other similarly situated affected parties. Although holders of Notes are expected to be grouped within the same class for the purpose of court-administered proceedings affecting the Issuer, it cannot be ruled out that holders of the Notes would be grouped into different classes due to objective and ascertainable criteria that would then prevail.

In addition, holders of Notes should be aware that the judicial administrator is required to comply with subordination agreements entered into prior to the opening of the proceedings that have been brought to his attention when allocating affected parties into classes. The judicial administrator must disclose the method used to allocate affected parties into classes and to calculate the voting rights allocated to each affected party. Any affected party, the debtor, the judicial administrator, the creditors' representative, or the public prosecutor may dispute the same before the court-appointed supervisory judge (*juge commissaire*).

The Relevant Class of Affected Parties will vote on each proposed safeguard plan (*projet de plan de sauvegarde*), accelerated safeguard plan (*projet de plan de sauvegarde accélérée*) or judicial reorganization plan (*projet de plan de redressement*), as applicable, and may agree in this context to:

- increase the liabilities (charges) of the relevant affected parties (including the holders of Notes) by rescheduling due payments and/or partially or totally writing off claims including receivables in the form of debt securities;

- establish a differentiated treatment between affected parties as appropriate under the relevant circumstances; and/or

- convert debt claims (including the Notes) into shares or securities that give or may give rights to share capital.

Each Relevant Class of Affected Parties is invited to vote on the proposed plan. A two-thirds majority (calculated as a proportion of the relevant claims or rights held by affected parties of the Relevant Class of Affected Parties expressing a vote) is required to pass the plan.

Even if the proposed restructuring plan is approved by each class, the court can refuse to adopt a plan that does not provide a reasonable prospect of preventing the insolvency of the debtor or ensuring the viability of its business, or that does not sufficiently protect the interests of all affected parties. A restructuring plan may be also adopted despite the negative vote of a Relevant Class of Affected Parties on the proposed plan through a court-imposed cross-class cram-down. For the court to impose a cross-class cram-down on dissenting parties, various conditions must be met, including the following conditions:

- the debtor has consented to the cross-class cram-down if the proposed plan has been submitted as part of accelerated safeguard proceedings or safeguard proceedings. As part of a judicial reorganization proceedings any affected party would be entitled to request the application of a cross-class cram-down on dissenting parties (in addition to the debtor or the judicial administrator with the approval of the debtor);

- the "best interests of creditors" test is complied with (according to which any dissenting party should not be in a less favorable situation, due to the plan, than it would be under the application of either the priority order for the distribution of assets in judicial liquidation or the disposal price of the business pursuant to Article L. 642-1, or a better alternative solution if the plan were not approved);

- the proposed plan has been approved by a majority of classes (provided that at least one of those classes is a class of secured creditors with *in rem* security interests or ranks senior to the class of unsecured creditors) or, failing that, by at least one class (other than a class of equity holders or any other class which is likely to be "out of the money" (as determined pursuant to the French *Code de commerce* provisions));

- the "absolute priority rule" is complied with (according to which the claims of a dissenting class must be fully discharged (by identical or equivalent means) when a junior class is entitled to a payment or retains an interest under the proposed plan). The court may, however, waive this rule under certain conditions;

- affected parties sharing a sufficient commonality of interest within the same class benefit from an equal treatment and are treated in proportion to their claim or right;

- no class of affected parties is entitled under the proposed plan to receive or retain more than the full amount of their claims or interest;

- when one or more classes of equity holders have been constituted and have not approved the plan, (i) the plan must not provide for the transfer of rights of the class or classes of equity holders who have not approved the draft plan, and (ii) in the event of a capital increase subscribed for in cash, the shares issued are offered preferentially to the shareholders, proportionally to the portion of the capital represented by their shares, among other things; and

- any new financing is necessary to implement the proposed plan, and would not entail excessive harm to the interests of the affected parties.

In judicial reorganization proceedings, in case no plan is adopted through the class-based consultation, creditors will be consulted on a new proposed plan through the standard individual consultation procedure. As part of such standard consultation, the court has the possibility to impose a debt term out on dissenting creditors (including a holder of Notes) which may be up to 10 years.

More generally, provisions related to French insolvency proceedings would govern the common rights, interests, and representation of the holders of Notes in this context. Holders of Notes should be aware that they would generally have limited ability to influence the outcome of any accelerated safeguard proceedings, safeguard proceedings, judicial reorganization proceedings or judicial liquidation proceedings involving us in France.

The commencement of insolvency proceedings against the Issuer may have a material adverse effect on the market value of Notes issued by us. The vote of the Relevant Class of Affected Parties or other classes of affected parties, as the case may be, could substantially impact the holders of Notes and even cause them to lose all or part of their investment, should they not be able to recover amounts due to them from us.

Changes in tax laws or challenges to our tax position could adversely affect our results of operations and financial condition.

We are subject to complex and evolving tax legislation in the countries in which we operate. Changes in tax laws or regulations or in their interpretation could adversely affect our tax position, such as our effective tax rate or tax payments.

In particular, European and French tax laws and regulations are extremely complex and are subject to varying interpretations. For example, the current implementation into French tax law of the Organization for Economic Cooperation and Development's (the "**OECD**") principles related to base erosions and profit shifting ("**BEPS**") included in the final reports released by the OECD as well as the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (the "**MLI**") signed in Paris on June 7, 2017, and ratified by France on September 26, 2018, which became effective as of January 1, 2019, may increase the administrative efforts within our business and impact existing structures.

For all countries which ratify the MLI after France, the relevant dates of application should be calculated on an individual basis. The MLI notably introduces a "principal purpose test" ("**PPT**") denying tax treaty benefits to companies when obtaining such benefits was "one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in" these benefits, unless granting these benefits under the given circumstances would be "in accordance with the object and purpose of the relevant provisions" of the tax treaty. Whether a France entity relying on tax treaty benefits can be construed as being part of such type of arrangement will predominantly depend on source state views.

Furthermore, the European Union continues to harmonize the tax legislation of the member states. In this respect, the Council of the European Union (the "**Council of the European Union**") adopted a directive "laying down rules against tax avoidance practices that directly affect the functioning of the internal market" on July 12, 2016 (Council Directive 2016/1164) (the "**ATAD**"). The ATAD was later amended on May 29, 2017, by the Council Directive (EU) 2017/952 (the "**ATAD 2**"), which, *inter alia*, extends the scope of the ATAD to hybrid mismatches involving third countries and provides that its provisions shall apply (subject to certain exceptions), as from January 1, 2020. Among the set of proposed measures, the ATAD provides, in particular, for a general interest limitation rule pursuant to which the tax deduction of net financial expenses is limited to 30% of the taxpayer's tax adjusted earnings before interest, tax, depreciation and amortization (EBITDA) or to a maximum amount of €3,000,000, whichever is higher (subject to several exceptions). Such rules have been implemented into the French *Code général des impôts* (the "**FTC**") and are currently in force. See "*—Risks Related to the Notes—French tax legislation may restrict the deductibility, for French tax purposes, of all or a portion of the interest on our indebtedness incurred in France on our indebtedness, thus reducing the cash flow available to service our indebtedness"* for more details on this rule.

In addition, the anti-abuse provision provided for by the ATAD with respect to French corporate income tax, which aims to address abusive tax practices that are not dealt with by specifically targeted provisions was also implemented into French law. Pursuant to this provision, the French tax authorities may ignore an arrangement, or a series of arrangements, which, having been put into place for the main purpose or one of the main purposes of obtaining a tax advantage that defeats the object or purpose of the applicable tax law, are not genuinely taking into account all relevant facts and circumstances.

The European Commission also published a corporate reform package proposal on October 25, 2016, including three new proposals that aim at (i) relaunching the Common Consolidated Corporate Tax Base ("**CCCTB**") which is a single set of rules to compute companies' taxable profits in the European Union, (ii) avoiding loopholes associated with profit-shifting for tax between European Union countries and non-European Union countries, and (iii) providing new dispute resolution rules to relieve problems with double taxation for businesses. On May 18, 2021, the European Commission communicated a new plan called Business in Europe: Framework for Income Taxation ("**BEFIT**") which aims to replace the CCCTB in the European tax policy

proposals. BEFIT is based mainly on the framework of the OECD's international tax reform project, and would involve the consolidation of the profits of the EU members of a multinational group into a single tax base, which will then be allocated to Member States using a formula, to be taxed at national corporate income tax rates. The preparation for this new proposal will be carried out by the European Commission alongside the Member States and the European Parliament and will give rise to consultations with the business sector and civil society groups. The European Commission adopted the BEFIT directive proposal on September 12, 2023. Should this Directive be finally adopted by the European Council, Member States would have to adopt and publish the laws, regulations and administrative provisions necessary to comply with this Directive by January 1, 2028.

Alongside BEFIT, the European Commission also announced, among other things, that it would (i) table a legislative proposal setting out union rules to neutralize the misuse of shell entities for tax purposes (the "**ATAD 3 Proposal**"), (ii) adopt a recommendation on the domestic treatment of losses and (iii) make a legislative proposal creating a Debt Equity Bias Reduction Allowance ("**DEBRA**"), although there were recent indications that the examination of the proposal of the DEBRA directive has been suspended at this stage.

On September 12, 2023, the European Commission published a proposal for a Council Directive on transfer pricing (which is part of the BEFIT package) aiming at incorporating the arm's-length principle into European Union law, harmonizing the key transfer pricing rules, clarifying the role and status of the OECD Transfer Pricing Guidelines and creating the possibility to establish, within the European Union common binding rules on specific transfer pricing subjects. Should this Directive be adopted, Member States would have to apply these provisions as from January 1, 2026.

On October 8, 2021, members of the OECD/G20 Inclusive Framework on BEPS (the Inclusive Framework) agreed to the Statement on the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalization of the Economy reflecting the agreement reached by 136 out of the 140 Inclusive Framework members. The Two-Pillar Solution is comprised of Pillar One and Pillar Two.

Pillar One aims at ensuring a distribution of profits and taxing rights among countries with respect to the largest multinational enterprises ("**MNEs**") through the re-allocation of taxing rights over 25% of the residual profit of the largest and most profitable MNEs to the jurisdictions where the customers and users of those MNEs are located ("**Pillar One**").

Pillar Two puts a floor on tax competition on corporate income tax through the introduction of a global minimum corporate tax at a rate of 15% that countries can use to protect their tax bases (the "**GloBE Rules**") ("**Pillar Two"**). On December 20, 2021, the OECD published the pillar two model rules (the "**Model Rules**") for the domestic implementation of the 15% global minimum tax rate agreed upon in October 2021. The new Model Rules aim to assist countries to bring the GloBE Rules into domestic legislation. They provide for a coordinated system of interlocking rules that (i) define the MNEs within the scope of the minimum tax; (ii) set out a mechanism for calculating an MNE's effective tax rate on a jurisdictional basis, and for determining the amount of top-up tax payable under the rules; and (iii) determine the member of the MNE group which will be required to pay the top-up tax.

On December 14, 2022, Directive 2022/2523 setting forth rules to ensure a global minimum level of taxation for multinational groups was adopted. The Directive aims at consistently implementing among all 27 member states the Model Rules that include an Income Inclusion rule ("**IIR**") and an Under Taxed Payment Rule ("**UTPR**"). However, it also extends its scope to large-scale purely domestic groups, in order to ensure compliance with the European Union fundamental freedoms. In addition, the Directive makes use of an option contemplated by the Inclusive Framework whereby the member state of a low-taxed income entity (referred as constituent entity) applying the IIR is required to ensure effective taxation at the minimum agreed level not only for foreign subsidiaries but also for all constituent entities residents in that member State.

The Member States had to transpose the directive into their national laws by December 31, 2023 for the rules to be applicable for fiscal years starting on or after December 31, 2023 (with the exception of the UTPR, which is to be applicable for fiscal years starting on or after December 31, 2024). The French Finance Law for 2024 (Law 2023-1322 of December 29, 2023) transposed the directive implementing Pillar Two into French domestic

law, introducing a minimum tax of 15% on the profits of MNEs that operate in France and have a consolidated revenue of at least €750m generated during at least two of the last four fiscal years.

On October 11, 2023, the OECD/G20 Inclusive Framework published the text of the Multilateral Convention to Implement Amount A of Pillar One (the "**MLC**"). Amount A of Pillar One co-ordinates a reallocation of taxing rights to market jurisdictions with respect to a share of the profits of the largest and most profitable multinational enterprises operating in their markets, regardless of their physical presence. It also ensures the repeal and prevents the proliferation of digital services taxes and relevant similar measures, secures mechanisms to avoid double taxation, and enhances stability and certainty in the international tax system.

On January 17, 2023, the European Parliament approved the ATAD 3 Proposal to neutralize the misuse of shell entities for improper tax purposes within the European Union, which was released by the European Commission on December 22, 2021. In order to be definitively adopted, the text will need to be approved by the Council of the European Union and subsequently implemented by Member States. Even if the European Council initially targeted an application of this directive as from January 1, 2024, the exact timing for the vote and the directive's implementation by Member States remains unclear at this stage.

Furthermore, new rules on tax dispute resolution already apply since January 1, 2019, following the transposition of Council Directive 2017/1852 of October 10, 2017 into French tax law. These new regulations could impact our tax position in the future.

We often rely on generally available interpretations of tax laws and regulations in the jurisdictions in which we operate. We cannot be certain that the relevant tax authorities are in agreement with our interpretation of these laws. If our tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require us to pay taxes that we currently do not collect or pay or increase the costs of our rental offerings and services to track and collect such taxes, which could increase our costs of operations and have a material adverse effect on our business, results of operations and financial condition.

French tax legislation may restrict the deductibility, for French tax purposes, of all or a portion of the interest incurred in France on our indebtedness, thus reducing the cash flow available to service our indebtedness.

As a general rule, pursuant to Article 39-1-1° of the FTC, expenses incurred by a French company are deductible provided, among other conditions, that (i) they are incurred in its direct corporate interest and (ii) they correspond to actual and justified expenses. In this respect, French case law has developed the concept of "abnormal act of management" according to which the expenses incurred by a French company, in relation with transactions that are not aligned with its direct corporate interest, are not tax deductible.

Under article 39.1.3° of the FTC, the deduction of interest paid by a borrower to creditor that is a direct shareholder but not a related party within the meaning of Article 39.12 of the FTC, is subject to the conditions that (i) the share capital of the borrowing company is fully paid-in and (ii) the interest rate on the corresponding loans does not exceed a rate equal to the annual average rate of floating rate loans granted by financial establishments for a minimum term of two years (currently 5.75% for companies closing their fiscal year ended December 31, 2024). By exception, Article 212, I-(a) of the FTC provides that interest incurred on loans granted by a related party within the meaning of Article 39.12 of the FTC is deductible up to the rate referred to in Article 39.1.3° of the FTC or, if higher, up to the rate that the borrowing entity could have obtained from independent financial institutions in similar conditions.

Pursuant to Article 39.12 of the FTC, two entities will be regarded as related if (i) one of the entities holds directly or indirectly the majority of the other entity's share capital or actually exercises the power of decision in that entity or (ii) both entities are controlled by a same third-party enterprise under the conditions defined in (i) above.

In both cases (*i.e.*, non-deductibility under Articles 39-1-3° and 212 I-(a) of the FTC), non-deductible interest might be re-characterized as deemed dividends pursuant to Articles 109 *et seq*. of the FTC, and may thus be subject to the withholding tax set out under Article 119 *bis* 2 of the FTC, at the rate of (i) generally 25% for payments benefiting to legal persons, (ii) 12.8% in cases where the beneficiary is an individual or (iii) 75% for payments made in non-cooperative jurisdictions (*Etat ou territoire non coopératif*) within the meaning of Article

238-0 A of the FTC (a "*Non-Cooperative State*") other than those mentioned in 2° of 2 bis of the same Article 238-0 A (subject in each case to the more favorable provisions of any applicable double tax treaty).

Moreover, under article 212 bis of the FTC, for financial years opened as from January 1, 2019, net financial expenses ("**NFE**") are deductible up to the highest of €3,000,000 per financial year and 30% of the borrower's tax Adjusted EBITDA, corresponding to its taxable result before offset of tax losses and without taking into consideration tax, NFE and, to some extent, depreciation, amortization, provisions and capital gain/losses (subject to several exceptions) (the "**30% Limitation**"). Such limitation applies to both related-party and third-party financings regardless of the purpose of these financings, subject to certain limited exceptions.

The NFE are defined as the excess, if any, of the financial expenses of the borrower over its financial income. If the borrower belongs to a consolidated group, and its ratio of own funds to aggregated assets is equal to or higher than the corresponding ratio of the group, then 75% of any non-deducted NFE, under the above rule, becomes deductible (*i.e*., the "**Financial Autonomy Safe Harbor**").

French thin-capitalization rules apply in respect of loans granted by related parties. If the borrower has a ratio of affiliated debts to own funds which exceeds 1.5, it is viewed as thinly capitalized, and the deduction of the NFE borne by such entity is deductible for a portion of their amount up to the highest of (i) 30% of its tax Adjusted EBITDA or (ii) €3 million, multiplied by a ratio equal to (A) the average amount of sums borrowed from or made available by non-related parties (directly or indirectly) within the meaning of Article 39.12 of the FTC increased by 1.5 time the company's equity (assessed either at the beginning or at the closing date of the fiscal year) by (B) the average amount of all sums borrowed by or made available to the company during said year. The balance of net financial expenses is deductible for a portion of their amount up to the highest of (i) 10% of its tax Adjusted EBITDA or (ii) €1 million multiplied by a ratio equal to (A) the average amount of sums borrowed from or made available by related parties (directly or indirectly) within the meaning of Article 39.12 of the FTC exceeding 1.5 time the company's equity (assessed either at the beginning or on the closing date of the fiscal year) by (B) the average amount of all sums borrowed by or made available to the company during said fiscal year. These specific limitations do not apply if the ratio of affiliated debts to own funds of the borrower is lower or equal to the corresponding ratio of the consolidated group to which it belongs (*i.e.,* the "**Indebtedness Safe Harbor**").

These thin-capitalization rules could apply at the level of the Issuer's tax consolidated group (in respect of any loans contracted by the Issuer (or any company belonging to the same French tax consolidated group) from any related party) (i.e., the "**Thin Capitalized Perimeter**") and at the level of the Issuer's French subsidiaries that do not belong to the same French tax consolidated group as the Issuer with respect to any amount of the proceeds of the Notes used by the Issuer to grant intragroup loans to such subsidiaries as well as, more generally, in respect of any loans contracted by the Issuer's French subsidiaries from any related party.

The 30% Limitation is increased by 75% of the portion of the net financial expenses which are non-deductible after application of the €3 million or 30% tax Adjusted EBITDA limitation in three circumstances: (i) autonomous companies (*i.e*., companies which are not members of a consolidated group, have no establishment outside France and no associated company (appreciated between entities holding a stake of at least 25%)); (ii) companies or tax consolidated groups belonging to a consolidated group which do not qualify as a Thin-Capitalized Perimeter and that benefit from the Financial Autonomy Safe Harbor; and (iii) companies or tax consolidated groups belonging to a consolidated group which qualify as a Thin-Capitalized Perimeter but benefit from both the Indebtedness Safe Harbor and the Financial Autonomy Safe Harbor.

The portion of the NFE which is non-deductible pursuant to the 30% Limitation, in respect of a given financial year, may be carried forward indefinitely and deducted from the subsequent financial years subject to the same limitations (in case of thinly capitalized entities, only one third of the NFE may be carried forward). Also if a portion of a deductibility capacity, in respect of a given financial year, is not fully used by the borrower (other than a thinly capitalized one), it may be carried forward to the next 5 financial years but only against financial expenses incurred in respect of those fiscal years.

Special rules apply to the NFE related to public infra structure projects and to members of French tax consolidated groups.

Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* BOI-IS-BASE-35-40-10-20, § 20, dated May 13, 2020 and BOI-IS-BASE-35-40-20, § 240, dated May 13, 2020, the portion of interest that is not deductible by virtue of (i) Article 212 *bis*, I of the FTC under the 30% Limitation and/or (ii) Article 212 *bis*, VII of the FTC under the thin-capitalization rules is not to be recharacterized as a "deemed distribution" pursuant to Articles 109 *et seq.* of the FTC and, therefore, is not subject to the withholding tax set out under Article 119 *bis* 2 of the FTC.

In addition, ATAD 2 in relation to hybrid mismatches with third countries has been implemented and is applicable as from January 1, 2020, except for certain of its provisions which are applicable since January 1, 2022. In relation to such implementation, the provisions of Article 212-1-(b) of the FTC (*i.e.,* the former French anti-hybrid provisions) have been repealed.

Articles 205 B *et seq.* of the FTC implementing ATAD 2 provide limitations on interest deductions in the event of (i) a deduction of a payment at the level of a paying entity without a corresponding inclusion of such payment in the taxable income of the receiving entity (referred to as a "deduction without inclusion"), or (ii) a deduction of the same payment, operational expenses or losses in the taxable income of both the paying and receiving entity (referred to as a "**double deduction**"). Unlike the previous domestic anti-hybrid rules, payments made to tax-exempt or low-taxed beneficiaries are not within the scope of the new rules that only target differences in qualification or attribution of the right to tax an element of income. Such limitations only apply to payments taking place between "associated enterprises," except for the so-called "structured arrangements" (*i.e.,* an arrangement pricing the relevant mismatch or an arrangement designed to produce the mismatch, subject to certain conditions). If the hybrid mismatch results in a deduction without inclusion, the deduction from taxable income will generally be denied to the French paying entity. Alternatively, the payment to a French receiving entity will be included in its taxable income if deduction is not denied in the jurisdiction of the paying entity. If the hybrid mismatch results in a double deduction, the deduction will either be denied at the level of the receiving entity or at the level of the paying entity.

In respect of fiscal years opened as from January 1, 2022, these provisions also cover reverse hybrid entities, referring to situations where an entity is deemed to be tax transparent by the Member State in which it is incorporated or established but the jurisdiction or jurisdictions in which its "associated enterprises" holding directly or indirectly in aggregate an interest in 50% or more of its voting rights, capital interests or rights to share profit are established, qualify the entity as non-transparent. Where a hybrid entity of a reverse hybrid mismatch is incorporated or established in France, its income is, as the case may be, either subject to French corporate income tax or taxable pursuant to the conditions provided for by Article 8 of the FTC, to the extent that it is not taxed in another State.

The above-mentioned tax rules, as well as generally applicable tax principles, may limit our ability to deduct interest accrued on our indebtedness incurred in France and, as a consequence, may increase our tax burden, which could adversely affect our business, financial condition and results of operations and reduce the cash flow available to service our indebtedness.

The adoption by the Council of the European Union of an EU list of non-cooperative jurisdictions for tax purposes and the use of this list in the jurisdictions where the Group operates may impact its financial results.

The Council of the European Union adopted on December 5, 2017 its conclusions on the EU list of noncooperative jurisdictions for tax purposes (the "**Council Conclusions**") which is composed of two sub-lists (so-called respectively, the "**Black List**" and the "**Grey List**", together referred to as the "**EU List**"). The EU List was established to improve tax good governance globally, and to ensure that the EU's international partners respect the same standards as EU Member States do. The Black List, which shall be updated at least once a year, is currently (according to the list as adopted by the Council of the European Union on February 18, 2025) composed of 11 jurisdictions (American Samoa, Anguilla, Fiji, Guam, Palau, Panama, Russia, Samoa, Trinidad and Tobago, the United States Virgin Islands and Vanuatu). Furthermore, the Council published a Grey List of screened jurisdictions that committed to introduce changes in their tax legislation in order to comply with the European Union screening criteria.

Although there is no applicable sanction yet, European Union Member States are encouraged by the Council Conclusions to agree on coordinated sanctions to apply at national level against these listed jurisdictions, such

as increased monitoring and audits, withholding taxes, special documentation requirements and anti-abuse provisions. A French law that aims at fighting tax fraud was published on October 24, 2018 (Law 2018-898 of October 23, 2018) and expands under certain conditions the French tax regime regarding the Non-Cooperative States as defined under Article 238-0 A of the French Tax Code to certain States and jurisdictions included into the Black List. As a result, interest paid or accrued to persons domiciled or established in certain States and jurisdictions included into the Black List or paid on an account opened in a financial institution located in such States and jurisdictions may be subject to withholding tax in France and not be deductible for purposes of the computation of the debtor's corporate income tax liability. These provisions apply to such States and jurisdictions as from the first day of the third month following the publication of the order (*arrêté*) including such States and jurisdictions on the list of Non-Cooperative States. The most recent list published by the French government on February 16, 2024 includes American Samoa, Anguilla, Antigua and Barbuda, the Bahamas, Belize, Fiji, Guam, Palau, Panama, Russia, Samoa, Trinidad and Tobago, the United States Virgin Islands, Vanuatu, Turks and Caicos Islands, and Seychelles.

Transactions in the Notes could be subject to the European financial transaction tax, if adopted.

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common Financial Transaction Tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

In a common declaration dated December 8, 2015, the Participating Member States, excluding Estonia which ultimately indicated its withdrawal from the enhanced cooperation in March 2016, confirmed their intention to make decisions regarding the outstanding issues related to the FTT before the end of June 2016.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

At the Economic and Financial Affairs Council ("**ECOFIN**") meeting of June 14, 2019, a state of play of the work on the FTT was presented on the basis of a note prepared by Germany on June 7, 2019 indicating a consensus among the Participating Member States (excluding Estonia) to continue negotiations on the basis of a joint French-German proposal based on the French financial transactions tax model which in principle would only concern shares of listed companies whose head office is in a Member State of the European Union. However, such proposal is still subject to change until a final approval.

However, the Commission's Proposal remains subject to negotiation between the Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. In February 2021, the Portuguese Presidency of the Council proposed an inclusive discussion among all Member States on tax design issues of the FTT.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

USE OF PROCEEDS

The proceeds of the Notes will be used, together with cash on hand, to refinance in full the 2026 Notes.

The Refinancing is part of the Group's plan to repay long-term financial liabilities, which may include outstanding notes or other outstanding debt, to be financed through one or more issuances, including potentially concomitantly with or shortly after the offering of the Notes, of debt securities in dollars, euros or other currencies, with various maturities, by the end of 2025. See "*Summary—The Refinancing*."

The following table illustrates the sources and uses of funds relating to the issuance of the Notes and the expected use of the proceeds therefrom. Actual amounts will vary from estimated amounts depending on several factors, including the issue price of the Notes offered hereby and differences from our estimates of transaction fees, costs and expenses. This table should be read in conjunction with "*Capitalization*".

Sources of funds		**Uses of funds**	
(in € millions)		*(in € millions)*	
Notes offered hereby	750,000,000	Refinancing in full of the 2026 Notes	750,000,000
Cash on hand	3,750,000	Estimated fees and expenses of the Offering	3,750,000
Total	**753,750,000**	**Total**	**753,750,000**

CAPITALIZATION

The following table sets forth our cash and cash equivalents, financial liabilities and total capitalization as at December 31, 2024, on a historical basis, and as adjusted to reflect the completion of the Offering.

You should read this table in conjunction with the section headed "*Presentation of Financial and Other Information*" and the section headed "*Management's Discussion and Analysis of Results of Operations*" elsewhere in this Offering Memorandum and our consolidated financial statements and the related notes thereto. Our historical results do not necessarily indicate results that may be expected for any future period.

	As at December 31, 2024		
	Actual	**Adjustments**	**As Adjusted**
		(in € million)	
Cash and cash equivalents	4,500.4	(3.8)	4,496.6
Total cash and cash equivalents	**4,500.4**	**(3.8)**	**4,496.6**
		—	
Short-term borrowings	485.8	—	485.8
Other current financial liabilities[1]	236.6	—	236.6
Total current financial liabilities	**722.4**	—	**722.4**
Syndicated Credit Facility	—	—	—
HELLA Credit Facility	—	—	—
Notes offered hereby	—	750.0	750.0
2026 Notes	750.0	(750.0)	—
2026 Sustainability-Linked Notes	330.2	—	330.2
2027 Notes	890.0	—	890.0
2027 Sustainability-Linked Notes	1,200.0	—	1,200.0
2028 Notes	700.0	—	700.0
2029 Notes	500.0	—	500.0
2029 Green Notes	400.0	—	400.0
2031 Notes	700.0	—	700.0
2026 JPY Notes[2]	71.8	—	71.8
2027 JPY Notes[2]	41.7	—	41.7
2028 JPY Notes[2]	4.3	—	4.3
HELLA 2027 Notes	500.0	—	500.0
HELLA Japanese Yen Debt[3]	134.9	—	134.9
HELLA SSD	200.0	—	200.0
Schuldscheindarlehen	1,273.3	—	1,273.3
Japanese Yen Term and Revolving Facilities[4]	92.0	—	92.0
Term Loan	500.0	—	500.0
Bank borrowings & other long-term debt[5]	1,067.1	—	1,067.1
Total long-term financial liabilities	**9,355.3**	**—**	**9,355.3**
Total financial liabilities (gross)	**10,077.7**	**—**	**10,077.7**
Total financial liabilities (net)	**5,577.3**	**3.8**	**5,581.1**
Minority interests	1,778.6	—	1,778.6
Equity attributed to owners of the parent	4,291.8	—	4,291.8
Total shareholders' equity	**6,070.4**	—	**6,070.4**
Total capitalization	**16,148.1**	—	**16,148.1**

(1) Includes the current portion of long-term debt of €218.2 million.

(2) Represents ¥11.7 billion, ¥6.8 billion and ¥700 million in principal amount of the 2026 JPY Bonds, 2027 JPY Bonds and 2028 JPY Notes, respectively, which has been translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, corresponding to the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024.

(3) Represents ¥22 billion of the HELLA Japanese Yen Debt that remains outstanding as at the date of this Offering Memorandum which has been translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024.

(4) Represents ¥15 billion that had been drawn under the ¥30 billion Japanese Yen Term and Revolving Facilities as at December 31, 2024, which has been translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, corresponding to the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024. Presented at book value, net of any unamortized debt issuance costs, discounts, or premiums. In January 2025, the Issuer drew the remaining ¥15 billion available under the Japanese Yen Term and Revolving Facilities was drawn in January 2025.

(5) Includes, among other debt, €315 million drawn under the EIB Loan as of December 31, 2024, and the amounts borrowed under the Latin American Syndicated Loans, translated into euros.

In December 2024, we entered into a loan with BPI for €30 million for corporate and general purpose (undrawn as of December 31, 2024), of which €30 million is outstanding as of the date of this Offering Memorandum.

Since December 31, 2024, except as set forth above, there have been no other material changes to our capitalization.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the results of operations and financial condition of the Group as of and for the years ended December 31, 2024, 2023 and 2022. You should read the following discussion in conjunction with the Group's 2024 Consolidated Financial Statements, 2023 Consolidated Financial Statements and 2022 Consolidated Financial Statements, together with the notes thereto, incorporated by reference in this Offering Memorandum. The Group's 2024 Consolidated Financial Statements, 2023 Consolidated Financial Statements and 2022 Consolidated Financial Statements have been prepared in accordance with IFRS. See "Presentation of Financial and Other Information."

Certain of the financial measures described below, such as Adjusted EBITDA, Net Cash Flow and Net Debt are not financial measures calculated in accordance with IFRS. Accordingly, they should not be considered as alternatives to IFRS financial measures as indicators of the Group's performance. The Group's management uses these financial measures to assess its operating performance. In addition, the Group believes that certain of these financial measures are commonly used by investors. However, the financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated. See "Presentation of Financial and Other Information—Alternative Performance Measures".

Some of the information contained in this discussion, including information with respect to the Group's objectives, plans and strategies for its business, results, cash flows and capital expenditures contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" for a discussion of the risks related to those statements. You should also read "Business" and "Risk Factors" for more information about the Group, including a discussion of certain factors that may adversely affect the Group's business, results of operations and financial condition.

Overview

Segmentation

The Group is structured into the following 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); and
- 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 Group follows the performance of each segment mainly on the basis of sales and operating income. See "—*Results of Operations*". 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.

Each of these business groups is organized into geographic regions. At December 31, 2024, the Group operated in 40 countries and generated 47% of its sales in EMEA, 27% in Asia, 26% in Americas.

IFRS 5 and restatement of the 2022 income statement

In July 2023, the Group completed the sale of its SAS Cockpit Modules division (assembly and logistics services), reported as part of its Interiors segment, to the Motherson group. All the conditions were met under

IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* to qualify the SAS Cockpit Modules activity as discontinued from February 2023 when the sale was announced, mainly regarding the criteria of being a major line of business and the highly probable character of the sale. From January 1, 2023 until July 31, 2023, the effective date of the sale, the corresponding assets and liabilities were isolated in dedicated lines as the net result of the corresponding discontinued activities. 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 Cockpit Modules 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. Due to the effective sale of these activities on July 31, 2023, there are no assets or 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 the comparative column for 2022 presented in the 2023 Consolidated Financial Statements. The comparative balance sheet for 2022 has not been restated, as per IFRS5.

As a result of the foregoing, and to improve comparability with 2023, we present certain 2022 income statement and cash flow statement data in this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" as "restated" and therefore such amounts may differ from the amounts presented in the 2022 Consolidated Financial Statements.

Consolidation of HELLA

HELLA has been consolidated in the Group's financial statements starting on February 1, 2022. Results and cash flows reported by the Group for the years ended December 31, 2024 and December 31, 2023 include the consolidated results and cash flows, respectively, of HELLA for the entire period, and results and cash flows reported by the Group for the year ended December 31, 2022 include the consolidated results and cash flows, respectively, of HELLA from February 1, 2022 through December 31, 2023. The financial position reported by the Group as of December 31, 2024, 2023 and 2022 include the financial position of HELLA as of December 31, 2024, 2023 and 2022, respectively.

Factors affecting the Group's results of operations

The Group's results of operations and the operating metrics discussed below have been, and may continue to be, primarily affected by the key factors set forth below as well as certain historical events and other developments.

Trends in the global automotive industry

The Group's results are significantly influenced by developments in the global automotive markets and the level of demand for its products in the different business units of the Group, which itself is directly related to global automotive production.

The negative impacts of the Covid-19 pandemic and supply chain issues in 2020, as well as the subsequent semiconductor shortage in 2021, contributed to a decline in global automotive production. Worldwide production has since rebounded, with global production of light vehicles increasing from 82.3 million in 2022 (representing a growth rate of 6.7% year-on-year) to 90.4 million in 2023 (representing a growth rate of 9.9% year-on-year) and to 89.5 million in 2024 (representing a decrease of 1.1% year-on-year), supported by robust global demand and the progressive normalization of semiconductor supplies. The 2024 level of automotive production slightly exceeded the approximately 89 million of light vehicle produced in 2019 (pre-Covid-19 level).

The table below sets out global automotive production evolution for the periods and regions indicated (in percent increase or decrease compared to the prior year). The data related to automotive production and volume evolution is based on IHS Markit's forecast dated February 2025 (vehicles segment in line with China Association of Automobile Manufacturers (CAAM)).

(in %)	2022	2023	2024
EMEA	0.7	12.2	-4.1
Americas	9.4	8.6	-1.0
Asia	8.2	9.5	1.5
Of which China	*6.4*	*10.0*	*3.7*
Total	**6.7**	**9.9**	**-1.1**

During this period, the Group's sales increased consistently above global automotive production growth, by 16.6%, 14.0% and 0.4% growth at constant scope and currencies in 2022 (restated), 2023 and 2024, respectively. Despite fluctuations in regional production over the last three years, the distribution of the Group's sales have remained stable, with EMEA, the Americas and Asia representing 47%, 26% and 27%, respectively in 2024, 46%, 27% and 27% in 2023, and 45%, 28% and 27% in 2022, largely due to the predominance of the Group's main customers. However, the share of the Group's top four customers has decreased in recent years, from 48% of sales in 2022 (VW, Ford, Stellantis and Renault) to 45% of sales in 2024 (VW, Ford, Stellantis and Mercedes-Benz), as the Group has diversified its customer base.

Automobile production continued to face challenges during the periods under review, as a result of several factors: production in China continued to be penalized by Covid-related restrictions through the end of 2022, due in part to the country's zero-Covid policy; while Europe was strongly impacted by supply chain disruptions due to the war in Ukraine that began in February 2022; and all markets were affected by the shortage of semiconductors that began to gradually ease in 2023 and throughout 2024. In addition, from a macroeconomic perspective, starting in 2021global inflation began to rise, reinforced by energy supply risks, followed by interest rates increases to curb inflation.

In addition, climate change concerns and the global push for decarbonization is driving a demand for lighter, more energy efficient and less CO_2-intensive vehicles, including electric vehicles (see also "—*Carbon emissions reduction and the electrification of the automotive fleet*" below). An important consequence of this push is that production in previously dominant regions, such as Europe and North America, is now being outpaced by production in Asia. As a result, the Group believes it is necessary to shift its production from Europe to develop its industrial footprint in Asia, and particularly China, to remain competitive (see also "—*The Group's measures to improve its profitability*" below. This shift will entail changes to the global distribution of the Group's workforce, as it aims to further diversify its production base. The Group sees its existing relationships with 19 of the top 20 Chinese OEMs as a significant advantage in this region and aims to benefit from the structural advantages that exist in China, such as direct access to critical resources, cheaper energy costs compared to the EU and subsidies available to local companies, to reduce its costs of production.

Additional factors that have and will continue to influence automotive production (and consequently the Group's sales and results of operation) include changing demographics (e.g., population growth, increase of median age, urbanization), consumer preferences, levels of disposable income, regulations and government policies (such as increasingly strict standards for CO_2 emissions), replacement rates of old vehicles and affordability of new vehicles. The success of the Group's products is also tied to the commercial success of the models marketed by its customers for which the Group produces components and modules. 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. These developments could also result in shifts of geographic demand to markets or locations outside the Group's current footprint.

Changes in prices of raw materials and energy cost and impacts of inflation

The cost of materials, raw materials and energy, as well as of components, accounts for a large portion of the Group's cost of sales. The Group is exposed to commodity risk through its direct purchases of raw materials and indirectly through components purchased from its suppliers. In 2024, the proportion of its direct purchases of raw materials, mainly steel, thermoplastic resins and semi-conductors, and the raw materials share of indirect purchases of components made of these same raw materials, represented approximately 45% of the Group's total purchases. Prices of these raw materials are subject to fluctuations driven by structural supply capacities,

demand and international geopolitical tensions. In addition, in 2022 and 2023, rising inflation contributed to the increase in the costs of purchased components, including raw materials, energy, transport and labor, although this inflation subsided in 2024. The Group's operating and net income have been, and may continue to be, adversely impacted by changes in the prices of these essential components.

To the extent that the Group's sales contracts with customers do not include price indexation clauses linked to the price of raw materials, the Group is exposed to risks related to unfavorable fluctuations in commodity prices. Additionally, the Group's sales contracts may not always allow passing through of raw material costs, and while contract renegotiations are possible, the Group remains vulnerable to cost fluctuations. If commodity prices were to rise steeply, such as during a period of high inflation, the Group may not be able to pass on these cost increases to its customers, which could have an impact on its sales and results of operations.

These raw materials risks could also affect customer-supplier relationships. For example, automakers could require the creation of larger safety stocks, which could result in revisions of existing contractual arrangement and impact the Group's results of operations. Moreover, the Group does not use derivatives to hedge its purchases of raw materials. However, the Group has hedging policies in place that aim to protect its energy costs from adverse fluctuations in electricity and gas prices.

The Group's measures to improve its profitability

The Group's profitability and financial discipline form an important foundation for its transformation and sustainable value creation. The Group has implemented structural changes to make its cost structure more flexible in order to increase its agility and resilience. The Group aims to rationalize and optimize its industrial footprint and closely manage its direct and indirect headcount, in addition to other selling, general and administrative cost-cutting measures. To guide these measures, the Group has developed a number of strategic projects, including "EU-Forward" and "West East." "EU-Forward" has been developed with the goals of reducing fixed costs, reorganizing the Group's manufacturing and R&D structure in Europe and achieving sustainable profitability. In addition, "West East" aims to reduce the Group's costs by transitioning its production from Europe and North America to Asia. In particular, the Group intends to leverage the structural advantages that exist in China, such as direct access to critical resources, cheaper energy costs compared to the EU and subsidies available to local companies, to produce more affordable electric vehicles. This shift is expected to result in a short-term increase in costs in order to generate long-term savings on the Group's production footprint and greater sustainability. The Group expects that these projects, along with its other strategic initiatives, will lead to a positive impact on its long-term profitability. In particular, the launch of "EU-Forward", a project that is being rolled out across the Group's European operations until 2028 to adapt manufacturing footprint and R&D set-up and is aimed at reinforcing the group's competitiveness and agility in the region, is expected to impact up to 10,000 jobs and result in an estimated cash restructuring outflow of approximately €800 million for annual targeted savings of €500 million by 2028.

Impacts of union negotiations, labor disputes and other matters associated with our workforce

As of December 31, 2024, the Group employed approximately 150,000 people in 40 countries (including 27,839 temporary employees), of which approximately 62% were covered by collective bargaining agreements and 66% were represented by at least one employee representative body (*e.g.,* works councils or trade unions). Although the Group believes that its relations with labor unions and work councils that represent its employees are generally sound and there have not been any recent material strikes or stoppages, there is no assurance that the Group will not experience such conflicts with labor unions, works councils, other groups representing employees or its employees generally, or that any future negotiations with labor unions will not result in significant increases in the Group's cost of labor, which could in turn impact the Group's results of operations. In particular, labor strikes or work stoppages at one of the Group's sites could halt production and result in substantial financial losses for the Group due to missed deadlines and unmet market demands, which could materially and adversely affect its client relationships, operations and financial results. Additionally, negotiations with labor unions could lead to changes in labor contracts, such as increased wages and benefits for workers, which could escalate operational costs and decrease profit margins.

The impact of the Group's productivity gains and technological innovation

The Group continuously seeks to improve its production, logistics, and administrative processes to achieve productivity gains and other synergies. The Group operates in a highly competitive industry that demands a high

level of technological innovation. It believes itself to be at the forefront of its industry as it focuses on the development and use of new technologies through innovative product launches and new uses and improvements of its existing products. As part of this goal, the Group created the MATERI'ACT initiative in 2022, a new brand aimed at developing and manufacturing cutting-edge sustainable materials with low or ultra-low CO_2 footprints. Through this brand, the Group offers recycled, bio-based and carbon-capturing compounds, bio-based foils, low CO_2 carbon fibers and green steel for the automotive industry and beyond. With these sustainable materials, MATERI'ACT aims to enable the Group and the wider industry to eventually reach net zero emissions. The Group believes this initiative will generate significant sales opportunities going forward. In addition, the Group has consistently maintained its research and development costs at a high, constant level as it seeks to develop sustainable solutions to address the key trends of the automotive industry of increased connectivity, autonomous driving and electrification and maintain its leadership position and technology portfolio in certain segments. Gross research and development costs accounted for €2,155.8 million of the Group's total expenses in the year ended December 31, 2024, representing 8.0% of sales, compared to €2,197.5 million (8.1% of sales) in 2023 and €2,067.5 million (8.4% of sales) in 2022, as restated, or €2,078.9 million (8.2% of sales) in 2022 before restatement. Capitalized research and development costs represented cash outflows of €1,039.0 million, or 3.9% of sales, in the year ended December 31, 2024, compared to €1,046.0 million, or 3.8% of sales, in the year ended December 31, 2023. The Group's ability to realize productivity gains through such research and development and innovation may have a significant impact on its costs and competitiveness in the automotive industry.

Carbon emissions reduction and the electrification of the automotive fleet

The automotive industry and related technological advancements have been impacted by the growing environmental efforts to reduce CO_2 emissions, both in industry and in personal mobility. The impact of these trends on the automotive industry is significant, as vehicles are becoming more connected, autonomous, shared, and electrified. 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. The Group foresees that its future growth will be driven by electrification, thermal management, and innovative combustion engines. The Group believes that focusing on developing sustainable products suitable for electric and hybrid vehicles will be a key factor for its future growth. However, the market for the conventional engine systems is directly affected by the trends moving towards creating more environmentally friendly vehicles.

In recent years the Group has made significant efforts to adapt to, and capitalize on, these trends, in particular by developing solutions in electrification and energy management, automated and safe driving, and personalized experiences in the digital and sustainable cockpit. In 2011, Faurecia was the first automotive supplier to introduce a complete range of bio-composite cockpit solutions with NAFILean®. These products' CO_2 footprint is 28% lower than that of conventional all-plastic counterparts.

Examples of the Group's recent innovations in this area include the following:

- In June 2023, the Group began making deliveries of Type IV hydrogen tanks from its production plant in Allenjoie, France. This first-of-its-kind facility in Europe and North America aims to produce 100,000 tanks annually. The Group believes that hydrogen will be a driving force behind the decarbonization of mobility, and will require safe and affordable hydrogen storage technologies. In November 2023, the Group was 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 September 2023, the Group, in collaboration with the Nordic-based steel manufacturer SSAB, unveiled the world premiere of a seat structure made from fossil-free steel, with a CO_2 footprint that has been reduced by almost 90% compared to a traditional steel seat structure.

- In November 2023, the Group's MATERI'ACT initiative was launched, which works to develop, source, produce and sell unique cutting-edge materials with low and ultra-low footprints with up to 85% CO_2 reduction compared to existing materials. MATERI'ACT aims to accelerate the Group's ambition to be CO_2 neutral in its products, in line with the rising demands of OEMs and end-users for sustainable vehicles (see "*—The impact of the Group's productivity gains and technological innovation*" above).

- In May 2022, Faurecia, and Veolia signed a Cooperation and Research Agreement to jointly develop innovative compounds for automotive interior modules, aiming to achieve an average of 30% of recycled content by 2025, including in instrument panels, door panels and center consoles in Europe.
- Following the acquisition of HELLA in 2022, the Group benefits from HELLA's Flatlight | μMX technology, which is based on an innovative LED light guide concept with micro-optics and allows for up to 80% lower energy consumption compared to conventional LED tail lights.

The Group has also set a goal of achieving carbon neutrality by 2045, with two intermediate milestones: CO_2 neutrality on scopes 1 and 2 by 2025; and a decrease of 45% on scope 3 by 2030 (compared to reference year 2019). In addition, in line with its initiatives to design for Scope 3 reductions, the Group has set ambitious goals of creating products that contain more than 30% recycled content, achieving up to 70% recyclability of its products at end of life, attaining energy savings of 40% for electronic components, achieving 17% compounded weight reduction of purchased goods and use of sold products and reducing upstream and downstream transportation carbon emissions by 20% by 2030.

In recent years, the Group has made significant investments to achieve its ambitious goals. These include optimizing the energy efficiency of its production plants and securing renewable energy to power its production. For example, in May 2023, the Group increased its renewable energy capacity by signing a ten-year Power Purchase Agreement (PPA) with Renewable Power Capital, securing almost all the output from the 417-GWh onshore wind turbine farm in Klevberget, Sweden, which is expected to generate the equivalent of more than 40% of the Group's annual European electricity consumption. When added to existing energy arrangements, up to 70% of the Group's consumption (650 GWh) will be powered by renewable electricity through 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 are expected to provide up to 5% of its renewable energy mix.

The ability of the Group to reduce its carbon emissions in line with its targets, innovate its products and meet the increasing demands of OEMs and end-users for sustainable solutions may impact the Group's sales, prospects and market share, which could affect the Group's revenues and results of operations.

Acquisitions and disposals

The Group regularly carries out strategic acquisitions and disposals as part of its growth strategy, including the acquisition of HELLA in 2022 and the announcements of a €1 billion disposal programs in 2022 (since completed) and a subsequent €1 billion disposal program in 2023 (currently ongoing and partially completed for approximately €250 million). These transactions have contributed to the Group's growth in sales, as well as supporting its focus on profitability and financial discipline. The Group's major acquisitions and disposals during the period under review have included the following:

2024

HELLA's divestment of its stake in BHTC was completed in April 2024.

2023

During 2023, the Group signed and closed agreements finalizing the first €1 billion disposal program initiated in 2022. These included (i) the sale of the SAS Cockpit Modules division to the Motherson group for a value of €540 million, which closed in July 2023; (ii) the sale of part of its commercial vehicle exhaust after-treatment business (also referred to as "**CVI**") in Europe and the United States to the Cummins group for a value of €199.2 million, which closed in October 2023; and (iii) the sale of part of its stake in Symbio, a fuel cell mobility joint venture, to Stellantis for a value of €150 million, which closed in July 2023 and upon which Forvia, Michelin and Stellantis became equal partners in Symbio.

Forvia also initiated the second €1 billion disposal program in October 2023 with an agreement to sell its shares in HELLA BHTC. HELLA, jointly with co-owner MAHLE, sold 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 aim to strengthen its focus on its core business areas: Electronics, Lighting and Lifecycle Solutions.

In addition, in December 2023, the Group sold three of its operating entities in Russia (Faurecia Environmental solutions-Russia, Faurecia Automotive Solutions, Faurecia Interior Togliatti) after having obtained the

necessary regulatory authorizations from the Russian administration. Since the end of December 2023, the Group has ceased all operational activities in Russia.

2022

On January 31, 2022, the Group completed the acquisition of 79.5% of HELLA, a 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 a public tender offer. The Group subsequently acquired additional shares on the market, representing 2.09% of HELLA shares as of March 18, 2022. As of December 31, 2023, the Group held 81.6% of HELLA shares. The Group has exclusive control over HELLA, which is fully consolidated (including all its significant affiliates) in its financial statements since February 1, 2022.

Also, in 2022, as part of the €1 billion disposal program that was announced following the acquisition of HELLA, the Group sold its Interiors business in India to TAFE and HELLA sold its 33% stake in HBPO to co-shareholder Plastic Omnium.

Management of the Group's debt structure

The Group's net debt stood at €6,622.6 million at December 31, 2024, compared to €6,987.3 million at December 31, 2023 and €7,939.1 million at December 31, 2022. In 2022, the Group's net debt increased significantly, mainly in connection with the acquisition of HELLA. The €952 million decrease in the net debt between December 31, 2022 and 2023 was principally due to the positive net cash flow evolution and the disposals that took place in 2023. The €365 million decrease in the net debt between December 31, 2023 and 2024 was principally due to the positive net cash flow evolution and the additional disposals that took place in 2024.

In less than three years, between the acquisition of HELLA in February 2022 and the end of 2024, the Group significantly reduced its net financial debt from €8,394 billion at the end of June 2022 to €6,623 billion at the end of December 2024, and its Net debt/Adjusted EBITDA ratio from 3.1x at the end of June 2022 to 1.97x at the end of December 2024.

The Group has set concrete targets for the management of its debt structure going forward. In particular, as part of its "Power25" program, the Group aims to achieve a Net debt/Adjusted EBITDA ratio below 1.8x by December 31, 2025. The Group's ongoing second €1 billion disposal program, announced in October 2023, is expected to contribute to the Group's further deleveraging target.

The Group's cost of debt increased from €377.1 million in 2022 to €586.2 million in 2023 and to €624.6 million in 2024, largely in line with the increase in net debt and in a context of rising interest rates. As at December 31, 2024, 74% of the Group's outstanding debt was fixed rate, whereas 26% of the Group's outstanding debt was variable rate. Fluctuations in interest rates and the amount of debt the Group has outstanding could impact the Group's interest expense, which could in turn affect its debt ratio, net income and results of operations.

Impact of exchange rates on the Group's financial statements

The Group operates its facilities in more than 40 countries. For this reason, currency fluctuations can have a significant impact on the Group's financial results. In particular, the Group is exposed to transaction effects when its subsidiaries generate sales or incur costs in a currency different from their respective functional currency. Changes in the relative value of the foreign currency exchange rate to the euro have an effect on the Group's results of operations reported in euros. Most of the Group's net sales are either denominated in or linked to the value of the euro or the U.S. dollar. Similarly, a large part of the Group's costs of sales and other operating expenses are either denominated in or linked to the value of the U.S. dollar and the euro, including raw material purchases and the costs of its operations in the U.S. and partially Europe. The Group is also faced with the translation risk linked to the contribution of subsidiaries, whose functional currency is not the euro, to the consolidated financials. The sales, net profit and cash flows of these subsidiaries, when converted into euros, are sensitive to fluctuations in their accounting currency against the euro. As a result, when the value of euro changes against the U.S. dollar or other foreign currencies, the Group's reported net sales, expenses and operating margins could be affected.

Description of key consolidated income statement line items

Set forth below is a summary description of the key elements of the line items of the Group's consolidated income statement.

Sales

Sales is composed of (i) product sales, including parts, components and the sale of R&D to manufacturers and (ii) tooling, prototypes and other services, such as IT and administrative services to joint ventures or external companies, including related to transitions after disposals.

Revenue from product sales is recognized when the control is transferred to the customer, incidental to ownership of the parts or components produced. This generally corresponds to when the goods are shipped. Revenue on tooling is generally recognized at the transfer of control of the 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. When the Group operates as an agent for monoliths sales, these sales are recorded at net value in the income statement.

Cost of sales

Cost of sales comprise the direct expenses incurred by the Group in the production and delivery of goods. It represents the direct costs associated with manufacturing and purchasing the products that are sold to customers, and include, for example, costs of raw materials or components used in manufacturing a product, direct labor costs and freight and shipping costs related to production.

Research and development costs

Research and development expenses comprise the gross cost of the Group’s R&D activities such as personnel costs, costs of material necessary for R&D and equipment used in research, less allowances (or reversals of) depreciation of assets in development, less capitalized development costs which are recorded in inventory or in intangible assets. 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.

Selling and administrative expenses

Selling expenses include expenses that are not directly tied to the making of a product. Examples include rent, utilities and salaries for support departments, such as accounting, legal, marketing and human resources.

Amortization of intangible assets acquired in business combinations

Intangible assets acquired in business combinations includes acquired customer relationships, trademarks, technologies, *etc.* 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.

Other non-recurring operating income and expenses

Other non-recurring operating income and expenses corresponds to significant, 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 significant and unusual losses.

Net financial expense

The Group’s net financial expense comprises (i) finance costs, (ii) income from cash investments and marketable securities and (iii) other financial income and expense.

Finance costs are principally the cost of servicing the Group’s indebtedness. Other financial income and expenses includes the amortization of costs related to long-term debt, fees in respect of the Group’s revolving

credit facilities, foreign exchange gains and losses on borrowings, the impact of discounting pension benefit obligations, and hyperinflation impacts (such as on the Group's activities in Argentina and Turkey).

Taxes

Taxes include current corporate income tax and deferred taxes.

Net income from discontinued operations

In accordance with IFRS 5, net income from discontinued operations presents the net income (loss) of activities that have been classified as "held for sale" in the Group's balance sheet. During the periods under review, the activities so classified included (i) the SAS Cockpit Modules business (sold to Motherson in July 2023) from January 1 to July 31, 2023; and (ii) the Acoustic Soft Trim business (sold to Adler Pelzer in October 2021) from February 1 to October 31, 2021. See "*—Overview—IFRS 5 and restatement of the 2022 income statement*."

Alternative Performance Measures

Growth at constant scope and currencies

In addition to its reported historical results, the Group tracks its year-on-year sales growth on a like-for-like basis, which 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" which presents all acquisitions and 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"; and
- a "growth at constant scope and currencies".

For the year ended December 31, 2024, the scope effect related to (i) the disposal of the CVI business, and (ii) the full consolidation of the following entities that are 50% held by HELLA, which previously were consolidated using the equity method: Beijing HELLA BHAP Automotive Lighting Co Ltd Co., Ltd, HELLA BHAP (Sanhe) Automotive Lighting Co Ltd, HELLA BHAP (Tianjin) Automotive Lighting Co Ltd, HELLA BHAP (Changzhou) Automotive Lighting.

In 2023, the scope effect related to (i) the contribution of HELLA in January 2023 which is not part of the comparative period for 2022 (HELLA was consolidated with the Group from February 2022), and (ii) the contribution of the CVI business for the period from September to December 2022 (CVI was sold in October 2023). In 2022, the scope effect relates to the results of HELLA for the period from February 2022 to December 2022. There was no effect from "bolt-on acquisitions" in 2023 or 2022.

The tables below set out the Group's sales at constant scope and currencies for the periods indicated.

(in € million)	**2023**	**Currency Effect**	**Scope Effect**	**Growth at Constant Scope & Currency**	**2024**
Product sales	25,950.2	(283.1)	(107.0)	(132.0)	25,428.0
+Tooling, Prototypes and other services	1,297.7	(19.3)	25.3	242.6	1,546.3
Total	**27,247.9**	**(302.5)**	**(81.7)**	110.5	**26,974.2**

(in € million)	**2022 (Restated)**	**Currency Effect**	**Scope Effect**	**Growth at Constant Scope & Currency**	**2023**
Product sales	23,233.1	(1,193.9)	502.4	3,408.7	25,950.2
Tooling, Prototypes and other services	1,340.6	(78.1)	12.8	22.4	1,297.7
Total	**24,573.7**	**(1,272.0)**	**515.2**	**3,431.1**	**27,247.9**

The tables below set out the Group's sales growth by region at constant scope and currencies for the periods indicated.

(in € million except for percentages)	2023	Scope Effect	2024	% Growth (Reported)	% Growth (Constant Scope & Currency)
EMEA	12,650.6	(148.8)	12,607.0	-0.3	1.3
Americas	7,207.2	(203.8)	7,151.6	-0.8	3.2
Asia	7,390.1	271.0	7,215.6	-2.4	-3.9
Of which China	*5,850.8*	*271.0*	*5,654.2*	*-3.4*	*-6.4*
Total	**27,247.9**	**(81.7)**	**26,974.2**	**-1.0**	**0.4**

(in € million except for percentages)	2022 (Restated)	Scope Effect	2023	% Growth (Reported)	% Growth (Constant Scope & Currency)
EMEA	11,050.3	327.5	12,650.6	14.5	14.0
Americas	6,822.7	68.8	7,207.2	5.6	10.9
Asia	6,700.7	118.8	7,390.1	10.3	17.0
Of which China	*5,282.5*	*104.6*	*5,850.8*	*10.8*	*17.7*
Total	**24,573.7**	**515.2**	**27,247.9**	**10.9**	**14.0**

The tables below set out the Group's sales growth by business unit at constant scope and currencies for the periods indicated.

(in € million except for percentages)	2023	Scope Effect	2024	% Growth (Reported)	% Growth (Constant Scope & Currency)
Seating	8,551.1	-	8,634.3	1.0	1.8
Interiors	4,922.7	-	5,108.4	3.8	5.0
Clean Mobility	4,832.2	(352.7)	4,153.4	-14.0	-5.3
Electronics	4,138.0	-	4,188.7	1.2	2.6
Lighting	3,745.8	271.0	3,878.6	3.5	-2.7
Lifecycle Solutions	1,058.1	-	1,010.9	-4.5	-3.8
Total	**27,247.9**	**(81.7)**	**26,974.2**	**-1.0**	**0.4**

(in € million except for percentages)	2022 (Restated)	Scope Effect	2023	% Growth (Reported)	% Growth (Constant Scope & Currency)
Seating	7,704.3	-	8,551.1	11.0	16.2
Interiors	4,644.9	-	4,922.7	6.0	11.5
Clean Mobility	4,735.8	(101.6)	4,832.2	2.0	11.4
Electronics	3,521.7	247.1	4,138.0	17.5	14.8
Lighting	3,074.0	281.4	3,745.8	21.9	15.2
Lifecycle Solutions	893.0	88.2	1,058.1	18.5	12.8
Total	**24,573.7**	**515.2**	**27,247.9**	**10.9**	**14.0**

Outperformance

The Group also tracks its growth relative to the growth of the automotive industry, generally. "**Outperformance**" is defined as sales growth at constant scope and currencies in excess of worldwide automotive production, as sourced from IHS Markit.

The table below sets out the Group's Outperformance for the periods indicated:

	As at and for the year ended December 31,		
	2022†	2023†*	2024
Worldwide automotive production (in millions of units)[(1)]	82.3	90.5	89.5
Group revenue growth (constant scope & currency) (%)	17	14	0.4
Outperformance (bps)	1,080	430	150

† Results for the year ended December 31, 2022 include the consolidated results of HELLA from February 1, 2022.

* Results for the year ended December 31, 2022 have been restated according to IFRS 5 for the disposal of our SAS Cockpit Modules division.

(1) Reflects worldwide automotive production data sourced from IHS Markit. See "*Our Industry—Global automotive market performance*." Outperformance refers to Group sales growth at constant scope and currencies in excess of worldwide automotive production.

Adjusted EBITDA

Adjusted EBITDA is defined as operating income (before amortization of acquired intangible assets), before depreciation, amortization and provisions for impairment of property, plant and equipment and capitalized R&D expenditures, before restructuring expenses and other exceptional costs. The Group uses Adjusted EBITDA to monitor operating performance and debt servicing ability, including to measure its deleveraging trajectory following the acquisition of HELLA.

For the years ended December 31, 2024, 2023 and 2022, adjusted EBITDA amounted to €3,354.6 million (12.4% of sales), €3,328.0 million (12.2% of sales) and €2,907.3 million (11.8% of sales). For additional information, including a reconciliation of Adjusted EBITDA to operating income, see "*—Liquidity and capital resources—Net cash flow*" and "*Summary Financial and Operating Data—Other Consolidated Financial Data*".

Adjusted EBITDA is not an IFRS measure and should not be considered as an alternative to operating income, net income, cash flow from operating activities or as a measure of liquidity. Companies with similar or different activities may calculate adjusted EBITDA differently. See "*Presentation of Financial and Other Information*."

Net cash flow

The Group uses net cash flow in order to monitor operating performance, cash flows and debt servicing ability after payment of finance costs. Net cash flow is calculated as adjusted EBITDA after changes in cash flow relating to changes in working capital requirement, restructuring costs, capital expenditures, capitalized development costs, finance costs net of income, taxes paid and other costs.

For the years ended December 31, 2024, 2023 and 2022, net cash flow amounted to €654.9 million (2.4% of sales), €649.1 million (2.4% of sales) and €483.4 million (2.0% of sales), respectively. For additional information, including a reconciliation of net cash flow to operating income, see "*—Liquidity and capital resources—Net cash flow*."

Net cash flow is not an IFRS measure and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity. Companies with similar or different activities may calculate net cash flow differently. See "*Presentation of Financial and Other Information*."

Net Debt

The Issuer's net debt is discussed under "*—Liquidity and capital resources—Net Debt.*"

Results of Operations

The following table summarizes the Group's consolidated results of operations for the years ended December 31, 2024, 2023 and 2022.

Consolidated statement of comprehensive income *(in € million)*	Year ended December 31, **2022 (Restated)**	**2023**	**2024**
Sales	**24,573.7**	**27,247.9**	26,974.2
Cost of sales	(21,442.1)	(23,585.5)	(23,371.4)
Research and development costs	(896.0)	(953.0)	(934.8)

Selling and administrative expenses	(1,175.1)	(1,270.3)	(1,268.0)
Operating income (before amortization of acquired intangible assets)	**1,060.5**	**1,439.1**	**1,400.0**
Amortization of intangible assets acquired in business combinations	(189.9)	(193.2)	(190.5)
Operating income (after amortization of acquired intangible assets)	**870.6**	**1,245.9**	**1,209.5**
Other non-recurring operating income	1.8	7.8	9.7
Other non-recurring operating expense	(444.3)	(189.2)	(445.4)
Income from loans, cash investments and marketable securities	50.3	90.7	129.4
Finance costs	(377.1)	(586.2)	(624.6)
Other financial income and expense	(168.4)	36.6	(49.8)
Income (loss) before tax of fully consolidated companies	**(67.1)**	**605.6**	**228.8**
Taxes	(177.0)	(232.4)	(235.3)
of which deferred taxes	*177.5*	*181.6*	*146.9*
Net income (loss) of fully consolidated companies	**(244.1)**	**373.2**	**(6.5)**
Share of net income of associates	11.4	(2.2)	(17.7)
Net income (loss) from continued operations	(232.7)	371.0	(24.2)
Net income (loss) from discontinued operations	**(17.7)**	**(5.4)**	0.0
Consolidated net income (loss)	**(250.4)**	**365.6**	**(24.2)**

Comparison of the years ended December 31, 2024, 2023 and 2022

The following analysis and discussion has been prepared by comparing the audited financial information on a historical basis for each of the years ended December 31, 2024, 2023 and 2022.

Sales

The Group generated sales of €26,974.2 million for the year ended December 31, 2024, a decrease of €273.7 million, or 1.0% (0.4% growth at constant scope and currencies), compared to €27,247.9 million for the year ended December 31, 2023. This slight decrease was mainly attributable to the declines in revenue in the Clean Mobility and Lifecycle Solutions segments, primarily driven by the sale of certain assets, partially offset by growth in Interiors and Lighting, while Seating and Electronics were largely flat. Flat sales in Europe and the Americas, and a decline in Asia, also reflected these developments.

The Group generated sales of €27,247.9 million for the year ended December 31, 2023, an increase of €2,674.2 million, or 10.9% (14.0% growth at constant scope and currencies), compared to €24,573.7 million for the year ended December 31, 2022. This increase was attributable to revenue growth across all of the Group's business units which all reported double digit growth at constant currency and scope, in particular Seating, Electronics and Lighting, as well as in all regions and reflected a dynamic automotive market supported by robust global demand and a gradual improvement of semi-conductor supply together with impact from inflation pass throughs as well as a positive scope effect of €515 million from one additional month of consolidation of HELLA partly offset by the deconsolidation of the CVI business sold to Cummins and the negative currency impact from the depreciation of the U.S. Dollar, Chines Yuan, Turkish Lira and the Argentinian Peso against the Euro.

Sales by operating segment

The table below shows a breakdown by operating segment of the Group's sales for the years ended December 31, 2024, 2023 and 2022.

Sales by operating segment *(in € million)*	**Year ended December 31,**		
	2022 (Restated)	**2023**	**2024**
Seating	7,704.3	8,551.1	8,634.3
Interiors	4,644.9	4,922.7	5,108.4
Clean Mobility	4,735.8	4,832.2	4,153.4
Electronics	3,521.7	4,138.0	4,188.7
Lighting[(1)]	3,074.0	3,745.8	3,878.6
Lifecycle Solutions[(1)]	893.0	1,058.1	1,010.9
Total	**24,573.7**	**27,247.9**	**26,974.2**

(1) Lighting and Lifecycle Solutions were not operating segments of the Group prior to the acquisition of HELLA in 2022.

The Group's Seating business unit generated sales of €8,634.3 million (32.0% of total sales) in the year ended December 31, 2024, an increase of €83.2 million, or 1.0% (1.8% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales of €8,551.1 million (31.4% of total sales). The increase in sales in this business unit was principally driven by higher volumes in Europe and North America.

In the year ended December 31, 2023, the Group's Seating business unit generated sales of €8,551.1 million (31.4% of total sales), an increase of €846.8 million, or 11.0% (16.2% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales of €7,704.3 million (31.4% of total sales). The increase in sales in this business unit was principally due to robust growth in China with strong activity with Chinese OEMs, strong improvement in North America following the end of the Highland Park seating program as well as double-digit sales growth at constant scope and currencies in Europe mainly related to major German OEMs.

The Group's Interiors business unit generated sales of €5,108.4 million (18.9% of total sales) in the year ended December 31, 2024, an increase of €185.7 million, or 3.8% (5.0% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales of €4,922.7 million (18.1% of total sales). The increase in sales in this business unit was mainly driven by North America, Europe and China.

In the year ended December 31, 2023, the Group's Interiors business unit generated sales of €4,922.7 million (18.1% of total sales), an increase of €277.8 million, or 6.0% (11.5% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales of €4,644.9 million (18.9% of total sales). The increase in sales in this business unit was principally due to double-digit growth in Europe and China.

The Group's Clean Mobility business unit generated sales of €4,153.4 million (15.4% of total sales) in the year ended December 31, 2024, a decrease of €678.8 million, or 14.0% (-5.3% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales of €4,832.2 million (17.7% of total sales). The sales performance of Clean Mobility decreased due to lower levels of Stellantis activity in North America and Europe, combined with the continued progress of electrification in China.

In the year ended December 31, 2023, the Group's Clean Mobility business unit generated sales of €4,832.2 million (17.7% of total sales), an increase of €96.4 million, or 2.0% (11.4% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales of €4,735.8 million (19.3% of total sales). The sales performance of Clean Mobility remains balanced across all regions with double-digit organic growth across all three major regions of EMEA, Americas and Asia and a strong activity with VW, Stellantis and Ford.

The Group's Electronics business unit generated sales of €4,188.7 million (15.5% of total sales) in the year ended December 31, 2024, an increase of €50.7 million, or 1.2% (2.6% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales of €4,138.0 million (15.2% of total sales). The increase in sales in this business unit was principally driven by VW and GM in North America and Europe.

In the year ended December 31, 2023, the Group's Electronics business unit generated sales of €4,138.0 million (15.2% of total sales), an increase of €616.3 million, or 17.5% (14.8% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales of €3,521.7 million (14.3% of total sales). The increase in sales in this business unit was principally due to robust growth in Europe, North America and Japan with particularly strong demand for automated driving and energy management systems such as high voltage battery systems, voltage converters, radar sensors and body electronics.

The Group's Lighting business unit generated sales of €3,878.6 million (14.4% of total sales) in the year ended December 31, 2024, an increase of €132.8 million, or 3.5% (-2.7% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales of €3,745.8 million (13.7% of total sales). The increase in sales in this business unit was principally driven by growth in Europe despite weaker sales in in the fourth quarter of 2024.

In the year ended December 31, 2023, the Group's Lighting business unit generated sales of €3,745.8 million (13.7% of total sales), an increase of €671.8 million, or 21.8% (15.2% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales of €3,074.0 million (12.5% of total sales). The increase in sales in this business unit was principally driven by North America and China with robust growth at constant scope and currencies, reflecting the group leadership position and strong demand from manufacturers of electric vehicles for advanced lighting solutions.

The Group's Lifecycle Solutions business unit generated sales of €1,010.9 million (3.7% of total sales) in the year ended December 31, 2024, a decrease of €47.2 million, or 4.5% (-3.8% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales of €1,058.1 million (3.9% of total sales). The decrease in sales in this business unit was principally due to lower demand in the commercial vehicle segment.

In the year ended December 31, 2023, the Group's Lifecycle Solutions business unit generated sales of €1,058.1 million (3.9% of total sales), an increase of €165.1 million, or 18.5% (12.8% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales of €893.0 million (3.6% of total sales). The increase in sales in this business unit was principally due to the Group's spare parts business in various countries, the further ramp-up of new workshop products and successful commercial vehicle activity.

Sales by category

The table below shows a breakdown by revenue category of the Group's sales for the years ended December 31, 2024, 2023 and 2022.

Sales by category *(in € million)*	**Year ended December 31,**		
	2022 (Restated)	**2023**	**2024**
Product sales	23,233.1	25,950.2	25,428.0
Tooling, prototypes and other services	1,340.6	1,297.7	1,546.3
Total	**24,573.7**	**27,247.9**	26,974.2

The Group generated product sales of €25,428.0 million (94.3% of total sales) in the year ended December 31, 2024, a decrease of €522.2 million, or 2.0% (-0.5% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated product sales of €25,950.2 million (95.2% of total sales). The decrease was principally due to an unfavorable geographic mix.

In the year ended December 31, 2023, the Group generated product sales of €25,950.2 million (95.2% of total sales), an increase of €2,717.1 million, or 11.7% (14.7% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated product sales of €23,233.1 million (94.5% of total sales). The increase was principally due to favorable volume and geographic mix and inflation pass-through.

The Group's sales from tooling, prototypes and other services amounted to €1,546.3 million (5.7% of total sales) in the year ended December 31, 2024, an increase of €248.6 million, or 19.2% (18.7% growth at constant scope and currencies), compared to the year ended December 31, 2023, when it generated sales from tooling, prototypes and other services of €1,297.7 million (4.8% of total sales). The increase was principally due to tooling sales from the Interiors business.

In the year ended December 31, 2023, the Group's sales from tooling, prototypes and other services amounted to €1,297.7 million (4.8% of total sales), a decrease of €42.9 million, or 3.2% (an increase of 1.7% growth at constant scope and currencies), compared to the year ended December 31, 2022, when it generated sales from tooling, prototypes and other services of €1,340.6 million (5.5% of total sales).

Sales by region

The table below shows a breakdown by region of the Group's sales for the years ended December 31, 2024, 2023 and 2022.

Sales by region *(in € million)*	**Year ended December 31,**		
	2022 (Restated)	**2023**	**2024**
EMEA	11,050.3	12,650.6	12,606.9
Americas	6,822.7	7,207.2	7,151.6
Asia	6,700.7	7,390.1	7,215.6
Total	**24,573.7**	**27,247.9**	**26,974.2**

In the year ended December 31, 2024, the Group generated sales of €12,606.9 million (46.7% of total sales) in the EMEA region, a decrease of €43.7 million, or 0.3% (+1.3% growth at constant scope and currencies), compared to sales of €12,650.6 million (46.4% of total sales) in the year ended December 31, 2023. This decrease was mainly due to declines in the Clean Mobility business as well as with Stellantis.

In 2023, the Group generated sales of €12,650.6 million (46.4% of total sales) in the EMEA region, an increase of €1,600.3 million, or 14.5% (14.0% growth at constant scope and currencies), compared to sales of €11,050.3 million (45.0% of total sales) in 2022. This increase was mainly due to volume mix with particular strong performance in the Seating and Interiors business groups.

In the year ended December 31, 2024, the Group generated sales of €7,151.6 million (26.5% of total sales) in the Americas, a decrease of €55.6 million, or 0.8% (+3.2% growth at constant scope and currencies), compared to sales of €7,207.2 million (26.5% of total sales) in the year ended December 31, 2023. This decrease was mainly due to declines in the Clean Mobility business as well as with Stellantis.

In 2023, the Group generated sales of €7,207.2 million (26.5% of total sales) in the Americas, an increase of €384.5 million, or 5.6% (10.9% growth at constant scope and currencies), compared to sales of €6,822.7 million (27.8% of total sales) in 2022. This increase was mainly due to strong sales growth at constant scope and currencies in Lighting and Electronics partly impacted by the termination of the loss-making Highland Park Seating program in Michigan, North America at the end of September 2023 and the UAW strike in the US in the fourth quarter of 2023.

In the year ended December 31, 2024, the Group generated sales of €7,215.6 million (26.8% of total sales) in Asia, a decrease of €174.5 million, or 2.4% (-3.9% growth at constant scope and currencies), compared to sales of €7,390.1 million (27.1% of total sales) in the year ended December 31, 2023. The Group's sales in Asia were affected by declines in the Clean Mobility business as well as with BYD.

In 2023, the Group generated sales of €7,390.1 million (27.1% of total sales) in Asia, an increase of €689.4 million, or 10.3% (17.0% growth at constant scope and currencies), compared to sales of €6,700.7 million (27.3% of total sales) in 2022. The Group's sales in Asia were affected by volume mix with particularly strong performance in Seating and Electronics. Activity in China, the largest automotive market in the world, was particularly strong (17.7% growth at constant scope and currencies) with Chinese OEMs representing 37% of our total revenue in this market as of December 2023.

Sales by customer

The table below shows a breakdown of the Group's sales by customer for the years ended December 31, 2024, 2023 and 2022.

	Year ended December 31,		
	2022[(1)]	**2023**	**2024**
VW	18%	17.4%	19%
Ford	9%	8.1%	9.2%
Stellantis	13%	12.4%	9.9%
Mercedes-Benz	7%	7.0%	7.3%
BMW	5%	5.6%	5.3%
Global vehicle company[(2)]	6%	6.0%	4.9%
Others	42%	43.5%	44.4%
Total	**100%**	**100%**	**100%**

(1) Sales by customer for 2022 in this table and in the discussion below are presented on a historical (non-restated) basis.
(2) The identity of this customer is confidential.

In 2024, sales to the Group's top four customers for the year (VW, Ford, Stellantis and Mercedes-Benz) amounted to €12,247.2 million, or 45.4% of sales, compared to €12,557.9 million, or 46.1%, for the Group's top four customers in 2023 (VW, Ford, Stellantis and Renault) and €12,280.8 million, or 48.2%, for the Group's top four customers in 2022 (VW, Ford, Stellantis and Renault). This general trend of reducing the weight of the Group's main customers is largely attributable to scope effect following the acquisition of HELLA along with growth in sales to Chinese OEMs.

Sales to the VW group in 2024 totaled €5,116.6 million, accounting for 19.0% of Group total sales. They increased by 8.0% (8.7% growth at constant scope and currencies) compared to 2023. Sales to the VW group in 2023 totaled €4,739.3 million, accounting for 17.4% of Group total sales. They increased by 13.5% (12.7% growth at constant scope and currencies) compared to 2022. On average, the duration of the Group's relationship with VW group is more than 15 years.

Sales to the Ford group in 2024 totaled €2,470.4 million, accounting for 9.2% of Group total sales. They increased by 12.5% (14.3% growth at constant scope and currencies) compared to 2023. Sales to the Ford group in 2023 totaled €2,195.9 million, accounting for 8.1% of Group total sales. They decreased by 1.2% (8.4% growth at constant scope and currencies) compared to 2022. On average, the duration of the Group's relationship with Ford group is more than 15 years.

Sales to the Stellantis group in 2024 totaled €2,681.9 million, accounting for 9.9% of Group total sales. They decreased by 20.9% (20.1% decrease at constant scope and currencies) compared to 2023. Sales to the Stellantis group in 2023 totaled €3,391.6 million, accounting for 12.4% of Group total sales. They increased by 1.0% (3.8% growth at constant scope and currencies) compared to 2022. On average, the duration of the Group's relationship with Stellantis is more than 15 years.

Sales to the Mercedes-Benz group in 2024 totaled €1,978.4 million, accounting for 7.3% of Group total sales. They increased by 3.3% (3.3% growth at constant scope and currencies) compared to 2023. Sales to the Mercedes-Benz group in 2023 totaled €1,915.1 million, accounting for 7.0% of Group total sales. They increased by 16.2% (12.6% growth at constant scope and currencies) compared to 2022. On average, the duration of the Group's relationship with Mercedes-Benz group is more than 15 years.

Sales to BMW in 2024 totaled €1,435.2 million, accounting for 5.3% of Group total sales. They decreased by 5.1% (4.6% growth at constant scope and currencies) compared to 2023. Sales to BMW in 2023 totaled €1,513.0 million, accounting for 5.6% of Group total sales. They increased by 30.8% (28.0% growth at constant scope and currencies) compared to 2022. On average, the duration of the Group's relationship with BMW is more than 15 years.

Sales to a global vehicle group in 2024 totaled €1,308.4 million, accounting for 4.9% of Group total sales. They decreased by 19.4% (18.8% decrease at constant scope and currencies) compared to 2023. Sales to a global vehicle group in 2023 totaled €1,624.1 million, accounting for 6.0% of Group total sales. They increased by 34.2% (36.4% growth at constant scope and currencies) compared to 2022.

Cost of sales

The Group's cost of sales amounted to €23,371.4 million in the year ended December 31, 2024, a decrease of €214.1 million, or 1.0%, compared to €23,585.5 million in the year ended December 31, 2023.

In 2023, the Group's cost of sales amounted to €23,585.5 million, an increase of €2,143.4 million, or 10.0%, compared to €21,442.1 million in 2022. The increase was mainly due to a rebound in automotive production driving higher volumes together with the impacts of inflation and currency effect.

Research and development costs

The Group's research and development costs amounted to €934.8 million in the year ended December 31, 2024, a decrease of €18.2 million, or 1.9%, compared to €953.0 million in the year ended December 31, 2023. As a percentage of sales, the Group's research and development costs remained stable in 2024 when compared to 2023.

In 2023, the Group's research and development costs amounted to €953.0 million, an increase of €57 million, or 6.4%, compared to €896.0 million in 2022. As a percentage of sales, the Group's research and development costs remained stable in 2023 when compared to 2022.

Selling and administrative expenses

The Group's selling and administrative expenses amounted to €1,268.0 million in the year ended December 31, 2024, a decrease of €2.3 million, or 0.1%, compared to €1,270.3 million for the year ended December 31, 2023. As a percentage of sales, the Group's selling and administrative expenses remained stable in 2024 when compared to 2023.

In 2023, the Group's selling and administrative expenses amounted to €1,270.3 million, an increase of €95.2 million, or 8.1%, compared to €1,175.1 million for 2022. This increase was due to the impact of inflation on personnel costs. Selling and administrative expenses were nevertheless reduced to 4.7% of sales for the year ended December 31, 2023 from 4.8% of sales for the year ended December 31, 2022.

Operating income

The Group's operating income (before amortization of acquired intangible assets) amounted to €1,400.0 million in the year ended December 31, 2024, a decrease of €39.1 million, or 2.7%, compared to €1,439.1 million in the year ended December 31, 2023. The decrease was mainly due to reduced activity in Asia.

The Group's operating income (before amortization of acquired intangible assets) amounted to €1,439.1 million in the year ended December 31, 2023, an increase of €378.6 million, or 35.7%, compared to €1,060.5 million in the year ended December 31, 2022. The increase was mainly due to margin expansion from operational improvements in the Americas and Europe and consistent outperformance in Asia, facilitated by robust volume growth across all business units, driving operating leverage together with continued cost efficiencies and with an acceleration of the cost synergies related to the integration of HELLA across key areas including procurement, transportation and logistics and selling and administrative expenses. These synergies are today running ahead of the initial roadmap and are now expected to reach €400 million on an annual basis by the end of 2025, which helped offset a negative currency impact and further inflationary pressures in the cost base that were not fully passed on during the year.

The year-on-year net increase mainly reflects: (i) a volume/mix effect for an estimated impact of €390 million, (ii) an acceleration in cost synergies related to the integration of HELLA for a year-on-year positive impact of €139 million (€190 million of cumulated net synergies at the end of 2023 compared to €51 million at the end of 2022), (iii) sequential year-on-year reduction of extra-costs following the termination of the loss-making Highland Park Seating program in Michigan, North America, leading to a net positive impact of €50 million (€30 million extra-costs in the first nine months of 2023 compared to €80 million in 2022), and (iv) the contribution of one additional month of consolidation of HELLA for €38 million. These net operating income margin gains were partially offset by (i) a currency impact of €138 million, close to half of which being related to the devaluation of the Argentinian person and the Turkish lira, (ii) net inflation cost for an estimated year-on-year impact of €75 million and (iii) the impact of the UAW strike in the US (mostly in the third quarter of 2023) of €18 million.

Operating income by region

The table below shows a breakdown of the Group’s operating income by region for the years ended December 31, 2024, 2023 and 2022.

Operating income by region
(in € million)

	Year ended December 31,		
	2022 (Restated)	**2023**	**2024**
EMEA	175.0	316.4	313.0
Americas	175.5	308.1	333.0
Asia	710.0	814.5	754.0
Total	**1,060.5**	**1,439.1**	**1,400.0**

In the year ended December 31, 2024, the Group generated operating income of €313.0 million (2.5% of sales) in the EMEA region, a decrease of €3.4 million, or 1.1%, compared to operating income of €316.4 million (2.5% of sales) in the year ended December 31, 2023.

In 2023, the Group generated operating income of €316.4 million (2.5% of sales) in the EMEA region, an increase of €141.4 million, or 80.8%, compared to operating income of €175.0 million (1.6% of sales) in 2022. This increase was mainly due to margin improvement despite continued adverse impacts from inflation, accelerated growth in sustainable mobility, improved performance in Electronics and Lighting and the progress on delivery of synergies related to the HELLA acquisition.

In the year ended December 31, 2024, the Group generated operating income of €333.0 million (4.7% of sales) in the Americas, an increase of €24.9 million, or 8.1%, compared to operating income of €308.1 million (4.3% of sales) in the year ended December 31, 2023. This increase was mainly due to improved operational performance and repricing.

In 2023, the Group generated operating income of €308.1 million (4.3% of sales) in the Americas, an increase of €132.6 million, or 75.6%, compared to operating income of €175.5 million (2.6% of sales) in 2022. This increase was mainly due to margin expansion from operational improvements across our US operations as well as the termination of the loss-making Highland Park Seating program in Michigan, North America despite continued inflation headwinds and UAW strike in the last quarter of 2023.

In the year ended December 31, 2024, the Group generated operating income of €754.0 million (10.4% of sales) in Asia, a decrease of €60.6 million, or 7.4%, compared to operating income of €814.6 million (11% of sales) in the year ended December 31, 2023. This decrease was mainly due to declines in the Clean Mobility business, as well as with BYD.

In 2023, the Group generated operating income of €814.6 million (11% of sales) in Asia, an increase of €104.6 million, or 14.7%, compared to operating income of €710.0 million (10.6% of sales) in 2022. This increase was mainly due to outperformance and the Group's new programs with Chinese OEMs.

Operating income by operating segment

The table below shows a breakdown of the Group's operating income by operating segment for the years ended December 31, 2023, 2022 and 2021.

Operating income by operating segment *(in € million)*	**Year ended December 31,**		
	2022 (Restated)	**2023**	**2024**
Seating	197.0	314.7	434.4
Interiors	191.3	200.9	109.4
Clean Mobility	336.3	383.7	346.3
Electronics	140.8	219.4	229.7
Lighting[1]	106.5	192.7	186.6
Lifecycle Solutions[1]	88.5	127.6	93.7
Total	**1,060.5**	**1,439.1**	**1,400.0**

(1) Lighting and Lifecycle Solutions were not operating segments of the Group prior to the acquisition of HELLA in 2022.

The Group's Seating business unit generated operating income of €434.4 million (5.0% of sales) in the year ended December 31, 2024, an increase of €119.7 million, or 38.0%, compared to the year ended December 31, 2023, when it generated operating income of €314.7 million (3.7% of sales). The increase in operating income in this business unit was principally due to improved operational performance and repricing.

In 2023, the Group's Seating business unit generated operating income of €314.7 million (3.7% of sales), an increase of €117.7 million, or 59.7%, compared to 2022, when it generated operating income of €197.0 million (2.6% of sales). The increase in operating income in this business unit was principally due to a positive regional mix impact with robust growth in China and strong improvement in North America, in part due to the reduction of costs related to the termination of the loss-making Highland Park Seating program in Michigan, North America, which helped mitigate continued inflation headwinds and structural overcapacities in Europe.

The Group's Interiors business unit generated operating income of €109.4 million (2.1% of sales) in the year ended December 31, 2024, a decrease of €91.5 million, or 45.5%, compared to the year ended December 31, 2023, when it generated operating income of €200.9 million (4.1% of sales). Operating margin from the Interiors business decreased when compared to 2023 mainly due to performance in the first half of 2024 being penalized by an abnormally high number of production starts and supplier issues.

In 2023, the Group's Interiors business unit generated operating income of €200.9 million (4.1% of sales), an increase of €9.6 million, or 5.0%, compared to 2022, when it generated operating income of €191.3 million (4.1% of sales). Operating margin from the Interiors business remains stable when compared to 2022 with positive contribution from volume and mix evolution which were offset by the dilutive impact of inflation pass through,

adverse currency impact, overcapacities in Europe and investment in MATERI'ACT, the newly created division for sustainable materials.

The Group's Clean Mobility business unit generated operating income of €346.3 million (8.3% of sales) in the year ended December 31, 2024, a decrease of €37.4 million, or 9.7%, compared to the year ended December 31, 2023, when it generated operating income of €383.7 million (7.9% of sales). The operating margin of the Ultra Low Emission activity (Clean Mobility excluding Hydrogen storage solutions) represented approximately 10% of sales.

In 2023, the Group's Clean Mobility business unit generated operating income of €383.7 million (7.9% of sales), an increase of €47.4 million, or 14.1%, compared to 2022, when it generated operating income of €336.3 million (7.1% of sales). The increase in operating income in this business unit was principally due to positive volume/mix evolution, which was partly offset by investments in zero emissions initiatives and the dilutive impact from inflation pass through.

The Group's Electronics business unit generated operating income of €229.7 million (5.5% of sales) in the year ended December 31, 2024, an increase of €10.3 million, or 4.7%, compared to the year ended December 31, 2023, when it generated operating income of €219.4 million (5.3% of sales). The increase in operating income in this business unit was principally supported by the continued turnaround at Clarion Electronics.

In 2023, the Group's Electronics business unit generated operating income of €219.4 million (5.3% of sales), an increase of €78.6 million, or 55.8%, compared to 2022, when it generated operating income of €140.8 million (4.0% of sales). The increase in operating income in this business unit was principally driven by continuous improvement at HELLA Electronics and a turnaround of Clarion Electronics in the second half of 2023 back to operational profit on a full-year basis.

The Group's Lighting business unit generated operating income of €186.6 million (4.8% of sales) in the year ended December 31, 2024, a decrease of €6.1 million, or 3.2%, compared to the year ended December 31, 2023, when it generated operating income of €192.7 million (5.1% of sales). The decrease in operating income in this business unit was principally due to an unfavorable customer mix in the US and China.

In 2023, the Group's Lighting business unit generated operating income of €192.7 million (5.1% of sales), an increase of €86.2 million, or 80.9%, compared to 2022, when it generated operating income of €106.5 million (3.5% of sales). The increase in operating income in this business unit was principally due to margin expansion through solid operating leverage and synergies. The Group's Lighting business unit was added upon the acquisition of HELLA in 2022.

The Group's Lifecycle Solutions business unit generated operating income of €93.7 million (9.3% of sales) in the year ended December 31, 2024, a decrease of €33.9 million, or 26.6%, compared to the year ended December 31, 2023, when it generated operating income of €127.6 million (12.1% of sales). The decrease in operating income in this business unit was principally due to reduced activity in China and the US, combined with an unfavorable customer mix.

In 2023, the Group's Lifecycle Solutions business unit generated operating income of €127.6 million (12.1% of sales), an increase of €39.1 million, or 44.2%, compared to 2022, when it generated operating income of €88.5 million (9.9% of sales). The increase in operating income in this business unit was principally due to operating leverage, positive mix effects and inflation pass-through. The Group's Lifecycle Solutions business unit was added upon the acquisition of HELLA in 2022.

Other non-recurring operating income and expenses

The Group's other non-recurring operating income in the year ended December 31, 2024 amounted to €9.7 million, compared to €7.8 million in the year ended December 31, 2023 and €1.8 million in the year ended December 31, 2022.

The Group's other non-recurring operating expenses in the year ended December 31, 2024 amounted to €445.4 million, compared to €189.2 million in the year ended December 31, 2023 and €444.3 million in the year ended December 31, 2022.

In 2024, 2023 and 2022, other non-recurring operating income and expenses mainly related to restructuring charges, including asset write downs and other non-recurring costs related to the FORVIA exit from Russia in 2022

as well as non-recurring costs related to the acquisition and integration of HELLA combined with other M&A project-related costs.

Net financial expense

The Group's net financial expense (corresponding to the aggregate of the Group's finance costs, income from loans, cash investments and marketable securities, and other financial income and expense) in the year ended December 31, 2024 amounted to €545.0 million, an increase of 18.8% compared to €458.9 million in the year ended December 31, 2023. This increase was the result of (i) the €38.4 million increase in the Group's finance cost due to an increase in interest rates, (ii) a €38.7 million increase in income from loans, cash investments and marketable securities (positively affected by the increase in interest rates) and (iii) a negative change in other financial income and expense (expense of €49.8 million in 2024 compared to an income of €36.6 million in 2023) mainly resulting from the a favorable one-off in 2023 (€158.0 million of gain on sale related to shares of Symbio and CVI activity) that is not benefitting to the Issuer in 2024.

In 2023, the Group's net financial expense amounted to €458.9 million, a decrease of 7.3% compared to €495.2 million in 2022. This decrease was the result of (i) the €209.1 million increase in the Group's finance cost due to an increase in interest rates together with the completion of the HELLA acquisition, (ii) a €40.4 million increase in income from loans, cash investments and marketable securities (positively affected by the increase in interest rates) and (iii) a positive change in other financial income and expense (income of €36.6 million in 2023 compared to an expense of €168.4 million in 2022) mainly resulting from a favorable one-off in 2023 (€158.0 million of gain on sale related to shares of Symbio and CVI activity) more than offsetting an unfavourable one off in 2022 (€34.3 million financial costs linked to the acquisition of HELLA).

Taxes

The Group's taxes amounted to €235.3 million in the year ended December 31, 2024, an increase of €2.9 million, or 1.2%, compared to €232.4 million for the year ended December 31, 2023.

In 2023, the Group's taxes amounted to €232.4 million, an increase of €55.4 million, or 31.3%, compared to €177.0 million for 2022, principally due to the withholding tax on HELLA's special dividend, and in part due to the sale of HBPO.

Net income (loss) from discontinued operations

The Group had a net loss from discontinued operations of €0 in the year ended December 31, 2024 compared to a net loss of €5.4 million in the year ended December 31, 2023 and a net loss of €17.7 million in the year ended December 31, 2022. The net losses in 2023 and 2022 reflected the sale to the Motherson group of our SAS Cockpit Modules division, and the net losses in 2021 reflected the sale to the Adler Pelzer Group of our Acoustic Soft Trim business.

Consolidated net income (loss)

As a result of the factors described above, the Group generated consolidated net loss of €24.2 million in the year ended December 31, 2024, compared to a consolidated net income of €365.6 million in the year ended December 31, 2023 and a consolidated net loss of €250.4 million in the year ended December 31, 2022. The changes in consolidated net income (loss) in 2024 compared to 2023 mostly related to increased restructuring cost, and in 2023 compared to 2022 mainly reflected the capital gains from the sale of a stake in Symbio.

Liquidity and capital resources

The Group uses cash to pay for its working capital requirements, taxes, interest payments, capital expenditure and acquisitions and to service its indebtedness in accordance with repayment schedules.

The Group's sources of liquidity mainly consist of cash generated from its operating activities, the issuance of long term debt (bonds and bank loans), short term funding programs (commercial paper, factoring) and the maintenance of committed credit facilities, and the Group expects these to continue to be its primary sources of liquidity going forward.

The Group's cash and cash equivalents amounted to €4,500.4 million as at December 31, 2024, compared to €4,273.9 million and €4,201.1 million at December 31, 2023 and 2022, respectively. This comprises cash held

with banks, 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.

As of December 31, 2024, the Group had €1,950 million of available undrawn debt under its borrowing facilities, including the €1,500 million Syndicated Credit Facility maturing in May 2028, HELLA's €450 million credit facility maturing in December 2026 and other facilities. See "*Description of Other Indebtedness*."

Net debt

The Group's net debt stood at €6,622.6 million at December 31, 2024, compared to €6,987.3 million and €7,939.1 million at December 31, 2023 and 2022, respectively. In 2022 the Group's net debt increased significantly, mainly in connection with the acquisition of HELLA. The €952 million decrease in the net debt between December 31, 2022 and 2023 was principally due to the positive net cash flow evolution and the disposals that took place in 2023.

The table below sets out the Group's net debt as at the dates indicated.

	As at December 31,		
(in € million)	**2022**	**2023**	**2024**
Bonds	6,499.5	6,424.9	6,155.2
Bank borrowings	2,461.7	2,189.1	3,110.3
Other borrowings	84.8	2.0	1.3
Non-current lease liabilities	1,049.2	836.5	813.9
Non-current derivatives	60.2	70.7	88.5
Sub-total Non-current financial liabilities	**10,155.4**	**9,523.2**	**10,169.2**
Current portion of long-term debt	849.5	950.3	218.2
Current portion of lease liabilities	251.8	219.1	240.4
Short-term borrowings	922.1	590.0	485.8
Current derivatives	2.0	4.6	18.4
Sub-total Current financial liabilities	**2,025.5**	**1,763.9**	**962.8**
Total financial liabilities	**12,180.9**	**11,287.1**	**11,132.0**
Derivatives classified under non-current and current assets	(40.7)	(25.9)	(9.0)
Cash and cash equivalents	(4,201.1)	(4,273.9)	(4,500.4)
Net debt	**7,939.1**	**6,987.3**	**6,622.6**

For a description of the Group's main bond issuances and bank borrowings, see "*Description of Other Indebtedness*."

Net cash flow

The table below sets out the calculation of the Group's net cash flow for the periods indicated.

	As at December 31,		
(in € million)	**2022 (Restated)**	**2023**	**2024**
Operating income (before amortization of acquired intangible assets)	1,060.5	1,439.1	1,400.0
Depreciations and amortizations of assets	1,846.8	1,888.9	1,954.6
Adjusted EBITDA	**2,907.3**	**3,328.0**	**3,354.6**
Change in working capital requirement	588.3	769.9	618.8
Restructuring costs	(181.9)	(170.2)	(208.3)
Capital expenditures	(1,137.0)	(1,137.3)	(972.6)
Capitalized research and development costs	(954.2)	(1,046.0)	(1,039.0)
Net finance costs	(362.4)	(529.0)	(563.8)
Income taxes	(362.1)	(515.3)	(336.6)
Other	(14.6)	(51.1)	(198.0)
Net cash flow	**483.4**	**649.1**	**654.9**

In 2024, net cash flow represented an inflow of €654.9 million (or 2.4% of sales) compared to a net cash inflow of €649.1 million (or 2.4% of sales) in 2023 and a net cash inflow of €483.4 million (or 2.0% of sales) in 2022. Growth in net cash flow in 2024 was notably supported by continued sales outperformance in a declining market, resilient operating margin, reduction of capital expenditures and withholding tax on Hella's special dividend paid in the first semester 2023 which has been recovered in the first semester 2024. Growth in net

cash flow in 2023 (and maintained in 2024) was supported by the initial results of the Group's "Manage by cash" program launched at the end of 2022. The Group views this program as crucial to accelerating its deleveraging, respecting the Group's commitments towards stakeholders and realizing its sustainable growth goals. The priorities of the "Manage by cash" program include maximizing R&D efficiency as well as reducing inventories and capex levels. The evolution in the Group's net cash flow is explained as follows:

- *Adjusted EBITDA* (i.e., operating margin before depreciations and amortizations of non-current assets) reached €3,354.6 million in 2024 compared to €3,328.0 million in 2023 and €2,907.3 million in 2022. This growth reflects a decrease in operating income by €39.1 million, more than offset by increase in depreciation and amortization by €65.7 million in 2024. In 2023 and 2022, the growth in Adjusted EBITDA reflected increases in operating income by €378.6 million and €198.8 million, respectively, and increases in depreciation and amortization by €42.1 million and €599.1 million, respectively.
- *Restructuring* represented cash outflows of €208.3 million in 2024 compared to €170.2 million in 2023 and €181.9 million in 2022.
- *Change in working capital requirement*, including receivables factoring, represented a positive impact of €618.8 million in 2024 compared to a positive impact of €769.9 million in 2023 and a positive impact of €588.3 million in 2022, reflecting the deployment of the Manage by Cash program on inventories, receivables and payments terms with suppliers. The change in 2024 reflected a lower trade payables in 2024. The change in 2023 consisted in part of a negative impact in inventories of €135.1 million, mainly concentrated on Tooling inventories for €139.1 million, and positive impacts in trade receivables of €207.6 million, payables of €444.2 million and other trade receivables and payables for €253.2 million. In 2022, the change reflected an increase in inventories of €154.1 million, a net increase in trade receivables of €395.8 million, an increase in trade payables of €1,144.0 million and a positive variation of other trade receivables and payables for €5.9 million. The evolution of these balance sheet positions was further impacted by exchange rate variations and the benefit of factoring program on receivables which brough inflows of €111 million in 2023 and €183 million in 2022.
- *Capital expenditures* on property, plant and equipment and on intangible assets represented cash outflows of €972.6 million, or 3.6% of sales, in 2024, compared to €1,137.3 million, or 4.2% of sales, in 2023 and €1,137.0 million, or 4.6% of sales, in 2022.
- *Capitalized research and development costs* represented cash outflows of €1,039.0 million, or 3.9% of sales, in 2024, compared to €1,046.0 million, or 3.8% of sales, in 2023 and €954.2 million, or 3.9% of sales, in 2022.
- *Net finance costs* represented cash outflows of €563.8 million in 2024, compared to €529.0 million in 2023 and €362.4 million in 2022. The increase in net finance costs in 2024 is mainly related to the cost for early termination of bonds with maturity 2025 and 2026 and issue of new bonds with maturity 2029 & 2031. The increase in net finance costs in 2023 is mainly related to the increased in net debt following the acquisition of HELLA in 2022 together with the increase in interest rates in recent years.
- *Income taxes* represented cash outflows of €336.6 million in 2024, compared to €515.3 million in 2023 and €362.1 million in 2022, with the decrease in income taxes in 2024 reflecting the recovery of withholding tax on Hella's special dividend paid in 2023, and the increase in income taxes in 2023 reflecting the improvement in operating profit, further impacted in 2023 by withholding tax related to the extraordinary dividend received from HELLA with respect to the sale of its stake in HBPO.
- *Other cash flow items* represented €198.0 million in 2024, compared to €51.1 million in outflows in 2023 and €14.6 million in outflows in 2022.

Capital expenditure

In the year ended December 31, 2024, the Group invested capital expenditures of €972.6 million (3.6% of sales) on property, plant and equipment and on intangible assets, and in particular on property, plant and equipment for €963.5 million. In the year ended December 31, 2023, the Group invested capital expenditures of €1,137.3 million (4.2% of sales) on property, plant and equipment and on intangible assets, and in particular on property, plant and equipment for €1,122.9 million. In the year ended December 31, 2022, the Group invested capital

expenditures of €1,137.0 million (4.6% of sales) on property, plant and equipment and on intangible assets, the majority of which was spent on property, plant and equipment for €1,119.3 million.

Capitalized R&D

In the year ended December 31, 2024, the Group's capitalized R&D was €1,039.0 million (3.9% of sales), compared to €1,046.0 million (3.8% of sales) in the year ended December 31, 2023 and €954.2 million (3.9% of sales) in the year ended December 31, 2022. The majority of the Group's capitalized R&D in 2024, 2023 and 2022 was dedicated to development costs.

Cash flows

The following table summarizes the Group's consolidated cash flow statement for the years ended December 31, 2024, 2023 and 2022:

	Year ended December 31,		
(in € millions)	**2022 (Restated)**	**2023**	**2024**
Cash flows provided by (used in) operating activities	2,464.6	2,614.5	2,631.0
Cash flows provided by (used in) investing activities	(6,250.7)	(1,524.1)	(1,799.8)
Cash flows provided by (used in) financing activities	3,119.9	(889.0)	(636.4)
Cash and cash equivalents at the beginning of period	4,905.7	4,171.4	4,273.9
Cash and cash equivalents at end of period	4,171.4	4,273.9	4,500.4

Cash flows from operating activities

Cash flow from operating activities was stable at €2,614.5 million in the year ended December 31, 2023, compared to €2,631.0 million in the year ended December 31, 2024.

Cash flow from operating activities increased from €2,464.6 million in the year ended December 31, 2022, to €2,614.5 million in the year ended December 31, 2023. The change was primarily attributable to increases in the change in trade accounts receivables for €603.4 million and improved operating income, partially offset by a decrease in the change in trade payables.

Cash flows from (used in) investing activities

In the year ended December 31, 2024, the Group recorded cash outflows from investing activities amounting to €1,799.8 million compared to €1,524.1 million in the year ended December 31, 2023 and €6,250.7 million in the year ended December 31, 2022. The spike in outflows in 2022 was primarily attributable to the acquisition of HELLA in January 2022.

Cash flows from (used in) financing activities

In the year ended December 31, 2024, the Group recorded cash outflows from financing activities amounting to €636.4 million compared to outflows of €889 million in the year ended December 31, 2023 and inflows of €3,119.9 million in the year ended December 31, 2022. The spike in inflows in 2022 was primarily attributable to the issuance of new shares and debt in connection with the acquisition of HELLA in January 2022.

Contractual obligations and commercial commitments

Financial obligations

The main elements of our long-term debt as at December 31, 2024 were the Syndicated Credit Facility of €1,500 million of which there have been no drawings as at the date of this Offering Memorandum, the Japanese Yen Term and Revolving Facilities Agreement of JPY30 billion which has been fully drawn as at the date of this Offering Memorandum, the HELLA Credit Facility of €450 million of which there have been no drawings as of the date of this Offering Memorandum, JPY22 billion in aggregate principal amount of the HELLA Japanese Yen Debt, €700 million in aggregate principal amount of the Sustainability-Linked 2021 Schuldschein, and €742.6 million in aggregate principal amount of the Sustainability-Linked 2024 Schuldschein (of which an aggregate of €1,273 million is outstanding under both Sustainability-Linked Schuldscheins), €750 million in aggregate principal amount of the 2026 Notes, €950 million in aggregate principal amount of 2026

Sustainability-Linked Notes (of which €330.2 million is outstanding), €890 million in aggregate principal amount of the 2027 Notes, €1,200 million in aggregate principal amount of the 2027 Sustainability-Linked Notes, €700 million in aggregate principal amount of the 2028 Notes, €500 million in aggregate principal amount of the 2029 Notes, €400 million in aggregate principal amount of the 2029 Green Notes, €700 million in aggregate principal amount of 2031 Notes, JPY19.2 billion in aggregate principal amount of the JPY Notes, €500 million in aggregate principal amount of the HELLA 2027 Notes, €315 million under the EIB Loan, €500 million under the Term Loan, U.S.$300 million equivalent under the Latin American Syndicated Loans and €200 million under the HELLA SSD.

The following table sets forth the maturity schedule of our outstanding long-term debt, set forth by category, in each case as at December 31, 2024, after giving effect to the Refinancing (including the refinancing in full of the 2026 Notes with the proceeds of the Notes offered hereby):

	2025	2026	2027	2028	2029 and beyond	Total
			(in € millions)			
Notes offered hereby	—	—	—	—	750.0	750.0
2026 Sustainability-Linked Notes[(1)], 2027 Notes[(1)], 2027 Sustainability-Linked Notes[(1)], 2028 Notes[(1)], 2029 Notes[(1),] 2029 Green Notes[(1)], 2031 Notes[(1),] the JPY Notes[(1)], the HELLA 2027 Notes[(1)] and the HELLA JPY Notes[(1)]	—	395.7	2,631.7	704.3	1,673.6	5,405.3
Syndicated Credit Facility	—	—	—	—	—	—
Schuldscheindarlehen	—	324.5	32.2	421.3	495.3	1,273.3
HELLA SSD	—	—	10.0	—	190.0	200.0
Term Loan	—		500.0	—	—	500.0
Japanese Yen Term and Revolving Facilities[(1)] and HELLA JPY Loan	—	92.0	—	—	61.3	153.3
Other bank and bilateral loans	51.7	72.2	301.3	256.2	287.5	968.9
Bank borrowings and others[(2)]						252.6
Obligations under finance leases[(2)]						1,054.3
Non-current derivatives[(2)]						88.5
Total						**10,646.2**

(1) Presented at book value, net of any unamortized debt issuance costs, discounts or premiums.
(2) Schedule of debt maturities not available as at December 31, 2024.

Pensions and other employee obligations

The Group's provisions for pensions and other employee obligations as of December 31, 2024 was €621.1 million, compared to €630.0 million as of December 31, 2023 and €575.2 million as of December 31, 2022. The decrease in 2024 when compared to 2023 was mainly the result of headcount reduction, and the increase in 2023 when compared to 2022 was mainly as a result of scope effect following the acquisition of HELLA.

Off-balance sheet commitments

As at December 31, 2024, the Issuer has no material off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Issuer's financial condition or results of operations.

Quantitative and qualitative disclosures about market risk

Liquidity risk

In order to finance its capital expenditures and face its cash requirements, the Group must secure access to liquidity from banks and financial markets. The Group's liquidity is based on the issuance of long-term debt (bonds and bank loans), short term funding programs (commercial paper, factoring) and the maintenance of committed credit facilities. 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 liquidity and resources could have an adverse impact on the Group's financial condition.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to financial risks that may arise from changes in interest rates, as a significant portion of the Group's debt is indexed on variable rates. The management of

interest rate risk is centralized. Such management is implemented through the Group Treasury department, which reports to the Group's Executive Management. Hedging decisions are made by a monthly Finance Committee. At the end of December 2024, before taking into account the impact of hedges, 26.4% of the Group's gross debt was exposed to floating rates compared to 25.7% as of December 31, 2023. For additional information, see note 27.4 to the 2024 Consolidated Financial Statements.

Currency risk

Due to its international presence and operations, the Group is exposed to risks arising from fluctuations in the exchange rates of certain currencies, particularly due to the location of some of its industrial sites, as well as the fact that certain subsidiaries purchase raw materials and other supplies or sell their products in a currency other than their functional currency. 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 euros, are sensitive to fluctuations in their accounting currency against the euro. The Group centrally hedges the foreign exchange rate risk through forward or optional foreign exchange transactions as well as foreign currency financings. See note 32.2 to the 2024 Consolidated Financial Statements for additional information.

Raw material and interest rate risk

The Group is exposed to raw material risk directly through its raw materials purchases and indirectly through components purchased from its suppliers. Raw material prices are subject to fluctuation, and since 2022, rising inflation also contributed to the increase in the costs of purchased components. The Group actively works 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 its 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.

Customer credit risk

Customer credit risk is the risk that one or more of the Group's customers may not be able to honor certain agreements or suffer financial difficulties. The Group's primary exposure to credit risk relates to its trade accounts receivables. 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. The Group's Finance department monitors trade accounts receivables on a regular basis. In addition, since 2019, the Group has implemented a customer credit risk assessment system to better manage the acquisition process with new customers.

Critical accounting policies and estimates

The preparation of the Group's 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 macroeconomic 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". Furthermore, these estimates consider the Group's plans with respect to carbon neutrality, as approved by the Science Based Target Initiative (SBTi) in July 2022. See note 1 to the 2024 Consolidated Financial Statements for additional information.

BUSINESS

Our Company

We are a world-leading automotive supplier company focused on developing innovative solutions for our customers. We are listed on Euronext Paris with the ticker symbol “FRVIA”.

We were formed in 2022 following Faurecia’s acquisition of HELLA, which allowed us to become one of the largest automotive suppliers in the world. Following the acquisition, we rebranded ourselves with our new name, “FORVIA.” The acquisition has enabled FORVIA to achieve critical mass across all its segments, as demonstrated by its revenue, which has grown from €17.8 billion in revenue for Faurecia in 2019 to €27 billion in revenue for FORVIA for the year ended December 31, 2024. As a single group, FORVIA and HELLA collaborate closely and aim to create sustainable value for all stakeholders through technology sharing and synergies, while continuing to operate as separate legal companies and market products under their own brands. The pace of the combination with HELLA has accelerated and cumulated cost synergies generated at the end of 2024 amounted to €334 million.

We develop, manufacture and sell high-quality and highly-engineered solutions ranging from seating, interiors and cockpits and electronics to lighting and lifecycle management. With a cutting-edge technology portfolio that aims to address the major trends in the industry, we offer solutions to a wide spectrum of clients, from mass market to premium OEMs, and we have a global reach, notably in the U.S. and Asian markets.

Our strategy and business transformations in recent years have been aimed at embracing the major trends disrupting our industry, which include increased connectivity, autonomy and electrification, while offering solutions that aim to facilitate the transition to clean mobility. To this end, we have developed ultra-low and zero-emissions offerings while continuing to develop solutions for more connected, personalized and predictive cockpits in order to respond to the increasing demand for autonomous and connected vehicles.

As one of the leading global suppliers in the automotive industry, our geographic sales breakdown is divided between EMEA (47% of our revenues for the year ended December 31, 2024), Asia (27% of our revenues for the year ended December 31, 2024) and the Americas (26% of our revenues for the year ended December 31, 2024). As at the end of the 2024, we employed approximately 150,000 people in 40 countries across 249 industrial sites and 78 R&D centers.

For the year December 31, 2024, our sales amounted to €26,974.2 million, compared to €27,247.9 million for the year ended December 31, 2023, representing a decrease of 1.0% (0.4% growth at constant scope and currencies). Our Adjusted EBITDA for the year ended December 31, 2024 amounted to €3,354.6 million (representing a 12.4% Adjusted EBITDA margin), compared to €3,328.0 million for the year ended December 31, 2023 (representing a 12.2% Adjusted EBITDA margin), representing a slight increase of 0.2 percentage points.

In addition, our order intake amounted to €31 billion for the year ended December 31, 2024 (in line with our order intake for the year ended December 31, 2023).

We are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, and reduce by 45% our Scope 3 Emissions by 2030. We are investing in innovation to advance the sustainability of our business as we aim to both reduce our environmental impact and create long-term value across our entire supply chain.

Business Groups

FORVIA is organized in six business groups: Seating, Interiors, Clean Mobility, Electronics, Lighting and Lifecycle Solutions. These business groups are managed by the Group on an independent basis in terms of reviewing their individual performance and allocating resources and for the year ended December 31, 2024, we held leading positions in each of our business groups.

Seating. We design and manufacture complete vehicle seats, seating frames and adjustment mechanisms that aim to optimize the comfort and safety of occupants. We develop a range of innovative solutions for thermal and postural comfort, health and wellness and advanced safety to meet current market requirements. We have

leading market positions in this segment, and we believe we are the world's leading supplier of seat structure systems and the third largest supplier of complete seats.

For the year ended December 31, 2024, sales in the Seating business group reached €8,634.3 million (32.0% of FORVIA's total sales) compared to €8,551.1 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Seating business group reached €434.4 million, representing a 5.0% operating income margin, compared to €314.7 million for the year ended December 31, 2023, representing a 3.7% operating income margin.

As at December 31, 2024, the Seating business group employed approximately 46,000 individuals and operated 72 industrial sites and 14 R&D centers.

Interiors. We design, manufacture and assemble instrument panels and complete cockpits, door panels and modules as well as decoration and smart surfaces. We have strong expertise in the seamless integration of the full range of interior modules and incorporating functionalities such as ambient lighting and displays. We believe we are the largest automotive supplier in interiors equipment worldwide.

For the year ended December 31, 2024, sales in the Interiors business group reached €5,108.4 million (18.9% of FORVIA's total sales) compared to €4,922.7 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Interiors business group reached €109.4 million, representing a 2.1% operating income margin, compared to €200.9 million for the year ended December 31, 2023, representing a 4.1% operating income margin.

As at December 31, 2024, the Interiors business group employed approximately 32,000 individuals and operated 66 industrial sites and 13 R&D centers.

Clean Mobility. We design and manufacture exhaust systems, solutions for fuel cell electric vehicles and aftertreatment solutions for commercial vehicles. Our portfolio consists of zero and ultra-low emission solutions for passenger and commercial vehicles, including technologies for both battery electric and fuel cell electric vehicles to drive clean mobility. We believe we are currently the world's leading supplier of exhaust systems and components (the core activity of this business group) and are working towards our long-term goal of becoming a leader in hydrogen mobility while developing a comprehensive offering for electric vehicles, including HEVs, PHEVs, BEVs and FCEVs. We are also building on HELLA's energy management portfolio, which includes sensors and actuators related to BEVs and battery management systems, voltage converters and onboard charging systems.

For the year ended December 31, 2024, sales in the Clean Mobility business group reached €4,153.4 million (15.4% of FORVIA's total sales) compared to €4,832.2 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Clean Mobility business group reached €346.3 million, representing a 8.3% operating income margin, compared to €383.7 million for the year ended December 31, 2023, representing a 7.9% operating income margin.

As at December 31, 2024, the Clean Mobility business group employed approximately 17,000 individuals and operated 71 industrial sites and 7 R&D centers.

Electronics. We design and manufacture display technologies, driver assistance systems and cockpit electronics. The Electronics business group was formed by combining Faurecia's former Clarion Electronics business with HELLA's electronics and software operations, with a view towards creating a global player in high-speed and low-speed advanced driver assistance systems. We believe we are the number one player in the low-voltage power electronics and car access body electronics segments worldwide. We believe we are also one of the top three players for radars, sensors and actuators.

For the year ended December 31, 2024, sales in the Electronics business group reached €4,188.7 million (15.5% of FORVIA's total sales) compared to €4,138.0 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Electronics business group reached €229.7 million,

representing a 5.5% operating income margin, compared to €219.4 million for the year ended December 31, 2023, representing a 5.3% operating income margin.

As at December 31, 2024, the Electronics business group employed approximately 19,000 individuals and operated 21 industrial sites and 26 R&D centers.

Lighting. We design and manufacture lighting technologies, including headlamp, rear lamp, car body and interior lighting solutions for OEMs throughout the world. The Lighting business group was added upon the acquisition of HELLA, which enabled FORVIA to establish strength in the area of innovative lighting technologies with large scale production in full-LED headlamps. We believe we are the third largest lighting automotive supplier globally.

For the year ended December 31, 2024, sales in the Lighting business group reached €3,878.6 million (14.4% of FORVIA's total sales) compared to €3,745.8 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Lighting business group reached €186.6 million, representing a 4.8% operating income margin, compared to €192.7 million for the year ended December 31, 2023, representing a 5.1% operating income margin.

As at December 31, 2024, the Lighting business group employed approximately 22,000 individuals and operated 25 industrial sites and 15 R&D centers.

Lifecycle Solutions. We offer solutions extending the vehicle lifecycle as well as workshop equipment and special original equipment. We are an established partner in the aftermarket for spare parts, providing automotive parts, accessories and workshop equipment and acting as a service partner for wholesalers and repair and maintenance workshops. The Lifecycle Solutions business group was added upon the acquisition of HELLA.

For the year ended December 31, 2024, sales in the Lifecycle Solutions business group reached €1,010.9 million (3.7% of FORVIA's total sales) compared to €1,058.1 million for the year ended December 31, 2023. For the year ended December 31, 2024, operating income in the Lifecycle Solutions business group reached €93.7 million, representing a 9.3% operating income margin, compared to €127.6 million for the year ended December 31, 2023, representing a 12.1% operating income margin.

As at December 31, 2024, the Lifecycle Solutions business group employed approximately 4,500 individuals and operated 5 industrial sites and 9 R&D centers.

Customers

We maintain close relationships with almost all of the world's leading car manufacturers and work closely with customers to develop the design and functionality of our products. We have a limited client concentration and serve over 80 different OEMs globally. With our four largest customers, VW Group, Ford Group, Stellantis and Mercedes-Benz, we have maintained decades-long relationships. Together, these four largest customers accounted for 45.4%, or €12,247.2 million, of our sales in 2024.

In the meantime, we continue to grow our exposure to Chinese OEMs, which accounted for 10.0% of our sales in 2024, up from 4.9% in 2020, while maintaining strong relationships with US-based OEMs such as Ford and General Motors, which, combined, accounted for 14.4% of sales in 2024.

We aim to foster long-standing relationship with OEMs, leveraging our ability to meet needs across the value chain, from mass market to premium segments, as well as support the creation of commercial vehicles and provide solutions to new entrants in the automotive OEM industry.

We are successfully developing and implementing customer vehicle production programs on a global scale. We have a broad geographic footprint and are one of the few automotive equipment suppliers with the capacity to supply automakers' global programs where the same car model is produced throughout several regions.

We are involved in all stages of the automotive equipment development and supply process. We design and manufacture automotive equipment adapted to each new car model or platform and conclude contracts to provide these products throughout the anticipated life of the model or platform (usually between five and ten years). Our customers rely increasingly on global platforms, based upon which they will produce a variety of car models. This allows us to decrease costs through a greater commonality of components, and to benefit from components or modules which can be used in more than one generation of cars. We participate in this evolution by offering generic products associated with our customers' platforms, such as standard seats frames.

The quality of our products is widely acknowledged among automakers. We operate from 249 industrial sites worldwide and 78 R&D centers, and employ approximately 150,000 people, with approximately 73,200 employees in Europe, 32,100 employees in the Americas and 44,400 employees in Asia, and including more than 15,000 engineers. With six business groups with differentiating product lines and a strong IP portfolio of over 12,900 patents, we aim to be the preferred innovation and integration partner for OEMs worldwide. We ensure the quality of our products through our FORVIA Excellence System, a rigorous set of project management procedures and methodologies, and by the expertise of our engineers and technicians who design products and develop technological solutions. This enables us to maintain very close relationships and to be seen as strategic suppliers to many of our customers.

Our Competitive Strengths

One of the world's largest automotive suppliers with leading positions in Clean Mobility, Seating, and Interiors

We have operated in the automotive industry for more than 110 years and have established ourselves as one of the leading global automotive Tier-1 suppliers. Based on our estimates, we have leading market positions in Clean Mobility, Seating and Interiors. Through the combination with HELLA, we acquired a complementary portfolio with recognized technology and leadership in both Electronics and Lighting, reinforcing our unique proposition with OEMs.

In 2024, we estimated that our Seating business was the world's leading supplier of frames and mechanisms for seating structures and the number three supplier for complete seats. We consider our Interiors business unit to be among the two leading suppliers of cockpit and interior systems. In Clean Mobility, we estimate that we are currently the world's leading supplier of exhaust systems and components (the core activity of this business group) and are working towards our long-term goal of becoming a leader in hydrogen mobility while developing a comprehensive offering for electric vehicles. We are also building on HELLA's energy management portfolio and offering of sensors, battery management systems, voltage converters and onboard charging systems.

The acquisition of HELLA in 2022 allowed us to become a major player in Electronics, with sales exceeding €4.1 billion in 2024. In the Electronics segment, we believe we hold a top three position in low-voltage power electronics, car access, radars, sensors and actuators, which are key for advanced driver assistance systems.

With the acquisition of HELLA, we have also attained a strong position in the Lighting segment and believe we are the third largest player globally, with recognized strengths in innovative lighting technologies and large-scale production capabilities in full-LED headlamps, as well as strong relationships with premium and German-based automotive manufacturers. We believe HELLA's lighting business offers an opportunity to advance this segment further by leveraging Faurecia's track record in industrial excellence and strong relationships with high-volume OEMs, including those based in Asia.

Based on revenues, in 2024, FORVIA was one of the largest automotive suppliers globally, with annual sales exceeding €3.9 billion in five of our six business groups. We believe our leadership and global platform are significant strategic advantages, as OEMs typically look for well-established suppliers with strong innovation and scale capabilities that are able to support their global programs, new vehicle launches, and end customers' growing demands for increased connectivity, improved vehicle autonomy and clean mobility.

Attractive industry benefitting from key automotive megatrends

Significant global trends are impacting the automotive industry, including climate change, resource scarcity, growing and ageing populations, economic power shifting to Asia and urbanization. At the same time,

technological developments continue to accelerate, transforming daily life and generating new business models. As a result of these technological developments, the evolving structure of society and global development challenges, we believe that the automotive industry is at a turning point. We expect that the consequence of these megatrends on the automotive industry will be a radical increase in mobility solutions that are increasingly connected, autonomous and electrified.

We believe we are well-positioned to address these automotive megatrends through our diversified business model and balanced portfolio, which has minimal exposure to internal combustion engine-only parts. For the year ended December 31, 2024, 31% of our order intake of €7 billion was related to BEV and FCEV platforms. We continue to develop a comprehensive offering for these platforms, and a significant portion of our order intake is related to electronics. We benefited from continued strong demand for automated driving systems and connected vehicles.

Despite some deceleration in BEV global demand growth due to lower consumer confidence, high interest rates and fading incentives, the shift towards electrification remains a key long-term trend for the industry, as regulations and government incentives boost both offer and demand and as society becomes increasingly concerned about climate change. We believe that by 2030, 38% of global automotive production will be BEVs, and 23% of vehicles will be hybrid (PHEV).

As the trends for mobility electrification, connectivity and autonomous driving accelerate, there are increasing business development opportunities for us in relation to new products, new customers and new business models including the following:

New Products

- **Clean mobility:** accelerating innovation for powertrain electrification and investing in zero and ultra-low emissions solutions, supported by incentives and regulatory push and responsive to an increase in global demand for mild hybrid and high voltage solutions. Recently launched products include battery and power electronics for 12v and 48v, high voltage energy management and thermal management systems;

- **Autonomous driving:** focusing on short time-to-market technology bricks for the Cockpit of the Future adaptable to autonomous driving, reflecting an increasing importance of software and higher willingness of customers to pay for automated driving features. Recently launched products include radars and sensors, x-by-wire applications, cameras, automated parking ECU and systems; and

- **Connected vehicles:** offering new functionalities through integrated electronics as cars develop into "computers on wheels," driven in part by safety regulations. Recently launched products include cockpit technologies and software, security with smart car access, zonal modules and ECUs.

New Customers

- rising Asian OEMs developing vehicles adapted to Asian consumers;

- pure electric vehicle consumers;

- MaaS operators, fleets and cities; and

- high horsepower engine manufacturers.

New Business Models

- increased role of personalized user experiences;

- upgradability, retrofit and connected services; and

- developing cybersecurity of connected products.

Technological innovations leveraging on a strong ecosystem of partners

We are investing in technological innovations in the automotive sector and have a consistent track record of award-winning innovations. We have based our strategy of innovation on a strong ecosystem of partners to accelerate time-to-market and to integrate key competences for our systems for Sustainable Mobility and Cockpit of the Future. At FORVIA, we operate 78 research and development centers worldwide and employ more than 15,000 R&D engineers. In 2024, FORVIA filed 1,392 new patents, compared to 1,283 in 2023.

In 2024, we allocated €2,155.8 million to gross R&D costs, or 8.0% of sales in 2024, compared to €2,197.5 million, or 8.1% of sales in 2023 and have developed a deep technological investment base.

Source: Company filings. December full-year calendarization.

Given the pace of technological change and the need for the efficient development of new products, we have developed an open innovation ecosystem to accelerate the integration of new competences and bring together our own scientific and technical experts with a broad range of partners across industry sector organizations, including universities, thinktanks, start-ups, and technology or industrial specialists. This international network allows us to strengthen the Group's areas of expertise, build on latest technology and science applications, acquire critical new competencies, and contribute to advances in technical and industrial domains.

Technological innovation with track record of award-winning innovations to promote sustainable mobility and continue to reduce CO_2 emissions

FORVIA 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; and
- Light Tile for Transparent Doo.

*Note: * in 2030 vs. 2019*

Strategic and technology partnerships

To rapidly accelerate development in key areas, we have developed partnerships with other industrial or technology companies.

We have entered into a partnership with Accenture for AI to combine innovation expertise and co-invest to develop products and services for connected and autonomous vehicles. We will focus initially on two areas: cognitive technologies to reinvent the on-board user experience and services to enhance health and wellness. We also intend to leverage digital technologies such as AI, advanced analytics, augmented and virtual reality, blockchain and quantum computing to further accelerate FORVIA's digital transformation.

Through our partnership with ZF, we are developing safety systems so that passengers can continue to travel safely in any seated position, whether they are driving, working or relaxing. We have also entered into a partnership with Mahle to collaborate on technologies for the thermal management of the Cockpit of the Future. We have partnered with Mahle to work together to integrate and connect different interior and seating features to enhance the onboard experience and in November 2018 we also announced a strategic partnership with HELLA for the development of innovative interior lighting solutions. Over time, we believe AI and contextual analysis will enable the vehicle to anticipate user preferences.

Through Symbio, our joint-venture with Michelin and Stellantis, we have accelerated in the hydrogen market with the objective to develop a new generation of fuel cells and mass produce them. We opened our Gigafactory in Saint-Fons in 2023, which consists of a large fuel cell stack and system production sites in Europe and is expected to have a total production capacity of 50,000 systems per year by 2026.

To develop new solutions for advanced and customized mobility, we have also created Appning in partnership with Aptoide. Appning marks a significant milestone in the apps market by integrating top applications TikTok, Webex and Zoom Meetings into the cockpit experience of cars, including Mercedes-Benz E-Class. This will enable users to have a mix of entertainment, video conferencing, webinars, and collaboration sessions, facilitating professionals and remote workers to join business meetings or catching up with friends and family. With a growing apps portfolio that already counts around 240 applications and an established partnership with fourteen different car brands, Appning is at the forefront of the automotive industry, supporting Android developers to develop the next generation of in-car infotainment.

In 2024, we signed a joint venture agreement with long-term partner CHERY to deepen our strategic cooperation in the field of smart and sustainable cockpits.

Investment in start-ups and technology platforms

The Group's network of tech and start-up scouts identifies promising partners with disruptive ideas in multiple areas like energy management, optics, artificial intelligence or materials science.

We have historically invested in start-ups such as: Outsight for sensors, GuardKnox for cybersecurity and IRYStec Software to enable the personalization of displays according to the driver's vision and ambient light

conditions giving a safer and more comfortable user experience at a lower cost. The Issuer also acquired intellectual property assets of uMist Technologies Ltd., a Swedish start-up specialized in biomimetic spray technology, to accelerate our technology leadership for commercial vehicles ultra-low emissions, and designLED, a Scotland-based company specialized in advanced backlighting technologies, to strengthen our offer for display technologies and enrich the immersive experiences.

We also collaborate with local start-up ecosystems, establishing strong connections in major innovation clusters, and closely follow emerging trends and new technologies. The Group's platforms are located in Silicon Valley, Toronto, Shenzhen, Paris and Tel Aviv. The Tel Aviv platform was inaugurated in 2019 and concentrates on cyber security.

Academic partnerships and collaborative innovation

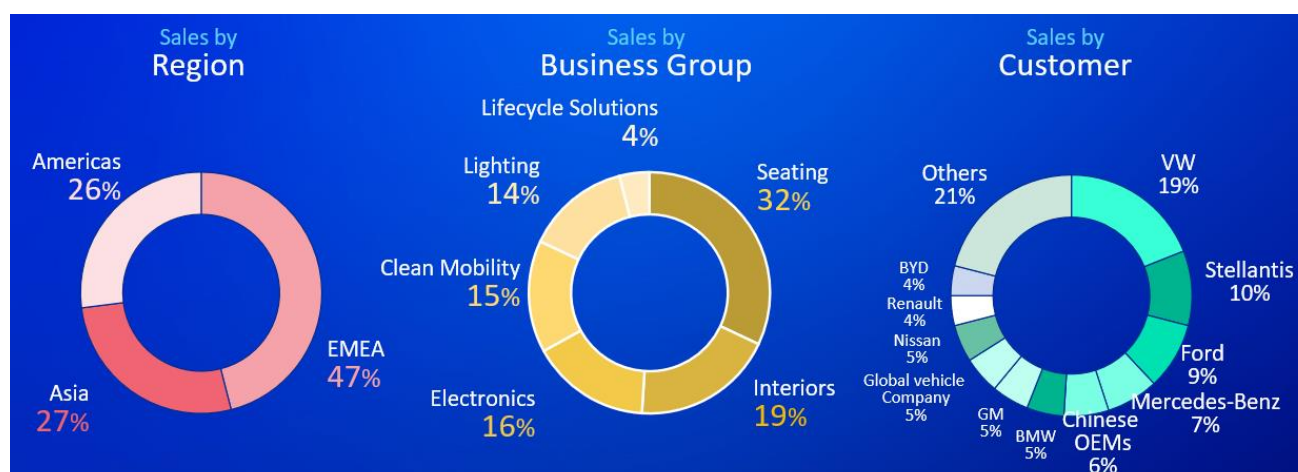
We work with several academic organizations in open innovation networks to test, assess and develop prototypes in order to obtain the relevant information to position research for the Group. Partnerships include those with French Alternative Energies and Atomic Energy Commission (CEA) for polymers and fuel cell technologies, Technische Unversität Dortmund for metals, Supelec-Esigelec for mechatronics, the Indian Institute of Science for sensors and CentraleSupélec for Artificial Intelligence (AI).

Highly diversified business model across geographies, products and customers with well-entrenched positions

As one of the largest automotive suppliers in the world, our business model exemplifies a high degree of diversification, which is evident in the multifaceted nature of our customer base, the geographical breadth of our operations and development activities, the large variety of products and solutions required by our customers and the various market segments we serve. Our highly diversified business profile is strengthened by (i) a strong presence across all our major regions, (ii) a balanced product portfolio across business segments and (iii) limited client concentration with no single OEM representing more than 19% of our total revenues in 2024.

We believe that the high degree of diversification through our business groups, geographic presence, number of customers and range of products limits our exposure to adverse changes in the global or local economic environment and in the various end-markets we serve, while simultaneously mitigating counterparty risk. In particular, our exposure to internal combustion engine-only parts is limited, as most of our product portfolio supports electric, hybrid and combustion engine vehicles. This high degree of diversification supports the resilience of our revenues and our profitability.

The below charts show our sales breakdown for the year ended December 31, 2024 by business group, region and customer:



Diversification across geographies

Our operations span across five continents. We employ approximately 150,000 people in 40 countries across 249 industrial sites and 78 R&D centers, of which 15,000 are engineers in our technology centers. Our global

footprint of production facilities and development centers allows us to design, develop, engineer, manufacture and deliver complete technological solutions and components in every major automotive producing region in the world.

In the year ended December 31, 2024, sales in EMEA, Americas and Asia remained stable at 47%, 26% and 27% of sales, respectively, compared to 46%, 27% and 27% of sales, respectively, in the year ended December 31, 2023. In Asia, the world's largest and fastest growing automotive market, we generated 21% of our sales for the year ended December 31, 2024 from China, operating 79 production facilities and 18 technology centers in China and employing over 44,000 workers in Asia. We believe we have substantial potential to grow further in Asia, notably with Chinese OEMs, and build upon the longstanding relationships with major Japanese and South Korean OEMs.

Our diversified workforce mirrors the breadth of our operations as one of the world's largest automotive suppliers. In 2024, out of our approximately 150,000 employees (including temporary employees), 48.9% were based in our European locations (126 industrial sites and 40 R&D centers), 21.5% were employed in the Americas (52 industrial sites and 8 R&D centers), and 29.6% were employed for our Asia operations (102 industrial sites and 30 R&D centers).

Diversification across customers and market segments

We conduct business with major global OEMs for both passenger and commercial vehicles and serve over 80 different accounts, including Volkswagen Group, Stellantis, Ford Group, Mercedes-Benz Group, BMW Group, Renault Nissan Group and General Motors Group, among others. In North America, we have particularly close ties with Ford and General Motors, with whom we have had relationships for over 15 years and which together accounted for 14% of our sales in 2024. Although Japanese and South Korean automakers tend to use their vertically integrated suppliers, we are today a direct supplier to Nissan, Honda, Kia and Hyundai. We have also grown our exposure to Chinese OEMs, serving 19 out of 20 Chinese OEMs, and realized 48% of our Chinese sales with Chinese OEMs in 2024, compared to 37% in 2023.

In recent years, we have further improved our customer diversification and benefitted from the acquisition of HELLA to strengthen our relationship with German-based premium OEMs. We believe this acquisition has improved our relationship with automakers and opened new sales opportunities through the leveraging of FORVIA's historically privileged access to key Asian OEMs and HELLA's reputation to further develop our relationships with German and other premium OEMs and benefit from complementary strengths with US-based OEMs. In the year ended December 31, 2024, our two largest customers, Volkswagen and Stellantis, together accounted for 29% of sales compared to 30% of sales in 2023. Our relationships with these customers have endured over 15 years and span across multiple business lines and product categories, engine technologies, regions and vehicle platforms.

Diversification across business groups and products

A large number of vehicles globally is equipped with one or more of FORVIA's offerings in seating, interiors and cockpits, electronics, lighting and lifecycle management. As a result, we are able to benefit from a well-balanced revenue profile across our main business groups.

Our portfolio ranges from more traditional products, such as seat structures, door panels and headlamps, to cutting-edge and more advanced technological solutions that allow our customers to respond to the demands for increased autonomy, connectivity and electrification in the automotive industry. Our advanced solutions include clean mobility offerings, as well as a large range of sensors, radars, automated driving systems, cockpit electronic and energy management solutions, which serve vehicles from full hybrid and battery electric vehicles to thermal engine vehicles.

We believe one of our strengths lies in our largely engine-agnostic product portfolio, as many of our products are used in ICE, hybrid and electric cars. For the year ended December 31, 2024, 85% of our revenues came from seating, interior, electronics, lighting and lifecycle solutions business segments which we estimate are not dependent on light vehicle ICE. This diversification across business lines and solutions offered allows the Group

to leverage the growth opportunities and economic cycles in each segment presents, as these may respond to various economic indicators differently across geographic markets.

Diversification across end-markets

We are present across market segments, from entry-level models to premium and luxury cars, which make us less vulnerable to the parameters which may affect one particular market. Our exposure to the aftermarket business, which we gained following our acquisition of HELLA, serves as a reliable revenue stream that is less susceptible to the fluctuations of new vehicle sales given this business is tied to a steady demand for maintenance, repair and upgrades.

Unique and hard-to-replicate positioning underpinned by multi-year contract execution and the ability to support global programs

We are involved in all stages of the automotive equipment development and supply process and conclude contracts to provide these products throughout the anticipated life of the model or platform, which provides us with multi-year contracts (usually between five and ten years). Revenue visibility is further reinforced by the inherent challenges automakers face when changing suppliers in the midst of the development and production of a car model, which typically translates into high renewal rates on our programs.

This supports our long-term relationship with OEMs while establishing us as a strategic supplier on number of programs and car models. Our customers rely increasingly on global platforms, based upon which they will produce a variety of car models, allowing us to participate on those programs on a global scale and improve efficiencies by lowering costs through greater commonality of components and modules that can be used in more than one generation of cars.

The below is an illustration of new launches made during 2024 where we participated as key supplier:

Our global footprint, comprised of 249 industrial sites and 78 R&D centers, allows us to design, develop, engineer, manufacture and deliver complete technological solutions and components in every major automotive producing region in the world while ensuring high customer proximity, improved supply chain resilience and the support of key programs on a global scale close to our customers' local production sites in each of their core markets. As a result, we are one of the few automotive equipment suppliers with the capacity to supply automakers' global programs in which the same car model is produced throughout several regions.

A key partner for a broad and diversified base of OEMs around the globe with strong customer centricity

Our position as one of the leading automotive suppliers is underpinned by the nature of the global automotive supplier market, which is characterized by long-term customer relationships, the requirement by OEMs for reliable suppliers which can produce high volume products and the ability to provide services to customers not just in one geographic region, but globally. The Group has built long-term relationships with a large number of

OEMs over the years, and our customer-centric approach has been instrumental in ensuring the strengthening of our leading market position and long-term growth prospects.

Our diversified model allows us to serve the full spectrum of OEMs, including blue-chip customers ranging from mass market to premium segments as well as commercial vehicles and new entrants in the OEM industry. We have strategically been diversifying our customer base over the years and today serve all major OEMs across North America, Europe and Asia. We have been able to build longstanding relationships with these clients, many of which have extended over decades. Such relationships have been strengthened by years of cooperation to develop new products and innovative solutions and integrate into the supply chain of our customers on global programs. These relationships are difficult for our clients to replicate, as such levels of cooperation and programs require suppliers with a high degree of sophistication and a manufacturing footprint with a global reach.

With the help of the large scale of our operations, we have a long-term track record of delivering solutions to our customers on a highly reliable basis around the globe. We also have the ability to meet demand for high-volume production, which enables us to be seen as a strategic partner to our customers. This unique relationship and proximity with our customers support our growth, as demonstrated by our proven track record of new contract signings with existing as well as new clients who have indicated high levels of customer satisfaction.

The below provides a view of some of our key customer relationships:

Selection of Clients

Client	Relationship Duration	# of Programs
VW	15+ Years	223 Contracts
Stellantis	15+ Years	228 Contracts
Ford	15+ Years	149 Contracts
Mercedes-Benz	15+ Years	41 Contracts
BMW	15+ Years	27 Contracts
Renault	15+ Years	101 Contracts
Nissan	15+ Years	95 Contracts

Customer Satisfaction Highlights

- We achieved a score of 4.7/5 in our customer satisfaction index

Mass market OEMs | Premium OEMs | Chinese OEMs

To maintain our strong operational excellence, we have in place a dedicated customer satisfaction program. The Total Customer Satisfaction Strategy (TCS) enhances and affirms FORVIA'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. To guarantee quality performance and thus improve the customer experience from the innovation phase to the after-sales guarantee, FORVIA focuses on four pillars:

- program quality: ensuring quality from the innovation phase to mass production by designing products and processes that meet customer expectations;
- launch quality: to start mass production with quality standards while meeting customer expectations;
- operations quality: checking the absence of defects within internal operations and with our suppliers;
- customer experience quality: aiming for benchmark performance and quality customer service.

FORVIA benchmarks performance using a customer satisfaction index. Our Total Customer Satisfaction program also comprises initiatives such as our Digitalization initiatives and the FORVIA Excellence System.

Customer satisfaction index

The customer satisfaction index is used by FORVIA to assess its performance with regard to its customers. It combines relevant key performance indicators and customer perception: (1) *performance*: main indicator for customers based on the number of incidents and customer complaints; (2) *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.

Digitalization for customer experience

We use specialized quality reporting tools designed to meet the requirements of our main customers and to gauge 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.

Across our sites, we deploy automated guided vehicles, data analysis, and 3D simulations to optimize operations. Our digital model plants are utilizing the latest digitalized tools and processes. Innovative approaches are tested in benchmark model plants before wider implementation.

The FORVIA Excellence System

Starting in 2023, we released the new FORVIA Excellence System (the "**System**"), which aims to deliver best-in-class industrial performance in an increasingly competitive world. With FORVIA Excellence System, we are taking a next step toward our ambition to become a sustainable mobility technology leader.

The System focuses on our key priorities: Total Customer Satisfaction, Sustainable Competitiveness, and Talent Development, all within a safe working environment. We intend the System to contribute to our operational efficiency and aim to deliver flawless program management to fulfil the Group's POWER25 profitability target. The System delivers a 360-degree approach to operations and covers a wide range of topics, from production and launches to production control & logistics, health, safety and environment, human resources, quality and plant management.

The main evolutions of the System include:

- Managing full profit and loss scope and performance improvement to reach benchmark status.
- Optimizing our execution in a volatile environment through digital solutions, now largely deployed and accelerating our continuous improvement by leveraging data.
- Raising environmental impact awareness, to build a sustainable future for the company and honor our commitment to reach CO_2 net zero by 2045.

The implementation of the System across all FORVIA sites is anticipated by 2025. This journey towards sustainable excellence starts with the understanding of what the FORVIA Excellence System means to our organization, how it is developed, and how it is going to be implemented.

Our FORVIA Education Path will help develop the right level of understanding and ownership of this new system, in particular among shopfloor teams, whose empowerment and engagement is pivotal.

Everyone, from operators to management, in plants, divisions, business groups and functions, must ensure we give the right focus, energy, and resources to achieve our business goals through the strong application of FORVIA Excellence System.

FORVIA Excellence System implementation will guarantee the stability, sustainability and performance of our plants, thus the competitiveness of our Group.

Awards

We believe that the numerous awards that we have received from our customers and our record order intake over the last few years demonstrates the confidence of our customers in our Total Customer Satisfaction strategy. We are a strategic partner of many of our major customers, regularly receiving customer recognition

awards for global performance, manufacturing excellence, cost savings and innovation. In particular, in recent years we received a General Motors Supplier of the Year Award, a Ford World Excellence Award, and (in April 2024) two Automotive News PACEpilot Innovation to Watch recognitions, acknowledging post-pilot, pre-commercial innovations in the automotive and future mobility space. Our global performance and operational excellence as a strategic supplier has also led to various notable business developments, including the following received in 2024*:*

- In April 2024, FORVIA launched a new work lamp for vehicles in mining, construction and forestry: the RokLUME 280N SMART, which allows machine operators to customize the work lighting to suit their individual needs and lighting conditions.;
- In July 2024, FORVIA developed a completely new headlamp concept for the Q6 e-tron in collaboration with the German premium manufacturer Audi. Its specialty is a digital daytime running light matrix that gives end users the option of selecting their preferred digital light signature from up to eight preset designs;
- In October 2024, FORVIA partnered with Dacia, a Renault group brand, to provide its Aptoide Apps Market solution for Dacia vehicles. This collaboration kicked off with the integration in the all-new Duster as well as the new Spring, now in production. As of August, approximately 30,000 Dacia cars were already equipped with FORVIA's Apps Market. Complete Seat for VW Small BEV Spain;
- In November 2024, FORVIA launched an aerodynamic rear wing lighting for the full electric SUV LYNK & CO Z20 (LYNK & CO 02 in Europe) for the Chinese new energy vehicle brand LYNK & CO. This product incorporates an ultra-long overhang wing design, creating a highly three-dimensional and differentiated aesthetic appearance and significantly enhancing the aerodynamic performance of the vehicle.

Focus on profitability, financial discipline and resilience

Our profitability and financial discipline form an important foundation for our transformation and sustainable value creation. Over the past several years we have achieved significant improvements in our profitability, while remaining generally resilient in light of the shocks that have impacted the sector in the past few years, including inflation, volatility in automotive supply chains related to the war in Ukraine, and the Covid-19 related lockdowns in China during the period.

For the year ended December 31, 2023, we reported strong sales growth of 14.0% at constant scope and currencies, outperforming growth in worldwide automotive production, with all our business groups growing at double digit rates at constant scope and currencies. This was largely due to favorable volumes and inflation pass-through which helped drive operating income to €1,439.1 million, representing 5.3% of our total sales, reflecting a rebound in automotive production across all regions that was facilitated by a gradual recovery of supply chains following Covid-19 disruptions and the automotive market recovering to its pre-Covid levels. For the year ended December 31, 2024, we reported sales growth of 0.4% at constant scope and currencies, outperforming growth in worldwide automotive production by 150 bps.

Despite continued inflation and negative currency impact related to the depreciation of the Argentinian peso and Turkish Lira, our operating margins also benefited from further progress in delivering cost synergies related to the integration of HELLA in key areas, including procurement, freight and selling and administrative expenses, amongst others, which reached a cumulative total of €334 million at the end of 2024 (compared to €190 million at the end of 2023), and we believe we are on track to deliver our revised guidance of over €400 million (compared to €350 million initially) of net cost synergies by the end of 2025. For the year ended December 31, 2024, we reported an operating income of €1,400.0 million, representing 5.2% of our total sales, compared to a reported operating income of €1,439.1 million for the year ended December 31, 2023, representing 5.3% of our total sales, reflecting the ramp-up of the EU-Forward project in EMEA and the positive impact of the termination of the loss-making Highland Park Seating program in Michigan, North America.

During the year ended December 31, 2023, we also achieved our top priority of further deleveraging our capital structure following the acquisition of HELLA, reducing our net debt by close to €1 billion through a combination of a strong focus on cash generation and the successful completion of our first one billion euro disposal program

launched in mid-2022, bringing our ratio of net debt to Adjusted EBITDA for the year ended December 31, 2023 to 2.1x, from 2.7x as at December 31, 2022. In October 2023, we announced the launch of a second €1 billion disposal program to continue to simplify our portfolio as well as further accelerate our deleveraging beyond the initial POWER25 objective, with the first step of this second program being the disposal by HELLA of a 50% stake in BHTC, co-owned with MAHLE. Our leverage was thus further reduced during the year ended December 31, 2024 to below 2.0x and we believe we are on track to meet our end-2025 target ratio of 1.8x (before disposals).

With positive momentum in our operating income during the year ended December 31, 2023, we increased our net cash flow to €649.1 million before our disposal program, reflecting stable capital expenditures, including capitalized R&D in absolute value at respectively 4.1% and 3.8% of revenues and a positive impact from the implementation of cash management initiatives such as stringent inventory management, enhanced receivables collection with our customers and synergies on payment terms with our key suppliers. We are working to achieve steady and predictable levels of capital expenditure and working capital going forward. We also plan to grow while limiting our capital expenditure and capitalized R&D requirements through project prioritization, the use of advanced AI to lower innovation costs and increase efficiencies and continued synergies from our integration of HELLA. For the year ended December 31, 2024, our net cash flow amounted to €654.9 million (2.4% of sales), compared to €649.1 million (2.4% of sales) for year ended December 31, 2023.

In addition, we continue to adapt our operations and take necessary measures to accommodate anticipated medium-term market evolution. In 2024, we launched "EU-Forward", a project that we intend to implement over the next four years to reinforce the competitiveness and agility of our operations in Europe and which we expect to translate into a material improvement on our profitability in the region.

Our liquidity, comprised of cash available and undrawn commitments, as at December 31, 2024 amounted to €6,542.1 million compared to €6,223.9 million as at December 31, 2023. We had €4,500.4 million of cash available as at December 31, 2024 compared to €4,273.9 million as at December 31, 2023. We also had €1.95 billion of undrawn commitments, collectively, under the Syndicated Credit Facility and the HELLA Credit Facility as at December 31, 2024, compared to €1.95 billion as of December 31, 2023. We reported net debt of €6,622.6 million as at December 31, 2024 compared to €6,987.3 million as at December 31, 2023.

Structural actions and cost flexibility

We are also implementing structural changes to make our cost structure more flexible in order to increase our agility and resilience. We aim to rationalize and optimize our industrial footprint and tightly manage our direct and indirect headcount, in addition to other selling, general and administrative cost-cutting measures. These measures have become increasingly important to us in the post Covid-19 and high inflationary environment.

In particular, to adapt our operations to the evolving market and regulatory environment, evolving customer landscape and lower-than-pre-Covid vehicle production levels in Europe, we announced the launch of "EU-Forward," a project that will be rolled out across our European operations until 2028 to adapt our manufacturing footprint and R&D set-up, which we expect will significantly reinforce our competitiveness and agility in the region while helping rebalance the regional mix of our operating income and improving the contribution of our European operations to the overall group's performance. This project is expected to impact up to 10,000 jobs over the coming five-year period from the total of approximately 75,000 current employees in the region and result in an estimated cash restructuring outflow of approximately €800 million for annual targeted savings of €500 million.

We generally seek to pass through increased raw material costs to our customers through a variety of means. Certain raw material cost fluctuations, such as for monoliths, are directly passed through, whilst others are passed through (typically with a time lag) through indexation clauses in our contracts. In addition, we seek to pass through certain other raw material costs to customers through periodic price reviews that are part of our contract management. Our ability to pass through such costs has had a positive impact on our margins and profitability during 2023 and 2024.

The Group has hedging policies in place that aim to protect our energy costs from adverse fluctuation in electricity and gas prices. On top of these hedging policies, we have implemented energy savings measures and

accelerated energy self-production through the installation of solar panels at our sites. FORVIA is continuously working on its renewable electricity generation. In 2024, Forvia had reduced its energy intensity by 30% since 2019.

We seek to achieve steady and predictable levels of capital expenditure and working capital. We are still planning to grow while limiting our capital expenditure and capitalized R&D requirements by seeking better capital expenditure allocation.

ESG as business driver with net zero leadership forthcoming

We are the first automotive company in the world with an SBTi-approved net zero roadmap. We are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, reduce by 45% our Scope 3 Emissions by 2030 and reduce by 90% our Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 2045. Our climate change approach has been positively acclaimed externally, as evidenced by CDP which again assigned FORVIA an 'A' rating in 2024 for transparency on climate change. We have a comprehensive approach that encompasses all the value chain from products sourcing to end of use.

Our managers are incentivized to achieve carbon reduction targets, as CO_2 criteria are included in the short-term compensation measures.

Our suppliers are a key element of our performance, and we aim to create together a responsible supply chain. Purchases of goods and services represent 66% of controlled emissions in scope 3. As such, selecting suppliers with CO_2 targets in line with those of FORVIA is key to help us achieve our carbon neutrality goal. We continue to raise awareness among our suppliers on the need for a CO_2 commitment supported by Executive Management, and a gradual increase of their EcoVadis score.

During the production phase, we are committed to incorporate recycled materials in our products whenever possible. Through our subsidiary MATERI'ACT, we develop and produce unique cutting-edge materials with low, and ultra-low footprint. The range of products includes recycled, bio-based and carbon-capturing compounds, bio-based foils, low CO_2 carbon fibers, and green steel for the automotive industry and beyond. For instance, we inaugurated a Net Zero plant in Fengcheng, China in 2023.

As per the FORVIA Excellence System, we are targeting to reduce energy consumption through several levers including energy savings and increased use of renewable energy through both on-site production and off-site purchase.

In terms of R&D, we are significantly investing into sustainable mobility. 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. Meanwhile, we continue to invest in clean mobility and vehicle electrification.

We incorporate recyclability in our eco-design approach to anticipate the end-of-life phase and optimize production waste recovery. We systematically substitute for plastics that are not yet recyclable or difficult to recycle (PVC, thermoset or composite plastics such as polypropylenes loaded with glass fibers). We are also committed to offer repair solutions through our Lifecycle Solutions unit which aims to extend lifetime of products used, hence helping to reduce CO_2 footprint.

Our ESG commitment is further evidenced by its sustainability-linked financing framework, which aligns its business and financing with its commitments and values, by creating a direct link between its sustainability strategy and the funding strategy. Our managers are incentivized to achieve carbon reduction targets, as CO_2 criteria are included in the short-term compensation measures, demonstrating again our commitment to embed ESG in the strategy of the Group.

Experienced management with proven track record and supported by robust governance

We have two governance bodies, the Board of Directors and the Executive Committee, responsible for deciding and implementing our strategy.

The Board of Directors

The Board of Directors oversees our business, financial and economic strategies. This 14-member body, including 10 independent board members and 2 board members representing employees, meets at least four times a year. Three permanent committees are tasked with the preparation of discussions on specific topics: the Audit Committee, the Governance, Nominations and Sustainability Committee and the Compensation Committee. They make proposals and recommendations and give advice in their respective areas.

With their diverse backgrounds, experience and skills, our board members offer us their expertise, support in defining our strategy and tackling the challenges that we face within the context of our transformation and strategic direction.

The Executive Committee

Our executive functions are performed by an Executive Committee that meets monthly to review our results and oversees our operations and the deployment of our strategy. It discusses and prepares guidelines on important operational subjects, and its decisions are then deployed throughout the Group.

Experienced Management Team

Our management team has significant experience in the industry. Our new CEO, Martin Fischer, who succeeded Patrick Koller on March 1, 2025, is a global automotive industry leader with over 25 years of expertise. Bernard Schaferbarthold, HELLA's CEO and formerly its CFO, has been a member of HELLA's Management Board responsible for HELLA's Finance and Controlling functions since 2016 and has been with HELLA since 2013. The majority of the members of our Executive Committee have spent most of their careers in the automotive industry. We believe that the experience, industry knowledge and leadership of our management team will help us implement our strategy described below and achieve further profitable growth.

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

Strategy

We have adopted a transformation strategy to benefit from the four major trends of connectivity, autonomous driving, new mobility solutions and electrification which are disrupting the automotive industry. Our strategy is to develop innovative solutions for Sustainable Mobility and the Cockpit of the Future.

We implement our strategy by: (a) making significant investment in innovation and accelerating the integration of new products into the market through a strong ecosystem of strategic and technology partnerships; (b) focusing on operational efficiency and resilience through our Total Customer Satisfaction program and digital transformation program; and (c) maintaining a strong culture based on our core convictions and values.

Through our Sustainable Mobility strategy, we are facilitating the transition to clean mobility by developing solutions for fuel efficiency, zero emissions and air quality. Societal and political pressure on the automotive industry to reduce emissions has never been higher. As stringent new regulations are introduced around the world, and with demand for electrified vehicles consistently increasing, we have made sustainable mobility a strategic priority. We are addressing the major segments for internal combustion engines and electric vehicles by developing solutions for light vehicles, commercial vehicles and high horsepower engines.

Our Cockpit of the Future strategy provides solutions for a more connected, versatile and predictive environment, and responds to the increasing trend for autonomous and connected vehicles. The Cockpit of the Future will allow personalized consumer experiences combining functionalities such as infotainment, ambient lighting, postural and thermal comfort and immersive sound.

We believe that we are uniquely positioned to deliver solutions for Sustainable Mobility and Cockpit of the Future through our leading market positions in our Clean Mobility, Seating and Interiors businesses and through

the addition of HELLA's Lighting business and combination of Faurecia Clarion Electronics with HELLA's Electronics business.

The HELLA Acquisition has been a strategic opportunity for us, enabling us to emerge as one of the world's largest suppliers to the automotive industry, with a cutting-edge technology portfolio that addresses the major trends in the industry, and to achieve the combination of two highly complementary companies focused on innovation, operational excellence, customer satisfaction and environmental, social and governance ("**ESG**").

Sustainable Mobility

Our current sustainability strategy rests on a long-term view towards becoming a leader in zero-emissions hydrogen solutions while developing innovative solutions for electric and hybrid vehicles in the near term. To that end, our strategic roadmap for Sustainable Mobility focuses on the following four areas:

- developing hydrogen solutions for zero emissions;
- developing solutions for ultra-low emission passenger vehicles;
- developing solutions for ultra-low emission commercial and industrial vehicles;
- developing sustainable and smart materials;
- developing after-sales and repair services.

Sustainable Mobility – Hydrogen solutions for zero emissions: We believe hydrogen mobility will accelerate rapidly and achieve significant adoption by 2030. Hydrogen can be produced from various energy sources and is a storable energy carrier that generates no CO_2 emissions or polluting gasses when used in vehicles.

We believe that hydrogen is very well suited to commercial, heavy-duty on- and off-road vehicles, as well as high-horsepower engines, giving it the potential to transform transportation and logistics. By 2030, it is estimated that three to five million vehicles equipped with fuel cell technology will be on the roads (*source: Hydrogen Council Discussion Paper 2018*). Since 2018, we have halved the cost of our fuel cell systems and our objective is to continue to reduce the cost significantly. We are developing the next generation of hydrogen systems for commercial and light vehicles, heavy-duty trucks and industrial applications. We currently have the ability to produce several thousands of hydrogen storage systems per year and we aim to significantly increase our production capacity.

We aim to become a leader both in hydrogen storage systems and distribution services, which we develop in-house and for which we have created a center of excellence in France, and in fuel cell stack systems and services produced by Symbio. We are well-positioned in both of these key elements of fuel cell systems, which we estimate represent 75% of the value chain. Since 2018, we have invested over €380 million in hydrogen technology development. The market is expected to grow to €20 billion in 2030. FORVIA and Symbio – our zero-emission hydrogen joint venture with Michelin and Stellantis – have registered a cumulated order intake of €1.2 billion aligned with the long-term ambition of FORVIA as a leader in hydrogen with targeted revenues of €3.5 billion in 2030.

We inaugurated our first mass production plant of hydrogen storage in Allenjoie, France (with a capacity of 100,000 tanks a year, as of 2023).

We further accelerated hydrogen activities in 2023 with the inauguration of SYMBIO's gigafactory Symphon'hy in France. The new factory has a current production capacity of 16,000 fuel cell systems, to reach 50,000 fuel cell systems by 2026, paving the way for large-scale production and supporting its customers in their drive for low-carbon transport. It represents Europe's largest integrated site producing hydrogen fuel cells.

In line with this ambition, in 2020 we inaugurated our global center of expertise, which aims to develop lightweight and cost-competitive hydrogen storage systems. Located in Bavans, France, the center is dedicated to the design and tests of these systems. Our homologated tanks (350 / 700 bar) will also be produced at this new center. With this global center, we also aim to develop new industrial processes to accelerate production

and develop innovative materials and smart tanks to reduce the cost of the systems and increase their safety, durability and recyclability.

Moreover, in 2020, we acquired Ullit for high-pressure tanks. We believe this acquisition with Ullit's patented technology for impermeable tank shells will help reinforce our unique hydrogen ecosystem. We recently acquired a majority share in CLD, one of China's largest high-pressure tank manufacturers. We are working with CLD to develop and manufacture type III and IV hydrogen storage tanks for the Chinese market.

Sustainable Mobility – Solutions for ultra-low emission passenger vehicles: The requirement for increasing content in the powertrain to meet emissions control regulations, as well as the need for significant reduction in CO_2 emissions, drive the need for several of our key technologies which we estimate will increase the overall value of the exhaust line by 20% by 2030. We supply post-treatment systems for internal combustion and hybrid powered engines in order to reduce emissions and noise levels and recover lost energy.

The key technologies for fuel economy and emissions reduction that are already in production or will be by 2025 are the Electric Heated Catalyst ("**EHC**") solutions including a pre-heating function that can give a near zero emissions vehicle, and a combined Exhaust Gas Recirculation ("**EGR**") / Exhaust Heat Recovery Systems ("**EHRS**") which can give over 3% CO_2 savings.

Electrification also drives demand for ultra-quiet vehicles and we have developed products to reduce engine noise through advanced exhaust line architecture, electric valves and resonance free pipes.

Sustainable Mobility – Solutions for ultra-low emission commercial and industrial vehicles: We are anticipating the ongoing emissionization of all commercial vehicles, particularly in growth markets like China and India, where regulations are converging towards European and North American standards. Technologies such as our heated doser contributes to ultra-low NOx emissions by operating efficiently even at lower temperatures and is compatible with current and future after treatment architectures.

In 2018, we acquired Hug Engineering, the European leader in complete exhaust gas purification systems for high horsepower engines. In 2020, stringent regulations were implemented in all regions both for stationary and marine applications. In order to adapt to stricter emission regulations and to improve air quality, we developed "Electric Heated Catalyst" technology that will enable the emission control system in vehicles to reach its maximum efficiency at a faster pace.

Sustainable and smart materials: we design products taking into account their entire life cycle, from the use of resources and raw materials to their eco-design and recyclability at the end of their life. We offer bio-sourced materials that reduce the weight of parts and their carbon footprint. In 2022, we launched MATERI'ACT to develop and produce sustainable materials with up to 85% CO_2 reduction versus current materials. MATERI'ACT develops, sources, produced and sells cutting edge materials including recycled, bio-based and carbon-capturing compounds, bio-based foils, low CO_2 carbon fibers, and green steel.

Sustainable Mobility – After-sale and repair services: we offer solutions to extend the vehicle lifecycle and participate to the circular economy.

Safe, Customized and Advanced Mobility

From our leading position in our Seating and Interiors business groups, we have undertaken a series of acquisitions and partnerships which gives us a unique position in interior modules and systems architecture. The creation of Faurecia Clarion Electronics, regrouping the complementary technologies of Clarion, FCE Europe and Coagent Electronics, technology companies CovaTech and Creo Dynamics, as well as an ecosystem of start-ups and partners, provides us with the electronics, software, computer vision and artificial intelligence competences to deliver on our vision of the Cockpit of the Future. The acquisition of HELLA in 2022 further allowed us to become a major player in Electronics, as the acquisition brought complementary electronics technology that enhanced our product portfolio and expanded our market reach.

We completed the acquisition of the remaining 50% of our joint venture with Continental Automotive GmbH on January 30, 2020, a project that was announced on October 14, 2019. SAS Autosystemtechnik GmbH und Co., KG ("**SAS**") is a leader in cockpit module assembly, logistics and Just-in-Time delivery. The acquisition provides us with expertise in complex logistics and assembly and reinforces our systems integration offer to

cover the full range of interior modules. SAS has strong growth potential in North America and China and has also shown a very strong order intake in 2020.

Safe Mobility: Autonomous driving will lead to the development of new uses for the interior of vehicles. As occupant positions may no longer need to be fixed facing forward and upright, users will have more freedom to do other tasks during their journey. To ensure that passengers are safe in all seated positions, features such as airbags or the seatbelt can be integrated directly into the seat. This technology called the Advanced Versatile Structure ("**AVS**") allows occupants to drive, relax and work safely and efficiently. Smart kinematics effortlessly recline, lift, adjust and swivel the seat, and then return it smoothly and quickly back to the upright or driving position. Through our partnership with ZF, we are developing safety systems so that passengers can continue to travel safely in any seated position, whether they are driving, working or relaxing.

Customized Mobility: We are also developing solutions that provide an optimal onboard experience and enhance wellness. Through close monitoring of the thermal and postural comfort of the occupants, the cockpit will learn each occupant's preferences over time and leverage artificial intelligence to make adjustments so that people feel better at the end of their journey.

In terms of personalized sound experiences, we are combining activated sound surfaces, smart headrests integrating local ANC, IP and telephony, and high-end premium sound, such as that provided through our partnership with Devialet.

In terms of immersive driving experiences, we concluded a contract in 2023 with a German OEM to introduce VIBE, its immersive technology that embeds tactile sensations within the car seat. After five years of R&D in collaboration with Aurasens, pioneers in vibro-haptic composition, VIBE is expected to debut in a next-generation premium SUV by the end of 2025.

Advanced Mobility: We are focused on developing "smart surfaces" for drivers' expecting greater intuitive interaction with their vehicles. "Smart surfaces" combine traditional vehicle interior surfaces, such as the dashboard, with digital displays that are able to control cockpit temperature, sound and lighting. Increased connectivity in vehicles will drive new business models for upgradability, retrofit and services across the vehicle lifetime. We have developed a number of partnerships for connected services, for example with Microsoft for cloud connectivity, and Accenture for digital services.

In May 2019, we announced a 50/50 joint venture with Aptoide, one of the largest independent Android app stores to develop and operate Android app store solutions for the global automotive market. This joint venture offers OEMs an affordable and secured automotive apps market, available worldwide with adaptable content per region. The Aptoide app store offers one million Android apps covering a variety of use cases such as gaming, navigation, content streaming services, point of interest recommendations or parking. Aptoide also offers an integrated secure payment mechanism supporting OEM strategies for service monetization, whilst securing the vehicle and occupants' data privacy.

In May 2019, we announced an investment in GuardKnox, an Israeli automotive cybersecurity provider, to reinforce passenger safety and data security in the connected car and for new user experiences. This investment allows us to offer comprehensive cyber defense solutions (hardware and software) for connected and autonomous vehicles.

Strategic Programs and 2025 Targets

Our ambitions and targets for our future results presented below constitute forward-looking statements and reflect our present ambitions with regard to future performance. Our future performance is subject to a number of important factors and uncertainties that could cause actual results to differ significantly from those described below. Although we believe that the ambitions reflected in these statements are based on reasonable assumptions given our knowledge of our industry, business and operations as at the date of this Offering Memorandum, we cannot give any assurance that these assumptions will prove to be correct, and we caution you not to place undue reliance on such statements. For more information, see "Forward-looking Statements" and "Risk Factors."

This information has been prepared by, and is the responsibility of, management and has not been audited or reviewed by Mazars or Ernst & Young Audit, nor have any procedures been performed by them with respect thereto. The below information is also based in part on preliminary results and estimates and is not intended to be a comprehensive statement of our financial or operational results.

Our strategic pillars are supported by the implementation of several ongoing strategic projects that aim to support our position as a leader in our industry.

On February 19, 2024, we announced the launch of our project "EU-Forward," a five-year project to reinforce our competitiveness in Europe from 2024 to 2028. The objectives of the EU-Forward project are to:

- *Adapt the Group's operations to the fast-changing environment*. Changes in the industry include the expected implementation of internal combustion engine bans in Europe through 2035 that oblige the industry to adapt to an evolving regulatory environment. We anticipate an acceleration in electrification and a structural shift in vehicle sales.

- *Prepare for the evolution of the OEM customer landscape in Europe*. We anticipate the arrival of new entrants from Asia, with Asia expected to soon account for 60% of world vehicle volumes. Our aim is to secure our strong European Union ("**EU**") positions.

- *Improve FORVIA's profitability in the EU and rebalance FORVIA's regional mix*. To address structural overcapacities in Europe, we intend to adapt our regional manufacturing and R&D set-up. In addition to natural attrition, we anticipate implementing a recruitment freeze to reduce recruitment in Europe and reductions in hiring short-term and temporary workers, including external R&D resources. We anticipate increased global R&D and program management efficiency, notably by aiming to leverage artificial intelligence and generative artificial intelligence, including our "AI/GenAI transformation" initiative with the ambition of achieving up to 50% efficiency gains on R&D and core program teams in each business group. The EU-Forward project could impact up to 10,000 jobs (out of approximately 77,100) over the five-year period.

In addition to our "EU-Forward" program, we have developed our "West East" program, which aims to reinforce our competitiveness by benefitting from electric vehicle production growth in Asia. In particular, we intend to leverage the structural advantages that exist in China, such as direct access to critical resources, cheaper energy costs compared to the EU and subsidies available to local companies, to produce more affordable electric vehicles. These advantages allow vehicle production costs to be significantly more competitive in Asia than in the EU, and we believe that adapting our European industrial setup and increasing our industrial footprint in Asia are important to remaining competitive. We have already worked with 19 out of the top 20 Chinese OEMs and aim to continue to reinforce our positioning in Asia, including by strengthening our ties with Japanese and South Korean OEMs and benefitting from growth prospects in India.

Furthermore, through our "Engage" program, we have defined another set of strategic priorities that we expect will bolster our larger financial objectives. "Engage" highlights our ambition of designing based on Scope 3 Emissions, and we are targeting to be carbon neutral in Scope 1 Emissions and Scope 2 Emissions by 2025, and reduce by 45% our Scope 3 Emissions by 2030. As part of this program, we have also set a target of increasing our efficiency gains in 2028 by up to 50% with the help of AI and Generative AI and through the transformation of our engineering and program management.

Additionally, we have recently developed our "Power25" initiative, a medium-term plan created with the mission of driving profitable growth. The ambitions of this plan are based on three key priorities: (i) focusing on operational excellence; (ii) managing through cash; and (iii) accelerating deleveraging and managing maturities.

With these key priorities in mind, the Group has defined the following financial objectives for 2025:

- **Sales**: between €26.3 billion and €27.5 billion at constant exchange rates;

- **Operating margin:** between 5.2% and 6.0% of sales, supported by initiatives for operational excellence and fixed costs reduction;
- **Net cash flow**: equal to or above 2024 levels, through margin expansion and continued actions to reduce capex and inventories; and
- **Net-debt-to-adjusted-EBITDA**: at or below 1.8x (before disposals) at December 31, 2025.

These objectives are based on an assumption of worldwide automotive production of 89.5 million light vehicles in 2025 (S&P forecast of February 2025), with no major disruption materially impacting production or retail sales in any automotive region during 2025. In particular, these objectives are based on market assumptions in line with the S&P forecast of February 2025, including: Europe excluding Russia: -4.9% (of which -8.7% in the first half of 2025 and -0.4% in the second half); North America: -2.1% (of which -4.9% in the first half of 2025 and +0.9% in the second half); China: +1.9% (of which +7.8% in the first half of 2025 and -2.8% in the second half); Rest of Asia: +1.1% (of which +0.3% in the first half of 2025 and +1.8% in the second half); South America: +6.6% (of which +10.5% in the first half of 2025 and +3.5% in the second half). At FORVIA's mix of sales, this should correspond to organic growth of -2.0% in 2025 compared to 2024, with a significant imbalance between the first half and second half of 2025 (-4.0% in H1 and broadly stable in H2).

These objectives also assume constant average currency exchange rates year-on-year. Tariffs that have been imposed and enforced by the United States as of February 2025 measures are factored into these objectives; however, the impact of any additional measures imposed or enforced by the United States has not been taken into account due to uncertainty concerning scope, implementation, duration and potential impact on industry volume.

Sustainable Development

The political and societal drive towards addressing climate change has now reached the forefront of the agenda in many countries and regions of the world. The Green Deal in Europe to reduce greenhouse gas emissions by 55% in 2030 and to have no net emissions in 2050 is a clear demonstration of this, as is the emphasis put on renewable energy in economic recovery plans. With transport accounting for around one quarter of global CO_2 emissions and passenger vehicles accounting for around 10%, the automotive industry has a strong responsibility to reduce greenhouse gas emissions and reduce its environmental impact. We believe these actions with respect to climate change present a number of opportunities for us. In September 2021, we joined *Entreprises pour l'Environnement* (EpE), a French association bringing together more than 60 French and international companies from all business sectors, willing to better include the environment in their strategy and business decisions.

Sustainable development is fully integrated into our transformation strategy and corporate culture. Within this cultural framework, we have defined six convictions and six values that guide our actions and behaviors. Our six convictions form the basis of our corporate social responsibility ("**CSR**") strategy, "Inspired to Care", and our CSR roadmap.

Our CSR roadmap is based on the following main projects:

- *Achieving Net Zero by 2045,* with 2 intermediate milestones: CO_2 neutrality on Scope 1 Emissions and Scope 2 Emissions by 2025; and a reduction of 45% on Scope 3 Emissions by 2030 (compared to 2019) by focusing on three main levers: "use less", "use better" and "use longer". We design our products for scope 3: working with fewer virgin material, transitioning to frugal architecture, and creating products that last longer and are easier to recycle.

- *Developing more sustainable materials into our products.* We intend to use more sustainable and/or recyclable materials, reducing the amount used and extending their lifespan, to help reduce the overall environmental impact of our products. For example, we have introduced our "Seat for the Planet" and "Interiors for the Planet" innovation programs to advance use of sustainable, low carbon emission and/or recyclable materials in our products. Under our "Interiors for the Planet" program, we have launched the NAFILean™ and NFPP Family product lines.

- *Innovating for Sustainable Mobility and Cockpit of the Future*. We intend on accelerating our transition towards clean mobility solutions through our investment in hydrogen technologies, such as our collaboration with Michelin via the Symbio joint venture. We believe our Electronics business unit, including Faurecia Clarion Electronics, which has been combined with HELLA's electronics and software operations, will offer various growth opportunities for our Cockpit of the Future solutions. We have also partnered up with various industrial partners and invested in start-ups to accelerate innovation in our Sustainable Mobility and Cockpit of the Future strategies.

- *Committing to Total Customer Satisfaction*. We launched our Total Customer Satisfaction program in 2019. The program aims at capturing a holistic picture of customer satisfaction and feedback, both in term of performance and perception of the overall value chain, from order taking to the start of production.

- *Engaging suppliers for sustainable procurement and supply chains*. Our purchasing policy is an integral part of our social and environmental responsibility. Our suppliers have to comply with our supply chain requirements to assist us in achieving our carbon neutrality goal. We rely on our partner, EcoVadis, in assessing our suppliers in terms of their social and environmental responsibility.

- *Developing an inclusive culture for hiring and retention of talent*. We have launched an inclusive management approach, with particular emphasis on gender diversity. Through this approach we aim to better understand and promote the contribution of diversity in our teams to increase creativity, positivity and better results amongst our employees. We aim to achieve this by focusing on three areas: training management teams developing future talents and recruiting high-potential candidates. In May 2021, we hosted a first-of-its-kind global event dedicated to diversity and inclusion. Two virtual sessions were organized to celebrate the many initiatives happening across the company. Focus was placed on gender diversity, an area where we are committed to progressing. We are also focused on continuously improving female representation with a target for women to represent 35% of total managers and professionals by 2030 alongside 30% of female employees in the Top 300.

- *Promoting training and apprenticeships to prepare for the major changes of the future*. We provide training to our employees through our internal training universities to enable all employees to understand the fundamentals of their relevant business area, integrate technological developments and adapt to the changes in our external environment.

- *Committing to projects with a social impact*. In March 2020, we launched the FORVIA Corporate Foundation to contribute to supporting and developing projects that promote education, mobility and the environment. In the second half of 2020, we initiated projects to promote these three areas in India, Mexico and Morocco and in 2021 eight more employee solidarity projects were supported in China, Europe and the Unites States. We estimate that approximately 6,000 individuals have been supported through the FORVIA Corporate Foundation since 2020.

Ambition to achieve CO_2 neutrality for all scopes 1, 2 and 3 by 2045.

We are committed to tackling climate change and have launched an ambitious program to become CO_2 neutral by 2045. Through this program, we aim to both reduce our environmental impact and create long-term value across our entire supply chain. We are investing in innovation to advance the sustainability of our products and industrial processes across all of our businesses.

We have developed a plan in three steps to achieve this goal. This plan is validated by the Science Based Targets initiative ("**SBTi**"). FORVIA is the first automotive company whose CO_2 neutrality has been validated by SBTI against its new "net-zero emissions" standard.

The steps in FORVIA's plan to achieve CO_2 neutrality are as follows:

- *By 2025:* we aim a reduction of at least 80% in Scope 1 Emissions and Scope 2 Emissions across all our sites compared to 2019. 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.

- *By 2030:* we aim to reduce our Scope 3 Emissions by 45% compared to 2019, including Controlled Emissions of our products and emissions of vehicles equipped with our products. We are focusing on the use of sustainable materials, the development of eco-design (frugal architecture) and the Life Cycle Analysis of our products. These levers enable the CO_2 neutrality strategy to be managed across the entire supply chain.
- *By 2045:* we aim to achieve CO_2 neutrality by reducing our Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by at least 90% (compared to 2019) and we will focus on neutralizing our residual emissions by promoting CO_2 sequestration solutions in our products.

FORVIA's Scope 1 & 2 strategy is based on:

- *Energy frugality:* from 2019 to 2023, we reduced our energy intensity by 26%. To roll out energy efficiency programs, the Group has entered into partnerships with Schneider Electric, Engie and GreenYellow. These contracts cover more than 60 sites and have enabled reductions in the consumptions of the sites concerned.
- *Replacing fossil fuels with renewable energies:* in 2023, the Group contracted two virtual power purchase agreements in Northern Europe providing up to 642 GWh/year of renewable electricity. These projects make it possible to decarbonize up to 70% of FORVIA's European consumption, and up to 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 61MWp. 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.

To reduce Scope 3 Emissions, the Group is developing materials with an ultra-low CO_2 footprint

- FORVIA has created a dedicated entity, MATERI'ACT, 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 ranges of low CO_2-materials from sustainable foils bio-based and recycled plastic compounds, and carbon fibers with an ultra-low footprint, enabling a reduction in CO_2 emissions up to 85% by 2030 compared to existing materials.
- 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).
- As of December 31, 2024, the Group had reduced the CO_2 emissions in its supply chain (Scope 3) by 15% compared to 2019, showing progress towards its goal to reduce Scope 3 Emissions by 45% by 2030.

Planet, Business and People

Guided by the United Nations Sustainable Development Goals, our CSR Strategy, "Inspired to Care", is structured around three pillars: Planet, Business and People.

- *Planet:* We are seeking to reduce the carbon footprint of our sites and activities through energy and transport purchases. We are also addressing the carbon footprint of our products by using more environmentally friendly materials and processes. We have an ambition to be CO_2 neutral for all scopes 1, 2 and 3 by 2045. Our emissions reduction targets have been approved by SBTi as compatible with the reduction required to limit global warming to 1.5°C. We have signed contracts with several Energy partners to develop an action plan to optimize energy sourcing and to use less energy and clean energy across all of our sites.
- *Business:* We are seeking to innovate and develop solutions for increasingly clean mobility. With organizations being challenged to be increasingly agile and faster, we work towards being more vigilant and compliant with the highest ethical business standards. Our goal is to become the preferred reference

partner of sustainable mobility in the market. The Group is a board member of the Hydrogen Council, which is a global initiative bringing together more than 140 leading companies in the field of energy, transport, industry and investment. The group is also a member of Hydrogen Europe and the National Hydrogen Council in France, which has been co-chaired by Patrick Koller, our former Chief Executive Officer since 2021.

- *People:* We are implementing stringent workplace safety and risk prevention policies. To prepare the teams for future changes, we provide many different types of training to as many employees as possible. To attract and develop talent, we favor a more inclusive culture. As a global company, our goal is to increase our role towards society by contributing to solving social issues.

In line with our convictions, we adhere to international initiatives for sustainable development. The Group is a signatory of Global Compact and contributes to the ambitions of the 17 Sustainable Development Goals of the United Nations. We are also a signatory of the French Business Climate pledge and have committed to following the recommendations of the Task Force on Climate Financial Disclosure. The Group is also committed through the Act4nature global alliance to act in favor of biodiversity with concrete actions planned. Finally, FORVIA has been a signatory of the Women Empowerment Principles (WEPs), an initiative established by the United Nations Global Compact and UN Women.

History and Development

We have been a major automotive equipment supplier for decades and trace our history back to 1914. We have grown in tandem with technological and industrial advancements to reach our current position as a market leader in three of our four business groups. The following are key milestones and acquisitions in our development.

1997-1999. Ecia (*Équipements et Composants pour l'Industrie Automobile*), the PSA Peugeot Citroën group's specialist automotive equipment subsidiary, launches a friendly bid for Bertrand Faure, bringing its direct and indirect stake in this group to 99%. The acquisition leads to our formation in 1998 with the underlying aim of focusing on the automotive equipment business. Ecia and Bertrand Faure merge, resulting in the PSA Peugeot Citroën group holding a 52.6% stake in our company by the end of 1999. At that time, we report sales of over €4 billion, with a workforce of 32,000 employees.

2002-2005. We acquired a 49% stake in the South Korean catalytic converter maker Daeki Industrial (specializing in exhaust systems for Hyundai), number two in its market, and subsequently increased our stake to 100%. We also purchased the South Korean exhaust systems company Chang Heung Precision, which holds market share of over 20%.

2009. We agreed to acquire Emcon Technologies, becoming the world leader in the exhaust systems market. Following completion of the all-equity deal, One Equity Partners (JP Morgan Chase & Co's private equity arm) took a 17.3% stake in our company (fully divested in October 2010) and the PSA Peugeot Citroën group's interest was reduced to 57.4%. In India, we bought out joint venture partner Tata to become the sole owner of Taco Faurecia Design Centre, which was renamed Faurecia Automotive Engineering India and became our development center in India.

2011. We became the first automotive supplier to introduce a complete range of bio-composite cockpit solutions.

2012. On May 3, 2012, we announced our acquisition of the Ford ACH interior components plant in Saline, Michigan (USA). On August 30, 2012, we announced the acquisition of Plastal France (Plastal SAS), a supplier of plastic body parts for Smart branded vehicles (Daimler). We acquired the automotive business of Sora Composites and signed a partnership agreement with Mitsubishi Chemical to co-develop and produce bio-plastics for the automotive industry.

2013. Our Clean Mobility business group entered into a joint venture agreement with Suzhou PowerGreen Emission System Solution Co. Ltd, to jointly manufacture clean mobility solutions in Shanghai. Our Interiors business group also entered into a joint venture agreement with Chinese automaker Chang'an Automobile Group, one of China's largest automakers to produce and deliver automotive interior equipment to Ford and PSA Peugeot Citroën group for its DS premium range and also enters into a cooperation agreement with Magneti Marelli for the design, development and manufacture of advanced human-machine interface vehicle interior

products. Our Seating business group entered into an agreement to establish a joint venture with Thailand-based equipment manufacturer Summit Auto Seats to support Ford's growth strategy in Southeast Asia, especially in Thailand.

2014. Our Interiors business group entered into a joint venture with Interval, a major French agricultural cooperative to develop the use of natural fiber-based materials for the automotive industry, and also entered into a joint venture with the Japanese equipment supplier Howa for the production of interior systems for the Renault-Nissan-Mitsubishi group in Mexico.

2016. On July 29, 2016, we completed the sale of Automotive Exteriors to Compagnie Plastic Omnium for an enterprise value of €665 million. The sale of Automotive Exteriors represented an important step in balancing our business model as it enabled us to accelerate our investment in higher value-added technologies within our remaining 3 divisions and to rebalance our geographical and customer portfolio. For example, part of the proceeds from the sale of Automotive Exteriors were used for our investments in Parrot Automotive SAS, Amminex Emissions Technology A/S ("**Amminex**") and Coagent Electronics. On December 6, 2016, we announced that we had entered into exclusive talks with FCE Europe, one of the leaders in connectivity and infotainment solutions for the automotive industry, with the aim of developing applications and platforms for connected vehicles. On December 13, 2016, we announced that we had increased our stake in Danish company Amminex from 42% to 91.5% through a share purchase agreement.

2017. On March 24, 2017, we completed our strategic partnership with Parrot Automotive SAS (subsequently renamed FCE Europe) by taking a 20% stake and subscribing to a convertible bond allowing us to increase our stake to 50.01% from January 1, 2019. On November 17, 2017, we acquire a 50.1% stake in Coagent Electronics in order to develop HMI and in-vehicle-infotainment such as displays, voice recognition, radio and navigation and smartphone applications.

2018. In March, we completed our acquisition of Hug Engineering, a leader in gas purification systems for high horsepower engines. We also announce our investment in French start-up Enogia, a specialist for energy recovery. In April, we announced the opening of a new technology center in Yokohama. In June, we signed a strategic partnership framework agreement with FAW Group to develop Cockpit of the Future technologies and Sustainable Mobility solutions. In October, we announced our full acquisition of FCE Europe. We also announced a new joint venture with Liuzhou Wuling, Faurecia Liuzhou Emissions Control Technologies. We also announced our acquisition of Clarion. In November 2018, we announced a strategic partnership with HELLA for the development of innovative interior lighting solutions. In December, we announced an investment in ESP Consulting, which uses cognitive science to optimize human well-being and performance in different situations.

2019. In February, we signed a partnership with Japan Display Inc. ("**JDI**") to enhance user experience inside the cockpit. In March, we signed a memorandum of understanding to create a joint venture with Michelin, a leader in sustainable mobility. The joint venture will incorporate each of Michelin's fuel cell related activities, including its subsidiary Symbio, with our fuel cell related activities with the aim of creating a world leader in hydrogen fuel cell systems. In April, we launched our fourth business group Electronics, originally based in Saitama, Japan. In April, we also announced the acquisition of a majority stake in the Swedish company Creo Dynamics, which provides innovative acoustics and Active Noise Control solutions. In April, we also announced the establishment of our first Clean Mobility manufacturing plant in Japan, located in Koriyama City, Fukushima Prefecture. In May, we announced an investment in GuardKnox, an Israeli automotive cybersecurity provider, to reinforce passenger safety and data security in the connected car and for new user experiences. In June, we announced the creation of a global center of expertise for hydrogen storage systems at our research and development center in Bavans, France. In July, we announced a collaboration with Microsoft to create connected and personalized services inside the Cockpit of the Future. In October, we announced the acquisition of the remaining 50% of our SAS joint venture with Continental, which completed in January 2020. In November, we announced the creation of a joint venture with Aptoide to develop and operate apps for the global automotive market. In December, we announced a partnership with Devialet to develop high-quality sound solutions for automakers.

2020. In January, we signed a cooperation framework agreement with Beijing Horizon Robotics to co-develop multi-modal perception artificial intelligence solutions and accelerate the commercialization of intelligent

cockpit systems and advanced driver assistance systems for the Chinese market. We also acquired Ullit, a French manufacturer of high-pressured tanks to reinforce our hydrogen ecosystem. In April, we entered into a new joint venture with Changchun Xuyang Industry (group) Co., Ltd ("**Xuyang group**") in relation to the production, assembly and sales of automotive display products, as well as relevant after-sales services for OEMs. In March, in response to the global spread of the Covid-19 pandemic that adversely impacted the automotive industry and the economy generally, we implemented an action plan to address the health and safety of our employees, manage our liquidity and infrastructure and limit the impact of decreased sales on our operating income. In May, we announced Schneider Electric as our preferred partner to support us in our commitment to reach CO_2 neutrality. In June we announced our investment in Moovency, a French start-up specializing in 3D skeleton tracking to reinforce risk assessment and workplace health in our plants. From July 2020, our joint venture with Aptiode will provide VW Latin America customers a connected user experience known as "VW Play." In July, we acquired a Canadian start-up, IRYStec Software to enhance user experience of cockpit display systems. We also announced a new joint venture with BAIC, one of China's largest automotive manufacturers, to provide complete seat assembly, seat frames, foams and headrests initially for BAIC Hyundai and other BAIC owned brands. This partnership will be created through our purchase of the 50% shareholding of Beijing BAI DAS Automotive System Co., Ltd. from DAS Corporation and is subject to obtaining regulatory approvals in China. In September, despite the impact of Covid-19 on our H1 2020 sales, we saw our sales return to the same levels as in 2019, especially in Europe and North America, and the Group's sales increased in China compared to the same period in 2019. In October, we inaugurated our global center of expertise for hydrogen storage and our partnership with Gaussin, a handling and transportation equipment and systems manufacturer, to equip a fleet of Gaussin's logistics and port vehicles with FORVIA's hydrogen storage system. In November, we announced that our greenhouse gas emissions reduction targets have been approved by the Science Based Targets initiative (SBTi). This is in line with our program to reach CO_2 neutrality. In December, Groupe Renault and our Electronics business group launched a partnership for multi-brand electronic repairs.

2021.

- In January we extended our collaboration with Microsoft to accelerate our transition to a fully cloud-based IT infrastructure.

- On January 16, 2021, Peugeot S.A. was merged into Fiat Chrysler Automobiles to form Stellantis N.V. As a result, Stellantis N.V. owned 39.34% of the capital stock and 38.91% of the voting rights in FORVIA. On March 8, 2021, the shareholders of Stellantis N.V. approved the distribution by it of up to 54,297,006 ordinary shares in FORVIA to Stellantis N.V.'s shareholders. The distribution by Stellantis N.V. of these shares took effect on March 15, 2021.

- On October 29, 2021, we finalized the sale of our Interior business group's acoustics and soft trim business to the Adler Pelzer Group ("**APG**"). APG is a worldwide leader in automotive acoustic and thermal components and systems. We believe the sale of this business has enabled us to focus on our core product lines within Interiors where we have a leading market position. Our acoustics and soft trim business represented €385 million of sales in 2019 and employs approximately 1,820 employees in 8 plants and one R&D center, all of which are based in Europe.

- In March 2021 we announced the construction of a new industry 4.0 platform in the Bourgogne-Franche-Comté region of France for a total cost of €165 million. Employing over 1,000 people in the long term, the new site will produce seats, innovative solutions for reducing vehicle emissions, and hydrogen storage systems. The new site will be equipped with the latest digital manufacturing technologies and will be a benchmark for CO_2 emissions reduction.

- In April 2021 we signed an exclusive advisory contract with Schneider Electric to procure offsite renewable electricity as part of its CO_2 neutral program. Under the agreement, we will benefit from Schneider Electric's support in the development and deployment of competitive processes for power purchase agreement sourcing to cover all FORVIA sites in Europe, North America, China and Brazil.

- In April 2021, we revealed disruptive innovations at the Shanghai Auto Show, designed for the needs of Chinese consumers enabling a safe, comfortable, and connected on-board experience. The Group

also showcased ultra-low emissions technologies and zero emissions hydrogen solutions for passenger and commercial vehicles.

- In April 2021, we also successfully completed the final closing of its acquisition of CLD, one of the leading Chinese manufacturers of hydrogen tanks.

- In May 2021, we were awarded a contract by SAIC to provide hydrogen tanks for a large fleet of commercial vehicles.

- On May 28, 2021, we entered into an amendment and extension of our Syndicated Credit Agreement, which was initially signed in December 2014 and already amended in June 2016 and June 2018. The amended agreement increases the total amount of the credit line available thereunder, which is undrawn, from €1.2 to €1.5 billion, enabling the Group to reinforce its long-term financial resources and flexibility. The agreement also extends the maturity of the credit line to five years, from June 2023 to May 2026, with two one-year extension options until May 2028. It further improves the other terms and conditions of the credit line. The interest rate of the credit line will vary depending upon the reduction of FORVIA's CO_2 emissions between 2019 and 2025, by which time the Group aims at being CO_2 neutral for its Scope 1 Emissions and Scope 2 Emissions (see "*—Sustainable Development—Ambition to be CO_2 neutral by 2030*").

- In June 2021, we acquired designLED. The Scotland-based company, specialized in advanced backlighting technologies, is expected to strengthen FORVIA's offer for display technologies and enrich its immersive experiences for the Cockpit of the Future.

- In June 2021, we also inaugurated a new industrial site in Togliatti, in the Samara region. The city will thus be home to both our largest site in Russia and our regional headquarters, building on the Group's six sites across the country and energizing its momentum for this dynamic market.

- In June 2021, we also announced the success of our first employee share ownership plan, as the subscription period ended on June 25. More than 22% of employees across 15 countries expressed their wish to invest in Faurecia Employee Share Ownership ("**Faur'ESO**") 2021, marking a success for a first transaction.

- In July 2021, we announced the creation of our new Sustainable Materials division to develop and manufacture cutting-edge sustainable and smart materials. The division will work across our business groups to propose solutions for the development of low-CO_2, and even CO_2-negative, materials in order for us to better support OEMs in attaining their sustainability objectives. We are planning to build a dedicated Sustainable Materials R&D Centre and a pilot plant, both expected to be operational in 2022. This new entity is expected to initially employ 125 engineers and over 400 in 2030.

- In August 2021, we announced the HELLA Acquisition.

- In September 2021, we announced our acquisition of the intellectual property assets of uMist Ltd., a Swedish startup specialized in biomimetic spray technology, to accelerate our technology leadership for commercial vehicles ultra-low emissions.

- In September 2021, we also selected Swedish steel maker SSAB, to partner for fossil-free high strength steel for use in our Seating business group. We secured SSAB fossil-free steel to start equipping our seating structures from 2026 onwards.

- In September 2021, we also selected ENGIE, a world leader in low carbon energy and services, to become a partner and support our ambition to reach CO_2 neutrality for scopes 1 and 2 by 2025. Under this partnership, ENGIE will provide energy solutions to be deployed across 100+ of our sites worldwide, expected by mid-2022.

- In September 2021, we became a member of Entreprises pour l'Environnement ("EpE"). a French association bringing together more than 60 French and international companies from all business sectors, willing to better include the environment in their strategy and business decisions.

- In October 2021, we announced, together with Air Liquide, the signing of a joint development agreement to design and produce on-board liquid hydrogen storage systems for the automotive industry. Through this technology partnership, we aim to accelerate the deployment of zero-emission heavy-duty mobility.

2022.

- In January 2022 and April 2022, we announced partnerships with BMW Group and Mercedes-Benz group AG, respectively, to integrate the Faurecia Aptoide app store, which will provide access to a variety of applications, such as navigation, music on demand, audio books, video streaming, games, weather, electric vehicle charging and parking, into their respective premium car platforms.

- In January 2022, we announced the closing of the HELLA Acquisition and in February 2022 we launched FORVIA, our new name combining Faurecia and HELLA.

- In February 2022, we committed to set science-based targets to reach net-zero global emissions by no later than 2050, continuing our focus on the environment and climate change, and in May 2022, we achieved a milestone in our roadmap to become CO_2 neutral for our industrial operations (scopes 1 and 2) by 2025 by signing power purchase agreements with ENGIE and EDP to equip over 150 sites in 22 countries with solar panels. See "—*Sustainable Development—Ambition to be CO_2 neutral for Controlled Emissions by 2030*".

- In May 2022, we signed a Cooperation and Research Agreement with Veolia to jointly develop innovative compounds for automotive interior modules, aiming to achieve an average of 30% of recycled content by 2025.

- In March, April and June, 2022, respectively, we expanded our efforts to develop hydrogen mobility solutions by (i) partnering with MAN on a project to equip a Bavarian fleet (*Bayern flotte*) of heavy-duty trucks with complete hydrogen storage systems, as part of a state-supported fuel cell research project; (ii) being selected by the California Energy Commission, alongside Symbio, Michelin, GTI and other industry partners, to develop and demonstrate the performance of a hydrogen-fueled, regional-haul Class 8 truck as part of a state-supported hydrogen mobility project; and (iii) collaborating with Air Flow on a contract to supply high-capacity hydrogen storage containers for refilling stations.

2023.

- At our General Meeting on May 30, 2023, we changed our company name from Faurecia 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 than15 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); and
- sale of the commercial vehicle exhaust business in EMEA and the Americas to Cummins (completed in the fourth quarter of 2023).

- In October 2023, FORVIA announced the launch of a new €1 billion disposal program. The first step of this new program was 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), which was completed in the first half of 2024.
- FORVIA stepped up its decarbonization efforts by signing a ten-year supply contract with Renewable Power Capital. The agreement allows for 70% of FORVIA's European consumption to be provided by purchasing renewable electricity from the Klevberget onshore wind farm in Sweden, thus contributing to FORVIA's net zero target approved by SBTi.
- The Group has also made further progress in its objective of reducing CO 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 "BREEAM 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 "BREEAM 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.

2024.

- FORVIA announced several new partnerships and agreements, including: (i) a demonstration of in-vehicle Emotion Artificial Intelligence ("**AI**") with Smart Eye, a leading provider of Human Insight AI to the automotive industry; (ii) the development of software to abide local traffic regulations to facilitate autonomous driving with TÜV Rheinland; (iii) the acquisition of a portion of HELLA's people sensing business by the Swiss company, Xovis; (iv) a new joint venture to accelerate compounds for sustainable automotive products, MATERI'ACT Dallas, with PCR Recycling; (v) the development of a new headlight technology with Austrian motorcycle manufacturer KTM; (vi) a Memorandum of Understanding to equip heavy-duty trucks with liquid hydrogen storage systems with Air Liquide, a leader in gases and technologies, and FAW JIEFANG, a major Chinese truck manufacturer; (vii) a letter of intent with GREE Electric to establish a joint venture in China by the end of 2024 aimed at developing high-content recycled plastic for top-tier sustainable materials for the automotive, household appliance,

and other industries; (viii) a joint venture agreement with Chery to build a Research and Development center and launch two production sites in 2024 to support Chery's rapid growth.

- FORVIA completed the divestment of HELLA's 50% stake in BHTC to AUO Corporation.
- FORVIA made further progress in the execution of its second €1 billion asset disposal program by divesting its subsidiary Hug Engineering to the Belgian OGEPAR Group for an enterprise value of approximately €55 million.
- Faurecia Aptoide achieved a milestone by integrating TikTok, WebEx and Zoom into the cockpit experience of cars, including the Mercedes-Benz E-Class, following which FORVIA completed the acquisition of the remaining 50% shares from Aptoide in the joint venture.
- FORVIA was 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'.
- FORVIA, together with Chinese automaker BYD inaugurate their new seat assembly plant in Rayong, Thailand, built under Shenzhen Faurecia Automotive Parts Co, a joint venture created by both companies and majority-owned by FORVIA.

Our Industry

Sources of Market Data and Other Information from Third Parties

The market and industry data and forecasts and statements regarding the FORVIA's position in the relevant market or market segment in this section are based on various market research and other publicly available information, as well as reports by independent industry sources. Certain statements below are based on the FORVIA's own proprietary information, insights, opinions or estimates, and not on any third-party or independent source; these statements contain words such as "believes," "expects," "considers" or "estimates," and as such do not purport to cite or summarize any third party or independent source and should not be read this way. IHS Markit volume figures are rounded to the nearest one million and accordingly, the sum of rounded numbers may not add up to the total number shown. The forward-looking statements in this section are subject to risks and uncertainties, as they relate to future events, and are based on estimates and assessments that may be inaccurate. In both IHS Markit and IEA analyses Europe excludes Russia.

The market and industry data and forecasts and statements regarding the FORVIA's position in the relevant market or market segment in this section have been compiled from external sources including:

- S&P IHS Markit, *"LV and MVD Industry Forecast*", dated February, 2025 ("**IHS Markit**");
- Reuters, "*China vehicle export growth to slow in 2025,*" dated January 13, 2025 **("Reuters")**; and
- International Energy Agency, "*Global EV Outlook 2024,*" dated April, 2024 ("**IEA**")

Global automotive industry overview

The global automotive industry designs, develops, manufactures, sells and services light vehicles ("**LV**") as well as medium and heavy duty trucks and buses ("**MHD**"). The LV segment consists of passenger cars, light commercial vehicles and light trucks - all weighing less than six tons, while MHD are vehicles with a weight of more than six tons. Given that FORVIA supplies parts to mostly LVs, the following market overview and data, based on IHS Markit data (unless otherwise stated), refers to LV market only.

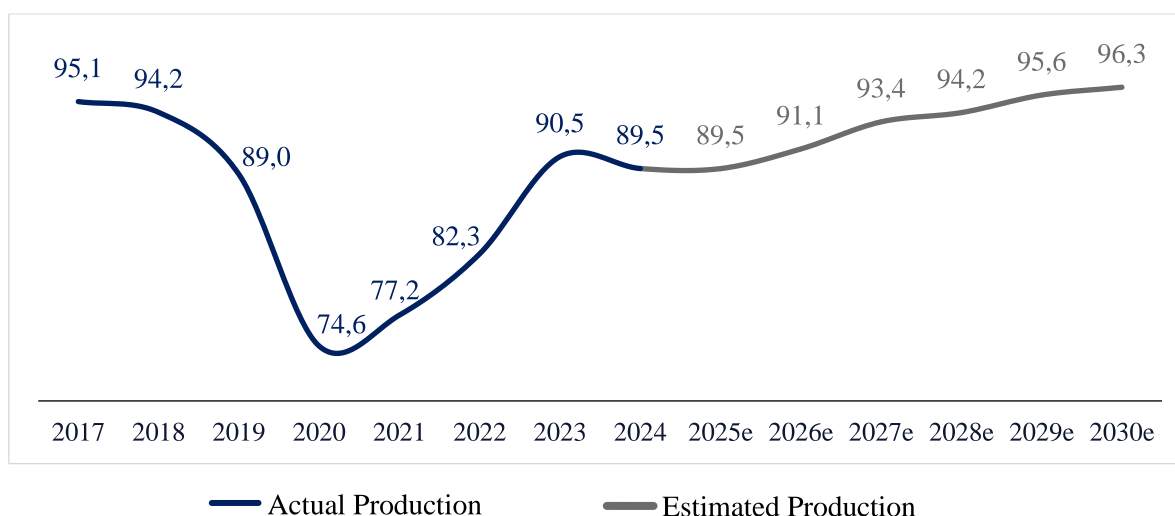
The automotive production value chain is broken down into OEMs, such as BMW, Ford, Mercedes-Benz, Stellantis and Volkswagen, and automotive part suppliers, such as FORVIA, Continental, Denso and others. The automotive parts supplier market can be further segmented into three different tiers. Tier 1 automotive suppliers sell their products directly to OEMs. Tier 2 suppliers sell products to Tier 1 suppliers, and in turn are supplied by Tier 3 suppliers. In general, suppliers develop components and systems on the basis of agreements with OEMs to meet their technological and regulatory requirements for specific automotive platforms and/or models. In this classification, FORVIA is considered as Tier 1 automotive part supplier.

In addition to sales to OEMs and as also applicable to FORVIA, some components are sold directly to the aftermarket, representing a smaller but typically more profitable and stable revenue stream for automotive suppliers. The term “aftermarket” refers to the market of spare parts that are used in the maintenance and repair of vehicles. The same products supplied to OEMs are generally also distributed in the aftermarket sector. Additionally, services are also a part of the aftermarket, such as technical support, customized training and service information.

Global automotive market performance

Despite ongoing market disruptions, the global automotive industry has continued to recover following the COVID-19 related decline in production with a CAGR of 4.3% from 2022-2024, with 89.5 million vehicles produced globally in 2024, according to IHS Markit, which expects that the total vehicles production will grow at a CAGR of approximately 1.2% between 2024 and 2030 to reach approximately 96.3 million units in 2030.

Worldwide automotive production (in million units)



Source: IHS Markit

Developed markets such as Europe and Americas, as well as Asia (ex. China) and China are expected to gradually grow throughout 2025-2030.

Europe

With 17.2 million vehicles produced, Europe accounted for 19.2% of total vehicles production in 2024. The region recorded an increase of 4.2% CAGR in the period between 2022 to 2024. European vehicle production from 2024 onwards is expected to slightly increase with a CAGR of approximately 0.5% between 2024 and 2030, staying at approximately 17.7 million vehicles in 2030 due to only moderately developing export to China, as well as vehicle imports from China, which have shown significant growth in the past.

Americas

With 18.4 million vehicles produced, Americas accounted for 20.6% of total vehicles production in 2024. The region recorded a significant increase of 3.7% CAGR in the period between 2022 to 2024. Americas vehicle production from 2024 onwards is expected to slightly increase with a CAGR of approximately 1.0% between 2024 and 2030, reaching approximately 19.6 million vehicles in 2030.

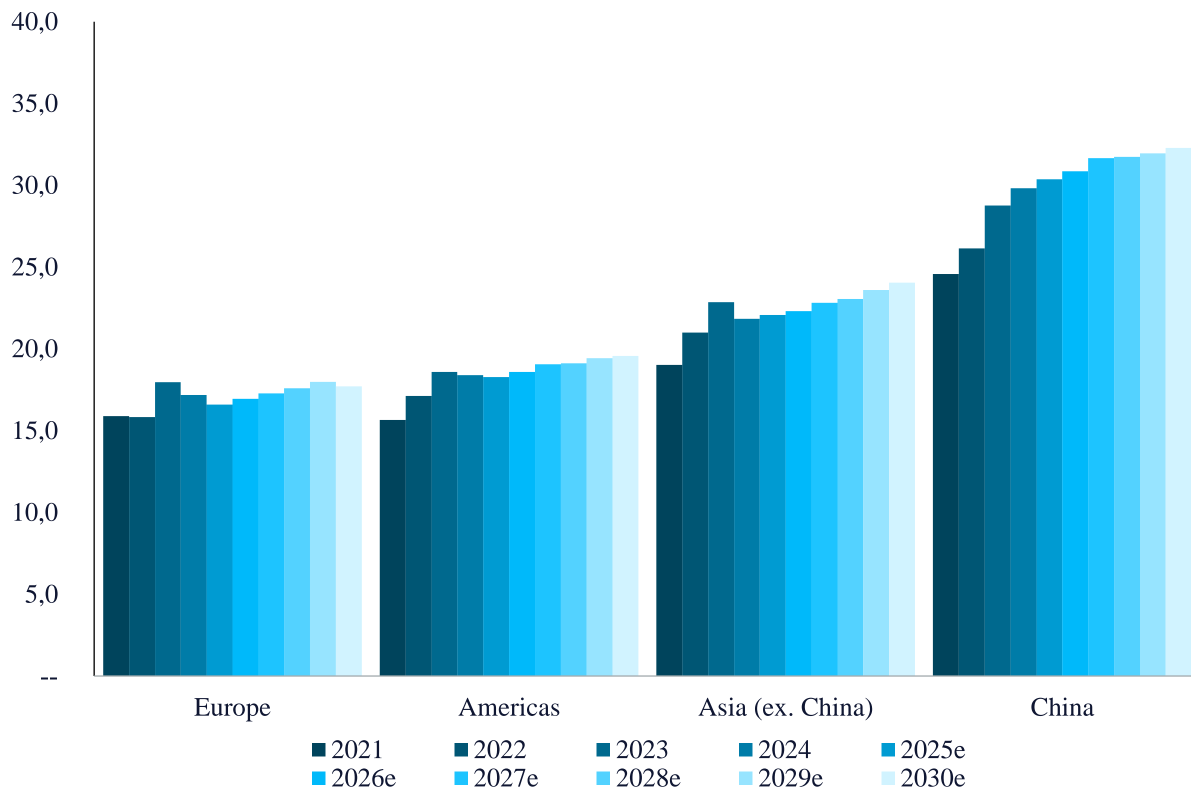
Asia (ex. China)

Asia-Pacific is the second largest automotive market behind China with 21.8 million vehicles manufactured in 2024, corresponding to 24.4% of global production. The region recorded a significant increase of 2.0% CAGR in the period between 2022 to 2024. The market is expected to increase with a CAGR of approximately 1.6% between 2024 and 2030, reaching production volumes of approximately 24.1 million vehicles in 2030.

China

China is the world's largest automotive market with 29.8 million vehicles manufactured in 2024, representing 33.3% of global production. The country recorded a meaningful increase of 6.8% CAGR in the period between 2022 to 2024. The market is expected to increase with a CAGR of approximately 1.3% between 2024 and 2030, reaching production volumes of approximately 32.3 million vehicles in 2030 maintaining the position as the largest vehicles market. According to Reuters, China vehicle exports are expected to grow to 6.2 million units this year, with a growing share of hybrid vehicles export.

Regional automotive production (in million units)

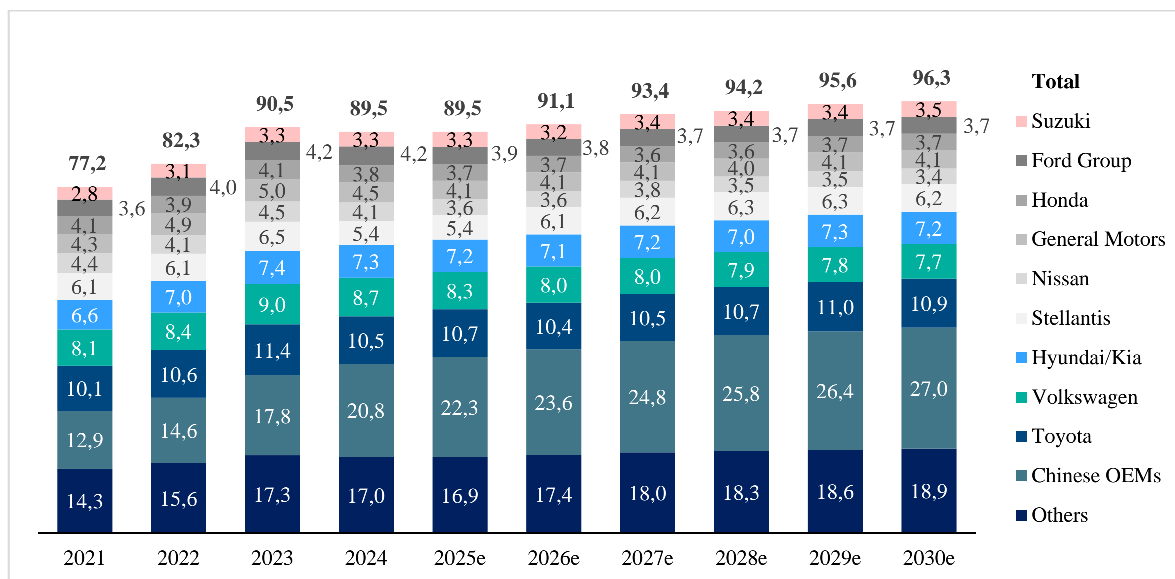


Source: IHS Markit

Global automotive production volumes by OEMs

The following chart sets out the historic and estimated future evolution of the global automotive production volumes and growth rates for the key OEMs measured by production volume (in million vehicles). Chinese OEMs are auto manufacturers originated and/or headquartered in China, e.g. Geely, BYD, SAIC Motor, Changan and others.

Global automotive production by OEMs (in million units)



Source: IHS Markit

Electrification of automotive market

Despite some short-term deceleration in BEV global demand growth due to lower consumer confidence and high interest rates, the shift towards electrification remains a key long-term trend for the automotive industry. BEV along with Plug-in Hybrid and Full Hybrid Electric Vehicles ("**(P)HEV**") and FCEV are considered key technologies to decarbonise road transport, as regulations and government incentives boost both offer and demand, and as society becomes increasingly concerned about climate change. The following analysis is based on IHS Markit, unless otherwise stated.

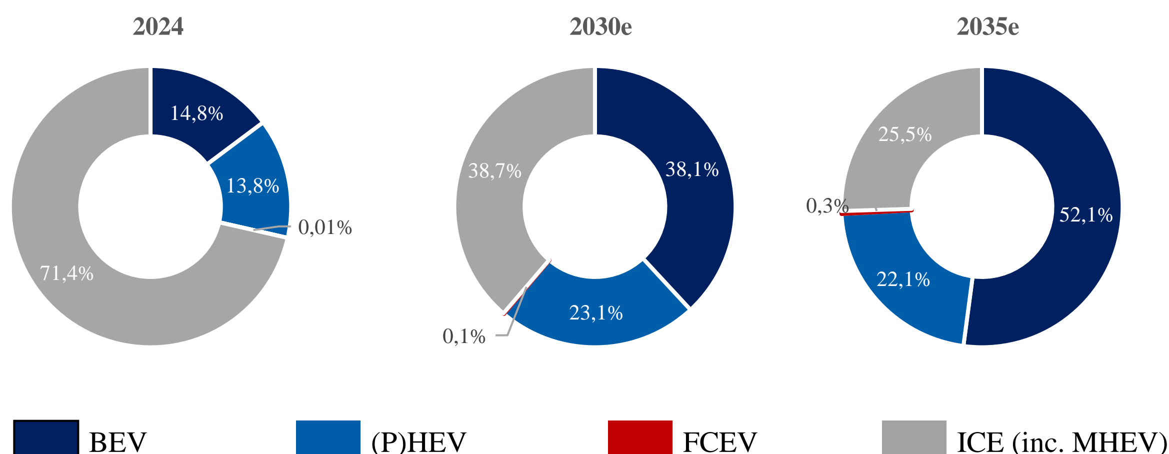
BEV sales recorded 13.2 million units in 2024, or 4.5 million higher than in 2022, a 23.3% 2022-24 CAGR. BEVs accounted for around 14.8% of all cars sold in 2024, up from 10.6% in 2022, and are expected to reach 38.1% by 2030 and 52.1% by 2035. These trends indicate that BEV sales growth remains robust as BEV markets and products mature.

(P)HEV sales recorded 12.3 million units in 2024, or 5.2 million higher than in 2022, a 32.1 % 2022-24 CAGR. (P)HEVs accounted for around 13.8 % of all cars sold in 2024, up from 8.6% in 2022, and are expected to reach 23.1% by 2030 and then decrease to 22.1% by 2035, with broader adoption of BEV as the key mobility electrification technology.

FCEV is a more niche technology, which uses a fuel cell, sometimes in combination with a small battery or supercapacitor, to power its onboard electric motor, and generates electricity generally using oxygen from the air and compressed hydrogen. FCEV currently has limited global roll-out with only 14 thousand units sold in 2024 and 340 thousand units expected to be sold in 2035, representing 0.3% of all cars sold.

Mild Hybrid Electric Vehicles ("**MHEV**") use an electric motor to assist the petrol or diesel combustion engine when accelerating to save fuel, so from operational and emission perspective are closer to Internal Combustion Engines ("**ICE**") cars.

Global powertrain split (in % of total car sales)



Source: IHS Markit

According to IEA, while sales of BEVs are increasing globally, they remain concentrated in a few major markets. In 2023, around 60% of new BEVs registrations were in China, around 25% in Europe, and around 10% in the United States – corresponding to nearly 95% of global BEV sales combined. In these countries, BEVs account for a large share of local car markets: more than one in three new car registrations in China was electric in 2023, over one in five in Europe, and one in ten in the United States. However, sales remain limited elsewhere, even in countries with developed car markets such as Japan and India.

Recent policy developments continue to reinforce expectations for swift electrification, such as new emissions standards adopted in Canada, the European Union and the United States over the past year. Industrial incentives – such as those in the US IRA, the EU Net Zero Industry Act, China's 14th Five-Year Plan, and India's PLI scheme – also encourage adding value and creating jobs across EV supply chains in those economies.

BEVs are getting cheaper as competition intensifies, particularly in China, but they remain more expensive than cars with ICE in other markets. A rapid transition to BEVs will require bringing to market more affordable models. In China, IEA estimates that more than 60% of BEV sold in 2023 were already cheaper than their average ICE equivalent. However, BEVs remain 10% to 50% more expensive than ICE equivalents in Europe and the United States, depending on the country and car segment. In 2023, two-thirds of available BEV models globally were large cars, pick-up trucks or sports utility vehicles, pushing up average prices. IEA expects that BEV vs. ICE price parity could be reached by 2030 in major BEV markets outside China for most models.

As a result of electrification, the technical composition of engines changes. Reduced complexity of BEV engines compared to combustion engines is expected to lead to lower Content per Vehicle ("**CPV**") in general. BEVs however come with an increased complexity around thermal management as well as the battery, which offsets the overall reduced complexity of the BEV engine, and drives CPV. FORVIA expects that BEV and FCEV offer material growth potential due to the product portfolio and system competencies for power conversion, energy management and thermal management, as well as position sensors with CIPOS technology for various applications with excellent resistance against magnetic fields.

Global trends Affecting Transportation and Key Growth Drivers

Significant global trends are impacting the automotive industry. Those global trends include: climate change, resource scarcity, growing and ageing populations, economic power shifting to Asia and urbanization. At the same time, technological developments continue to accelerate, transforming daily life and generating new business models. As a result of these technological developments, the evolving structure of society and global development challenges, we believe that the automotive industry is at a turning point. We believe that the consequence of these trends on the automotive industry is a radical increase in mobility which is becoming connected, autonomous and electrified.

We believe that FORVIA is well-positioned to address automotive megatrends through its diversified and balanced portfolio.

Connectedness

Vehicles with connected capabilities are becoming increasingly common. The trend for connected vehicles is driven by legislation for increasing safety, increasing customer expectations for infotainment and technological developments for autonomous cars. Connectivity will allow continuous monitoring of vehicles and passengers, the ability to upgrade software in vehicles and will provide passengers with access to a wide range of services, including for safety and on-board user experiences for comfort, well-being, productivity and entertainment. We believe that vehicles will become an integrated device in users' "connected lives" and consumers will demand the same level of service and convenience from their cars as from their smartphones or tablets. The introduction of mobile 5G will enhance connectivity through better quality network coverage and higher bandwidth.

Autonomous

Autonomous vehicles will provide drivers with the opportunity to engage in activities not previously possible while driving, such as relaxing, working and socializing. The level of autonomy in a vehicle is assessed from level 0 to level 5, where level 0 signifies no automation in a vehicle and level 5 is fully autonomous. Autonomous technology for level 3 and level 4 currently exists, however, we believe it is unlikely to see rapid deployment due to high cost and an undefined regulatory framework. We believe that robotaxis are likely to be the first mass application of autonomous vehicles with thousands of vehicles already on the road in pilot programs, while private cars are likely to remain focused on Advanced driver assistance systems, levels 1 and 2, for the foreseeable future. Accordingly, we expect the automotive industry will need to extend its value-proposition to deliver new user experiences. In this context, we expect vehicle interiors will undergo a significant development and the Cockpit of the Future will be connected, personalised and predictive. The recent acceleration of powertrain electrification is likely to result in a reduction in the level of investment available for autonomous driving, with automakers focusing on the incremental deployment of Level 2 and Level 3 driver assistance systems.

Electrification

The powertrain mix is rapidly evolving towards electrification, due to environmental concerns and pressure from regulators and society. As technologies mature and charging infrastructure is deployed, we believe that there will be a rapid increase in electric vehicles and that BEV and fuel cell electric vehicles will co-exist as zero emissions alternatives. We believe that fuel cells are particularly adapted to commercial vehicles as they have a longer range and a faster re-charging time. This trend towards zero emissions depends on a co-ordinated ecosystem that includes infrastructure and power supply providers.

Market Competition

We estimate that we are a world leading automotive supplier and one of the world's largest automotive suppliers in terms of worldwide sales, with leading positions in each of three of our six business groups (Clean Mobility, Seating and Interiors). We have benefited from the significant consolidation in our markets and have been able to acquire significant new technologies, markets and product lines.

Seating: We estimate that we are #1 worldwide in seat structure systems and #3 worldwide in complete seats; our main competitors in this market are Adient, Lear Corp and Magna International Inc.

Interiors: We estimate that we are #1 worldwide in interiors; our main competitors in this market are Yanfeng Automotive Interiors, Grupo Antolin, IAC (International Automotive Components) and Motherson.

Clean Mobility: We estimate that we are #1 worldwide in hydrogen and #1 worldwide in ultra-low emission mobility; our main competitors in this market are Tenneco, Eberspächer, Boysen and Magneti Marelli. The list above does not include "captive" Keiretsu / Chaebol competitors closely linked to carmakers, such as Toyota Boshoku, Sitech, Mobis, Sango, Futaba, Yutaka or Sejong.

Electronics: We estimate that we are #1 worldwide in low-voltage power electronics, #1 worldwide for car access body electronics, and Top 3 for portfolio of radars, sensors and actuators; our main competitors in this market are Bosch, Harman, Panasonic and Continental.

Lighting: We estimate that we are #3 worldwide in lighting; our main competitors in this market are Valeo, Marelli, Koito and Stanley.

Lifecycle Solutions: We are a leader in the European aftermarket and top 3 in Europe for special original equipment; our main competitors in this market are Marelli, Valeo, TYC, Cobo, Grote and ZKW.

Reducing fuel consumption, an increasingly compelling requirement

Since 2009, European Union legislation has set mandatory emission targets for new cars and, since 2011, for new vans. From 2021, phased in from 2020, the EU fleet-wide average emission target for new cars will be 95g CO_2/km, in contrast with the goal of 180g CO_2/km which was in force ten years ago. The next requirement will be a reduction from the 2021 baseline of 15% for both cars and vans to around 80g CO_2/km from 2025 onwards and then 37.5% for cars and 31% for vans from 2030 onwards. In China, the government has set a target of 95g CO_2/km for passenger vehicles by 2025, followed by 75g CO_2/km. These objectives will require breakthroughs in design and materials. We are already active in the various areas that help reduce vehicle weight by offering new products and new designs applicable to existing products, optimized design, and are working to develop alternative materials and new manufacturing processes. As a world leader in clean technologies, we are committed to offering innovative solutions in zero and ultra-low emission mobility and the reduction of emissions from all types of vehicles.

Environmental performance

Emissions of all combustion-related pollutants are subject to standards that are converging towards a drastic reduction. Reducing fuel consumption results in increased levels of pressure and higher temperatures in combustion chambers, which are damaging to the environment in terms of emissions of gas, pollutants and particulates. Direct fuel injection, increasingly widespread in gasoline engines, generates particulates that may require treatment in the exhaust system. We have been supplying particulate filters for gasoline engines since 2014, when we were the first company to introduce them as standard equipment in the market. The new Euro 6c emission standards have made it mandatory for all vehicles produced after September 1, 2018 with gasoline engines to have particulate filters installed, as has been the case for diesel engines since 2011.

We are able to develop exhaust systems integrating the most efficient pollutant and particulate treatment technologies as a result of our experience in all aspects of the design and production of exhaust systems. In 2018, we offered an innovative solution to an important General Motors program to save fuel and reduce CO_2 emissions. Called “Resonance Free Pipe™” (RFP™), this innovation reduces the weight and the architectural complexity of exhaust by eliminating resonance. In 2019, we received Automotive News magazine’s 2019 PACE award for this innovation. In 2018, we further strengthened our technological offerings for clean mobility with our acquisition of Hug Engineering, a leader in whole systems for exhaust gas purification of extremely high-powered engines. In 2020, stringent regulations were implemented in all regions both for stationary and marine applications. In order to adapt to stricter emission regulations and to improve air quality, we developed “Electric Heated Catalyst” technology that will enable the emission control system in vehicles to reach its maximum efficiency at a faster pace.

As stringent emissions regulations continue to come into force around the world, and as the demand for electrified vehicles continues to grow, we have made hydrogen mobility a strategic priority. We are at the heart of a growing ecosystem of partners supporting the industrialization and adoption of hydrogen mobility at scale. We have a clear roadmap to develop hydrogen solutions for vehicles ranging from passenger cars to commercial vehicles, and aim to support different use cases, logistical constraints and industries over the coming decade. We also cover 75% of the hydrogen powertrain with hydrogen storage systems, as well as fuel cell stack systems through Symbio, our joint venture with Michelin. We are striving to become a world leader in hydrogen mobility and targeting €3.5 billion in sales by 2030.

In addition, we aim to work alongside leading OEMs to provide hydrogen mobility solutions to a variety of industries. Production of these hydrogen mobility solutions began in 2021 and are planned to continue for

Hyundai (X-Cient), Stellantis (vans Peugeot e-Expert, Citroen Jumpy, Opel e-vivaro), Hyvia (Renault), Gaussin and SAIC. By 2050, we aim to be CO_2 neutral for total emissions, taking into account emissions produced during the use phase of our products.

Sustainable development and use of raw materials

Materials are increasingly chosen and designed to satisfy regulatory constraints and societal expectations. Depending on the engine type and driving cycle, decreasing the average vehicle's total mass by 100kg reduces CO_2 emissions by approximately 8-10g per kilometer driven. Our products can represent up to 20% of a vehicles' total weight. This makes us a major contributor to the reduction of vehicle weight as a means of cutting fuel consumption, limiting emissions of greenhouse gases and reducing the use of raw materials in vehicle production.

From 2015, the European Commission imposed stricter requirements where the recyclability of synthetic materials such as plastics and, in the longer term, composite materials is one of the key features of the vehicle of the future. We offer bio-sourced natural fibers, including hemp and vegetable fibers, which make it possible to attain high performance in reducing environmental impact: the proportion of natural fibers in plastics is renewable and the sustainability of plastics as well as the lesser weight of products allow for responsible consumption and use of these materials. The environmental impact of this innovation was assessed according to ISO 14040 and ISO 14044 international standards. Natural hemp fibers used by us also reduce environmental impact as the natural fibers in plastics are renewable and the lesser weight of products allows for responsible consumption and use of these materials. Plastic materials strengthened with hemp are recognized as compatible with industrial recycling processes already in place.

We are currently developing the NFPP family, a new range of interiors components for compression technology. These materials enable up to 50% weight reduction and are expected to reduce CO_2 emissions by 50% as well. We believe this new product line will assist in accelerating development of bio-sourced and recyclable materials providing significant weight, energy and CO_2 emission reduction.

We are already making a contribution having patented three technologies utilizing biomaterials. Lignolight technology, using compressed fibers for between 50% and 90% of the resin, applied to door panels, improves density by 40% compared with traditional components. NAFILean™ technology (Natural Fiber Injection), which combines natural hemp fibers with polypropylene resin, reduces weight by 25% compared with talc-loaded polypropylene. To date, more than 17 vehicles are equipped with NAFILean™ technology. NAFILite™, a project we developed together with a major French agricultural cooperative, Interval, which combines NAFILean™ material and an injection (foaming process) can further reduce weight by 10%. NAFILite™ received a sustainability award at the JEC World 2017 Innovation Awards.

In order to grow and manufacture lighter and cleaner vehicles, we take environmental factors into account at all stages of the product life cycle, from product design to the environmental impact of our plants, from supplier collaboration to product end-of-life. We have gradually put in place a management system that allows us to be particularly responsive to new restrictions and to set up an alternative project if necessary. Our management system includes an investigation phase to collect reports from our suppliers, notably in the context of the new EU regulatory framework for the Registration, Evaluation, Authorization and Restriction of Chemicals ("**REACH**") regulation, and setting up an alternative project if necessary).

Competition

We estimate that we are a world-leading automotive supplier company. We estimate that we are one of the world's largest automotive suppliers in terms of worldwide sales with leading positions in each of three of our six business groups (Clean Mobility, Seating and Interiors). We have benefited from the significant consolidation in our markets and have been able to acquire significant new technologies, markets and product lines. Our main competitors for these specific business groups are:

Seating: Adient, Lear Corp and Magna International Inc.

Interiors: Yanfeng Automotive Interiors ("**YFAI**"), Grupo Antolin, IAC (International Automotive Components) and Motherson.

Clean Mobility: Tenneco, Eberspächer, Boysen and Magneti Marelli.

The list above does not include "captive" Keiretsu / Chaebol competitors closely linked to carmakers, such as Toyota Boshoku, Sitech, Mobis, Sango, Futaba, Yutaka or Sejong.

Electronics: Bosch, Harman, Panasonic and Continental.

Lighting: Valeo, Marelli, Koito, Stanley.

Lifecycle Solutions: Marelli, Valeo, TYC, Cobo, Grote, ZKW.

Manufacturing

With 249 industrial sites[2], 78 R&D centers and more than 15,000 R&D engineers across more than 40 countries, FORVIA can support automakers with on- the-ground services, especially in high-growth emerging markets. Focusing on innovation, project engineering and production, we play a leading role in shaping the automotive industry around the world.

Around two thirds of our plants producing components are specifically located near our customers' plants in order to streamline industrial and supply chain costs. Around a third of our sites use a just-in-time business model, meaning that rather than stock-piling raw materials and finished products, components are produced based on the specifications communicated by the customer on the day of production. Located near automakers' assembly lines or even set up within their actual industrial parks, these sites are capable of delivering to our customers' production lines in less than three hours. For this reason, much of our property, plant and equipment is specifically dedicated to particular client programs and utilization rates are dependent on the activity level of the customers.

Most of our property, plants and equipment is comprised of machinery, specific tooling and new plants in the process of construction, as well as land and buildings involved in our production processes. The level of automation in our manufacturing plants will depend on the local context and customers' needs; however, none of our plants are 100% automated and the skills of our employees is a key factor of our quality level. 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.

Worldwide automotive production stood at 89.5 million light vehicles in 2024 down 1.1% year on year. Between 2023 and 2024, the share of Europe excluding Russia out of worldwide automotive production decreased by one percentage point, while the share of China gained 1.5 percentage points. In 2024, the pace of electrification slowed in Europe and North America, with EV production down 7% in Europe (excluding Russia) and up 3% year-on-year in North America, while in China EV production continued to grow in the double-digits (+16% year-on-year).

Suppliers

We use a large number of suppliers based in different countries for our raw materials and basic parts. For the year ended December 31, 2024, we made total purchases (direct and indirect, excluding monoliths catalytic converters) of more than €20 billion from approximately 30,000 suppliers. Since 2017, we have been working with our partner, EcoVadis, to carry out an in-depth assessment of our suppliers focusing on their ethical, social, and environmental practices. As at December 31, 2024, 96% of direct purchasing volume was assessed for CSR performance by Eco Vadis.

Quality

We manage product quality from the new order acquisition phase to manufacturing in our plants. The Group quality control department is responsible for quality management at all stages of the process. It is present at all

2 Industrial sites include isolated plants and industrial campuses (two or more plants in a 0.5 km distance belonging to the same industrial campus), plants include production sites or Just-in-Time plants and exclude warehouses or distribution centers, and R&D centers include main and mid-size tech centers and headquarters.

levels of organization from the multidisciplinary team developing new programs or the production plant up to the Group's management structure.

In 2018, we initiated our Total Customer Satisfaction program. This program aims at getting a global picture of our customer satisfaction both in term of performance and perception of the overall value chain: from order taking to production start. Beyond those quality measures, customer feedback is now collected instantly and in a transparent way through a dedicated digital application. The FORVIA Excellence System ("**FES**") is defining how production and operations are being organized. It has been built to improve quality, cost, delivery and security on a continuous basis, based on a common framework for all plants around the world, guaranteeing the best possible operational performance. The FES, renamed "FES X.0," was updated in 2018 to make it more pragmatic and accessible to employees as well as to accelerate digitization. FES X.0 is being deployed during 2019 and will be an important contributor to our Total Customer Satisfaction program and our financial performance.

We have developed a Quick Response Continuous Improvement ("**QRCI**") approach to analyze the frequency of work-related accidents to measure the effectiveness of actions carried out in the relevant area. After each accident, a 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.

Our major customers acknowledge that we offer one of the highest levels of quality worldwide, as evidenced by numerous awards received from customers each year. Detailed monitoring of specific performance with each customer has been introduced in order to ensure that corrective measures are taken immediately to address any quality issues at a given plant. Reducing quality performance differentials between sites remains an overriding goal as demonstrated by our Plant Ranking initiative, launched in 2018, which is designed to promote comparative analysis between production sites.

Research and Development

Consumer expectations and societal changes are the two main drivers of change within the market. Regulatory change, which mirrors societal change, aims to reduce the impact of cars and commercial vehicles on the environment across all major automotive markets. The globalization of the automotive markets and swift change in consumption patterns and tools, particularly in the field of electronics, have prompted automakers to look for new solutions enabling them to offer diverse, customizable and financially attractive product ranges.

Gross R&D expenses accounted for €934.8 million of total expenses in the year ended December 31, 2024, representing 3.5% of our sales. We filed 1,392 new patents in 2024 compared to 1,283 in 2022.

We focus our innovation efforts on "Sustainable Mobility", our development of products and processes which reduce CO_2 emissions, improve air quality, weight reduction, size reduction, energy recovery and the development of bio-sourced and renewable materials and "Cockpit of the Future", our development of products and technology for vehicle seating and interiors which is aligned with the increasing connectedness and autonomy of vehicles which we believe will radically alter the driving experience and lead to the "Cockpit of the Future," with substantially redesigned and enhanced vehicle seating and interiors. We are pioneering technological development in the "Cockpit of the Future" which will provide users with versatile architecture, advanced safety, health and wellbeing, personalized comfort, connectivity, infotainment and intuitive HMI systems. We are focusing our product development on higher value, innovative products with a high technology content.

Product process and design

Product process and design are central to the activity of our engineering teams. We develop our own rules and design standards. This guarantees both a high level of robustness and a competitive advantage. We expect this process of standardization to help us reduce our existing level of capital expenditure by allowing us to manufacture different types of vehicles for several automakers, using the same production process and the same plants.

We commit a lot of efforts and incur significant expenses to improve our production processes, in particular in order to ensure that our productivity and production efficiency continues to increase. Our customers often require that we share with them our productivity gains by agreeing to some potential price reduction to reflect any improvement in productivity based on certain volume of production assumptions for each particular program. These approaches have allowed us to develop lighter products than our competitors.

The industrial chair of automotive mechatronics with Centrale Nantes (France) and of processing methods for metal materials with the Technische Universität Dortmund (TUD, Germany) are part of this process. Since 2012, we have made particular efforts to enhance our expertise in mechatronics, with the creation of an electronics laboratory in Brières (France) and an industrial chair of automotive mechatronics with CentraleSupélec (France).

Intellectual Property

Technological development and innovation are among our priorities. In order to protect our new and existing products, proprietary know-how and production processes, we manage a large intellectual property rights portfolio including patents, designs and trademarks relating to our business in France and other countries. In particular, we filed 1,392 new patent applications in 2024. Overall, we have more than 12,900 patents in our patent portfolio as of December 31, 2024. These patents relate to products, materials, and manufacturing processes, demonstrating the efforts made by us to optimize the entire product value chain and to sustain a competitive advantage.

While our patent portfolio and other intellectual property rights including trademarks and designs are of material importance to our business, we do not consider any one patent or group of patents that relates to any particular product or process as being of material importance in relation to the products we supply to any client or, for that matter, to our business as a whole. We are not currently engaged in any material intellectual property litigation, nor do we know of any material intellectual property claims outstanding.

Recycling

We incorporate recyclability in our eco-design approach by anticipating the end-of-life phase and optimizing production waste recovery. The European Directive 2000/53/EC of September 18, 2000 on end-of-life vehicles stipulates that vehicles must be 95% recoverable by weight, of which 85% must be actually reusable or recyclable, by January 1, 2015. Given the general increase of regulatory requirements from an environmental perspective, automakers are placing ever-greater demands on their suppliers in terms of end-of-life product recyclability.

All of our businesses are affected by these regulatory requirements and, depending on the characteristics of the component in question, have implemented plans and solutions to ensure that end-of-life products are processed as efficiently as possible in the future.

We are committed to a process of forecasting the life-cycle of a product and the recoverability of a product at the end of its life-cycle. Selective trials overseen by us comprise the first phase of a comprehensive approach by the automotive sector in partnership with industrial firms, academic institutions and automotive industry related, groups to forecast volumes of materials available for recycling in the future.

Interiors, after performing tests on the recycling and recovery of products, has begun similar operations after disassembling vehicles. Industrial-scale recyclability studies and tests have been undertaken with certain car-disassembling plants, both on existing products and materials being developed, including agro-composites. For example, the NAFCORECY (NAtural Fibre 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-disassembling technologies for vehicles or recycling technologies used for industrial waste.

Insurance

Our system for safeguarding assets is based on on-going adaptation of a strong risk prevention policy as well as our strategy of transferring our principal risks to the insurance market.

FORVIA has worldwide insurance programs effective in each country in accordance with local legislation and good local standards for an appropriate coverage throughout the world.

All Group legal entities and assets are insured by first-rate insurance companies for all major risks that could have a financial and/or a material impact. Below a focus on FORVIA's main risks insurance programs (non-exhaustive list):

- Property damage and business interruption covers insured events related risks such as fire, explosion, as well as natural disaster such as wind, floods and earthquakes. Property is insured on the basis of the replacement cost of buildings, equipment and inventories. Business interruption covers the basis of loss of gross margin loss of profits following an event insured under property damage coverage or specific extensions such as supplier deficiencies.
- Liability insurance covers financial consequences of the liability which may result from bodily injury, property damage, and financial loss caused to third parties including customers, as a result of our business/activities. This insurance program includes coverage for any damage caused by our products, including financial consequences of product recall campaigns.
- Cyber insurance covers financial consequences in the event of information system and personal data breach.
- Cargo insurance protects our businesses from financial losses resulting from the damage, loss or theft during goods and equipment transportation and associated business interruption following transportation incidents.

FORVIA's insurance programs are designed, though the insurance and re-insurance markets as well as auto-insurance mechanism such as a reinsurance captive to best protect the Group's exposures.

Risk Management

Organization

The Group's Executive Committee is responsible for examining the major operational risks inherent to the Group's business in cooperation with the Group's Operations Committee and Risk Committee.

The executive management of each business group is responsible for identifying and managing the operational risks inherent to its business, which are examined by their respective operations and risk committees. The operational and support functions direct and lead the actions, including risk management, necessary to achieve the Group's objectives.

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.

Management of risks faced by the Group

As part of its risk management, the Group has put in place measures to address certain key risks, which are described below. See "*Risk Factors*" for more information on the risks that the Group faces.

Information systems, data and embedded software

The Group's strategic plan to prevent, detect and control information systems security risks primarily covers the following aspects:

- o 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;
- reinforcing the Group's teams with cloud experts;
- implementing 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 Issuer's cybersecurity when consolidating new companies or to facilitate the spin-off of certain non-strategic entities;
- strengthening network access controls; and
- 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. Since 2020, new sites have been 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 from 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 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).

Climate transition

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. The Group's roadmap is in line with the Paris Agreement and the most ambitious of the thresholds proposed by the SBTi. See "—*Sustainable Development*".

Automotive supplier business

The Group aims to optimize the quality and diversity of its customer portfolio in order to reduce customer risk. In addition, the Group has set a goal of limiting its dependency rate per customer to 15% of its sales. In 2023, the Group did business with around 90 customers. In addition to historical Group customers (e.g. Stellantis, Renault-Nissan-Mitsubishi, Volkswagen and Ford), the Group is also working with new entrants in the mobility business as well as several local actors, for example in China.

The Group is also working to reduce its exposure to sales of internal combustion motor vehicles from around 17% in 2023 to about 10% in 2025.

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.

External growth and the integration of acquisitions.

The Group's external growth strategy is supported by a dedicated M&A team under the responsibility of the Group's CFO. 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 the Board of Directors in accordance with the provisions of the Board's internal rules.

The M&A 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. A post-acquisition integration plan covering all aspects of the relevant entity (such as human resources, purchasing, sales, R&D and production) is systematically drawn up and monitored on a regular basis, including at the highest levels of the organization.

New product launches and program management

The Group's Program Management Core System has developed a series of steps for the entire duration of a program, from bid processing to the end of product life.

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 addressed during the program's development phase. A specific organization with managers and an action plan is followed for each critical program.

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.

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.

Product quality and safety

The Group manages product quality and safety risks from the new order acquisition phase to manufacturing in its 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 (FES) 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 are focused 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 were 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 the Group's Chief Executive Officer with a view to reaching a satisfactory level within a maximum of three months.

Pandemics

The management of the Covid-19 crisis has led the Group to adopt various measures:

- 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, improved and redeployed across all of the Group's sites, as necessary. This program would 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; and
- the Group is able to implement drastic cash management measures as well as strict control of costs and investments during the resulting period of slower activity.

Loss of a site due to industrial or natural events

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. The Group's industrial risk prevention policy is based on the following:

- internal guidelines (the Highly Protected Risk (HPR) grid) developed with the Group's insurers, 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 100 prevention audits are completed each year, together with 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; and
- a 24/7-monitoring system 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.

Supply chain disruptions and supplier failures

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:

- the operational and financial performance of the Group's suppliers is continuously 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 was supplemented with additional elements of resilience, such as the implementation of a process for projecting the financial health of Group's suppliers (a "stress test"). The measure consists of anticipating, to the extent possible, court-ordered liquidations and bankruptcies of certain Group suppliers, which could lead to interruptions to business; and
- 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.

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.

The Group also has a supplier risk analysis tool, which enables it to better anticipate all natural, geopolitical and solvency risks on a single platform.

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 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.

Safety at the workplace

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.

The Group has a dedicated Health, Safety and Environment department which is present at all levels of the organization.

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.

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.

In 2023, the Group further strengthened the measures implemented to prevent accidents and transformed the "Seven Fundamental Safety Principles" into "Seven Mandatory Safety Rules" to strengthen the obligation aspect for all.

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 FES 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.

Environmental impact of sites

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.

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.

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.

Talent acquisition and retention

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.

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-powered solution to facilitate recruitment and has deployed a specific digital app for new hires 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 Issuer and its values, strategy and organization.

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.

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 (KPIs).

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. 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.

Regulatory developments & geopolitical tensions

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.

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.

Significant litigation

Provisions have been set aside to cover litigation facing the Group in accordance with the facts and information available at the balance sheet date. See note 25.2 to the 2024 Consolidated Financial Statements. See also "—*Litigation*" below.

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.

A responsible supply chain

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 French Law no. 2017-399 of March 27, 2017, related to the duty of care with respect to contracting companies. This policy consists, in particular, in systematically reviewing suppliers that are part of the Group production process prior to their selection. This analysis is conducted through a partner of the Group, EcoVadis, and addresses the following areas:

- 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; and
- Environment and sustainable purchasing: assessment of the formalized policy, verification mechanisms and certification obtained.

Since 2019, the assessment of suppliers is carried out in a dedicated solution that requires a minimum score. Moreover, supplier quality audits, which are a prerequisite to joining the Group's panel of suppliers, also include CSR requirements.

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.

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.

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.

Intellectual property

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.

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.

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.

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.

Business ethics

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).

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.

Material Contracts

We are not party to any major contracts conferring a major obligation or commitment on the Group, other than (i) those entered into in the normal course of business and (ii) those relating to the Group's financing (see "*Description of Other Indebtedness*").

Employees

As at December 31, 2024, we employed approximately 150,000 people (including temporary workers). Our total number of permanent workforce decreased by approximately 2,213, or 1.9%, between December 31, 2023 and December 31, 2024.

The following table shows our number of registered employees by function as of December 31 of the year indicated below:

	2024	**2023**	% **Change**
Operators	70,674	72,296	-2.2%
Employees, technicians, and supervisors	12,185	13,159	-8.0%
Managers and professionals	38,993	40,209	-2.9%
Total	121,852	125,630	-3.0%

The proportion of permanent workforce (as opposed to non-permanent workforce) slightly increased from 92.6% in 2023 to approximately 93.7% in 2024.

In addition to our 121,852 permanent employees, we employed approximately 27,839 temporary employees throughout all of our sites as of December 31, 2024. The proportion of temporary staff remained stable at approximately 18.6% in 2024 and 18.1% in 2023.

Our employees benefit from employee saving plans and other incentive-based pay depending on their level and the country in which they work. In 2010 we implemented a share grant plan for executives of our Group companies, with grants thereunder conditioned on continued service and performance. In 2021, we implemented a long-term share grant plan (an Executive Super Performance Initiative or "**ESPI**") for the members of our Group's Executive Committee, with grants thereunder vesting in five years, without a subsequent minimum retention period, capped at 300% of the annual fixed compensation and conditioned on continued service and performance. Executive performance for the purposes of the ESPI is measured based on Total Shareholder Return ("**TSR**") for our Group compared to a peer group.

Litigation

We are party to various legal proceedings and commercial or contractual disputes in the regular course of our business.

In a letter dated August 2021, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") asked HELLA for information and the submission of documents regarding a potentially delayed capital market information under the Market Abuse Regulation (EU) No.

596/2014 ("**MAR**"); the request was issued in connection with the public takeover process concerning HELLA in 2021. HELLA is of the opinion that it acted in accordance with all legal requirements and responded accordingly to this letter and another letter from BaFin on suspected administrative offenses. In May 2024, HELLA was informed that the public prosecutor's office in Frankfurt am Main had taken over the administrative fine proceedings in connection with to the prosecution of a possible criminal offense concerning HELLA but not responsible persons or employees of HELLA. Based on legal advice, the Issuer is still of the opinion that there was no violation of MAR that would give rise to a fine. HELLA will continue to cooperate with authorities to confirm its position in this matter.

Although our legal and financial liabilities with respect to such proceedings cannot be estimated with certainty, we do not believe that the outcome of other legal proceedings, individually or in the aggregate, are likely to have a material impact on the Group's consolidated financial position. See "*Risk factors—Risks related to Our Operations—We face litigation risks, including product liability, warranty and recall risk*".

MANAGEMENT

We are a public limited liability company (*société européenne*) with a Board of Directors. The business address of our Board of Directors is 23-27 Avenue des Champs Pierreux, 92000 Nanterre, France.

Our Board of Directors determines our overall business, financial and economic strategies and oversees their implementation. Subject to the powers expressly granted to shareholders meetings and subject to our by-laws, the Board of Directors handles all our matters. The Board of Directors is consulted with respect to all of our strategic decisions at the initiative of our Chairman.

Our day-to-day activities are overseen by an Executive Committee. Our Executive Committee meets once a month to review the principal questions relating to our general organization. The Executive Committee discusses and prepares guidelines on major operations-related issues concerning us and our subsidiaries, which are then implemented by each of the Executive Committee's members in line with their functions.

Board of Directors

According to our Articles of Association, our Board of Directors must be composed of at least three members and no more than fifteen (excluding board members representing employees). The term of office has been four years since the Annual General Meeting of May 27, 2015. The Board of Directors currently consists of fourteen members, out of which two represent the employees and ten of which are independent.

Members of the Board of Directors

The Board of Directors currently consists of fourteen members, ten of whom are independent directors under French corporate governance guidelines issued by the *Association Française des Entreprises Privées / Mouvement des Entreprises de France* (the "**Corporate Governance Code**"): Michel de Rosen (Chairman), Dr. Michael Bolle, Christel Bories, Judith Curran, Esther Gaide, Penelope Herscher, Valérie Landon, Jean-Bernard Lévy, Denis Mercier and Nicolas Peter.

Michel de Rosen has been our Chairman since May 30, 2017 and Martin Fischer was appointed Chief Executive Officer by the Board of Directors on December 2, 2024, for an indefinite term to replace Patrick Koller with effect from March 1, 2025.

Name	Position	Initially Appointed	Date of Reappointment
Mr. Michel de Rosen..............	Chairman	May 27, 2016	May 30, 2024
Mr. Patrick Koller	Director	May 30, 2017	May 31, 2021
Ms. Penelope Herscher...........	Director	May 30, 2017	May 31, 2021
Ms. Valérie Landon................	Director	October 12, 2017	May 31, 2021
Mr. Jean-Bernard Lévy...........	Director	February 19, 2021	May 30, 2024
Mr. Denis Mercier..................	Director	May 28, 2019	May 30, 2023
Ms. Esther Gaide....................	Director	May 30, 2023	—
Dr. Michael Bolle...................	Director	May 30, 2023	—
Peugeot 1810, represented by Mr. Robert Peugeot	Director	May 31, 2021	—
Mr. Daniel Bernardino, representing employees	Director	November 1, 2017	November 1, 2021
Mr. Emmanuel Pioche, representing employees	Director	November 1, 2017	November 1, 2021
Ms. Judith Curran...................	Director	February 18, 2022	May 30, 2024
Mr. Nicolas Peter....................	Director	October 19, 2023	—
Ms. Christel Bories.................	Director	May 30, 2024	—

The members of the Board of Directors bring together a range of quality managerial, industrial and financial skills. Our directors come from a broad spectrum of professional backgrounds, including not only the automotive industry but also various other business sectors. They enhance the work and discussions of the Board of Directors and its committees through their diverse capabilities and the expert input they can give both from an international perspective as well as in terms of their specific experience in finance, manufacturing and management. They act in the best interests of all shareholders and are fully involved in defining our corporate strategy so that they can actively contribute to and support the decisions of the Board of Directors.

We have two employee-elected directors and no observer. Each member of the Board of Directors must hold at least 500 shares in our company throughout his or her term of office. However, Board members who do not receive compensation from the Issuer for his/her duties, shall only hold 20 shares provided for in the by-laws and Board members representing the employees have no obligation to hold a minimum number of shares. There are no family relationships between members of the Board of Directors or corporate officers.

Responsibilities of the Board of Directors

The rules of procedure of the Board of Directors detail the mission of the Board of Directors and its committees. Such rules describe the Board's *modus operandi* (including provision of information to its members) and its role in our management and our compliance with the law and our Articles of Association.

They specify the rights and responsibilities of members of our Board of Directors, particularly regarding the prevention of conflicts of interest, the holding of multiple offices, and the need for strict confidentiality in deliberations as well as diligence in taking part in the work of the Board of Directors. They also mention the rules governing transactions in our shares, which are detailed in the Code of Good Conduct with respect to the management of inside information and to securities transactions.

The Board of Directors is free to decide how to exercise their oversight. This can be performed, under its responsibility, either by the Chairman of the Board of Directors himself or by another person appointed by the Board of Directors and bearing the title of Chief Executive Officer.

Since July 1, 2016, the positions of our Chairman and Chief Executive Officer have been separate.

Permanent Committees of the Board of Directors

The Audit Committee

The Audit Committee has the primary role of reviewing the approval process for the corporate and consolidated financial statements as well as the process of preparing financial information. It ensures the relations with the statutory auditors of which it handles the selection process and checks the independence and follows internal control and risks management processes. It also reviews the budget, its execution and, more generally, the Group's financial situation.

The Audit Committee consists of five members with financial or accounting experience and expertise (including four independent directors): Judy Curran, Esther Gaide (Chairwoman), Valérie Landon, Nicolas Peter and Emmanuel Pioche (employee representative).

Governance, Nominations and Sustainability Committee

The Governance, Nominations and Sustainability Committee (formerly, Governance and Nominations Committee) is tasked with the role of dealing with issues relating to the composition and operation of the Board of Directors and its Committees. More generally, the Committee assesses the Issuer's governance structure and, in this context, the exercise conditions of the Issuer's management and, where appropriate, makes recommendations in this regard. It also makes any necessary opinion in relation to the Board's Committees. Moreover, the Committee handles the selection and succession process for the Chair of the Board, the members of the general management and the Board members. It conducts the governance's assessment process (assessment of Board and Committees' work, examination of Board members' independence) and it annually reviews the selection and succession plans of the members of the Executive Committee. The Committee is also in charge of assessing the policy followed by the Issuer in ethics and compliance as regards good governance practice and reviewing social and environmental responsibility matters.

The Governance, Nominations and Sustainability Committee consists of four members (including three independent directors): Michel de Rosen, Penelope Herscher, Jean-Bernard Lévy (Chairman) and Robert Peugeot (permanent representative of Peugeot 1810, Board member).

Compensation Committee

The Compensation Committee is tasked with the role of dealing with issues relating to the compensation of the Chair of the Board, members of the general management and Board members. More generally, the Committee

deals with issues associated with long term incentive plans policy. It is also informed of the performance and the compensation of the Executive Committee and also reviews the evolution of the compensation policy applicable to the Group main managers (Executive Committee, Group Leadership Committee).

The Compensation Committee consists of four members (including three independent directors): Denis Mercier (Chairman), Daniel Bernardino (employees representative), Michael Bolle and Christel Bories.

Conflicts of Interest

As provided for in the Board of Directors' internal regulations, each director must disclose to the Board any conflicts of interest (including any potential conflicts of interest) relating to issues on the agendas of Board meetings, and must refrain from taking part in the vote on the matters in question and must not attend Board meetings during the period of conflict of interests. The Issuer monitors carefully any situation likely to give rise to a potential conflict of interest. Each year, the Issuer notably provides its Board members with a detailed questionnaire allowing them to obtain the information required and thus make the necessary declarations.

An *ad hoc* committee can be put in place by the Board of Directors to deal with certain specific topics. In accordance with best governance practice, an *ad hoc* committee was notably established by the Board of Directors in the context of the distribution of the Issuer's shares by Stellantis to its shareholders. In 2022, on the proposal of the Governance, Nominations and Sustainability Committee, the Board of Directors decided to set up an *ad hoc* (temporary) Committee in charge of the succession plan for the Chairman of the Board of Directors.

The Board of Directors strengthened its rules relating to conflicts of interest by adopting a procedure regarding the use of inside information. This procedure provides that no transactions may be carried out involving our shares until the related information has been made public. Directors and certain categories of personnel, who are all included in a regularly updated list, must disclose any trades they carry out in our shares to the Issuer which then informs the market.

Executive Committee

Under the responsibility of the Chief Executive Officer ("**CEO**"), our Executive Committee is comprised of the CEO and fifteen Executive Vice-Presidents of the Group's international business groups and support functions. Our executive management meets every month to review our results and consider general matters concerning our Group. Its members are as follows:

Name	Position	Joined the Issuer
Mr. Martin Fischer	Chief Executive Officer	2024
Mr. Shoji Akiyama	Executive Vice-President, JIKA Region (Japan, India, South Korea and South-East Asia)	2024
Mr. Jim Chang	Executive Vice-President, Faurecia Clarion Electronics	2025
Ms. Victoria Chanial	Executive Vice-President, Communication, Public Affairs and Sustainability Development	2021
Mr. Vincent Cousin	Executive Vice-President, Security, Cybersecurity, Risk and Crisis Management	2024
Mr. David Degrange	Executive Vice-President, Sales & Program Management	2025
Mr. Jorge Delic	Executive Vice-President, South America	2022
Mr. Olivier Durand	Executive Vice-President, Group Chief Financial Officer	2017
Ms. Jill Greene	Executive Vice-President, Group General Counsel & Board Secretary	2023
Mr. Olivier Lefebvre	Executive Vice-President, Industrial Operations & Faurecia Clean Mobility and in charge of Group Purchasing and Group Information Technology	1995
Mr. Jingcheng Li	Executive Vice-President, Group Strategy	2006
Mr. Chuan Ma	Executive Vice-President, China	2009
Mr. Thorsten Muschal	Executive Vice-President, Faurecia Interiors	1992
Mr. Stéphane Noël	Executive Vice-President, Faurecia Seating	2024
Mr. Jean-Pierre Sounillac	Executive Vice-President, Human Resources	2001
Mr. François Tardif	Executive Vice-President, North America	2012

Senior Management

Each of our six business groups is organized into geographic divisions (Europe, North America and China) which manage operations in their region and also coordinate operations with customers headquartered in their region.

The six 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 (including operations, finance and human resources), the management teams described above form our Group Leadership Committee. On December 31, 2024, our Group Leadership Committee had 263 members. This is our operational management team, responsible for the Issuer's operations, growth and performance.

Compensation of the Board of Directors and the Executive Committee

The Board of Directors, upon 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.

The total compensation paid to non-executive corporate officers of the Board of Directors amounted to €0.7 million, compared with €0.9 million in 2023.

The total compensation paid to the members of the Executive Committee in 2024 amounted to €18.4 million, compared with €16.7 million in 2023.

PRINCIPAL SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Principal Shareholders

As at December 31, 2024, our share capital amounted to €1,379,625,380 divided into 197,089,340 fully paid-up shares with a par value of €7, all in the same class. As of December 31, 2024, the total number of double voting rights represents less than 15% of the total number of voting rights as of December 31, 2024.

The HELLA Family Pool is collectively our largest shareholder with approximately 9% of our share capital.

Our ownership structure and exercisable voting rights as at December 31, 2024 were as follows:

Shareholder	Shares Owned	% shares outstanding	% exercisable voting rights
Major shareholders[(1)]			
HELLA Family Pool	17,345,867	8.80	10.27
Exor N.V.	9,948,904	5.05	4.54
Peugeot 1810	6,110,494	3.10	5.50
Subtotal	***33,405,265***	***16.95***	***20.31***
Company and company-related shareholding			
Corporate officers[(2)]	209,642	0.10	0.16
Employees[(3)]	3,843,080	1.95	2.37
Treasury shares[(4)]	494,574	0.25	0.00
o/w liquidity contract	225,000	0.11	0.00
Subtotal	***4,547,296***	***2.31***	***2.54***
Free float and other			
Other (including free float)	159,136,779	80.74	77.15
TOTAL	**197,089,340**	**100.00**	**100.00**

(1) The major shareholders mentioned are those holding more than 3% of the capital stock or voting rights as of December 31, 2024.

(2) Excluding PEUGEOT 1810, 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 voting rights exercisable at the Annual General Meeting would be 5.38%.

(3) Calculated pursuant to art. L. 225-102 of the French Commercial Code. This figure includes shares held by Faur'ESO International Employees as part of a Stock Appreciation Rights (SAR) plan.

(4) Voting rights in treasury shares cannot be exercised by us.

Transactions with related parties

Our business relations with non-consolidated or equity consolidated entities were considered as insignificant as of December 31, 2024.

In the ordinary course of our business, our consolidated subsidiaries, including our minority interests in consolidated subsidiaries, engage in intragroup transactions, including distributions and the issuance of dividends. In accordance with our past practice and in the ordinary course of our business, between December 31, 2024 and the date of this Offering Memorandum, our consolidated subsidiaries issued dividends to the Issuer or to other consolidated subsidiaries, including our minority interests in consolidated subsidiaries. In the year ended December 31, 2024, our consolidated subsidiaries issued dividends to the external shareholders of our minority interests in consolidated subsidiaries, in the amount of €89.5 million (recorded under "Dividends paid to minority interests in consolidated subsidiaries" in our 2024 Consolidated Financial Statements).

DESCRIPTION OF OTHER INDEBTEDNESS

Debt Summary

Our net debt as at December 31, 2024 was €6,622.6 million, reflecting total gross debt of €11,132.0 million and cash equivalents (including other current financial assets included in net debt) of €4,509.4 million. Our subsidiaries hold significant cash balances from their servicing of derecognized receivables, which are included in our short-term debt. In addition, our subsidiaries tend to hold significant amounts of cash that they intend to use to fund working capital requirements and capital expenditure, particularly in jurisdictions where it would be disadvantageous from a tax perspective to distribute the cash and subsequently to receive funding from the parent company.

The weighted average interest rate on our gross outstanding debt was 4.79% for the year ended December 31, 2024.

The main elements of our long-term debt as at December 31, 2024 were the Syndicated Credit Facility of €1,500 million of which there have been no drawings as at the date of this Offering Memorandum, the Japanese Yen Term and Revolving Facilities Agreement of JPY30 billion which has been fully drawn as at the date of this Offering Memorandum, the HELLA Credit Facility of €450 million of which there have been no drawings as of the date of this Offering Memorandum, JPY22 billion in aggregate principal amount of the HELLA Japanese Yen Debt, €700 million in aggregate principal amount of the Sustainability-Linked 2021 Schuldschein, and €742.6 million in aggregate principal amount of the Sustainability-Linked 2024 Schuldschein (of which an aggregate of €1,273 million is outstanding under both Sustainability-Linked Schuldscheins), €750 million in aggregate principal amount of the 2026 Notes, €750 million in aggregate principal amount of 2026 Sustainability-Linked Notes (of which €330.2 million is outstanding), €890 million in aggregate principal amount of the 2027 Notes, €1,200 million in aggregate principal amount of the 2027 Sustainability-Linked Notes, €700 million in aggregate principal amount of the 2028 Notes, €500 million in aggregate principal amount of the 2029 Notes, €400 million in aggregate principal amount of the 2029 Green Notes, €700 million in aggregate principal amount of 2031 Notes, JPY19.2 billion in aggregate principal amount of the JPY Notes, €500 million in aggregate principal amount of the HELLA 2027 Notes, €315 million under the EIB Loan, €500 million under the Term Loan, U.S.$300 million equivalent under the Latin American Syndicated Loans and €200 million under the HELLA SSD.

For a schedule of the maturities of our outstanding long-term debt as at December 31, 2024, see "*Management's Discussion and Analysis of Results of Operations—Contractual Obligations and Commercial Commitments*."

2026 Notes

On March 27, 2019, we issued €500 million in principal amount of 3.125% Senior Notes due 2026 and, on October 31, 2019, we issued an additional €250 million in principal amount of 3.125% Senior Notes due 2026, which are consolidated and form a single series. They are listed on Euronext Dublin (Global Exchange Market). The 2026 Notes will mature at par on June 15, 2026 unless earlier redeemed or repurchased and cancelled. The Issuer intends to use the proceeds of the Notes offered hereby to refinance in full the 2026 Notes.

Terms of the 2026 Notes

We are required to pay interest on the 2026 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2019.

The 2026 Notes will mature at par on June 15, 2026 unless earlier redeemed or repurchased and cancelled. The 2026 Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2026 Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2026 Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to December 15, 2022, redeem up to 35% of the outstanding principal amount of the 2026 Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 103.125% of the principal amount thereof, plus

accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2026 Notes may require us to repurchase their 2026 Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

2026 Sustainability-Linked Notes

On November 15, 2022, we issued €700 million in principal amount of 7.25% Sustainability-Linked Senior Notes due 2026 and, on February 1, 2023, we issued an additional €250 million in principal amount of 7.25% Sustainability-Linked Senior Notes due 2026, which are consolidated and form a single series. On December 14, 2023, March 11, 2024 and May 7, 2024, we repurchased approximately €150 million, approximately €220 million and approximately €250 million, respectively, in principal amount of the 2026 Sustainability-Linked Notes, reducing the principal outstanding from an aggregate of €950 million to approximately €330 million. The 2026 Sustainability-Linked Notes are listed on Euronext Dublin (Global Exchange Market).

As of December 31, 2023, FORVIA achieved its SPT 1.a target of reducing Scope 1 Emissions and Scope 2 Emissions intensity by 20% between 2019 and 2023. As of December 31, 2023, FORVIA had scope 1 & 2 CO_2 emissions of 26 tCO_2 equivalent per € million of sales, as compared with scope 1 & 2 emissions of 49 tCO_2 equivalent per € million of sales, which corresponds to a reduction of more than 53%.

Terms of the 2026 Sustainability-Linked Notes

We are required to pay interest on the 2026 Sustainability-Linked Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2023. The interest rate payable on the Notes will increase by 0.25% per annum from June 15, 2026 unless we certify that by December 31, 2025 we have achieved the relevant sustainability performance target (attaining the Issuer's target set forth in the Group's sustainability-linked financing framework to reduce absolute Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 10% by 2026, 15% by 2027 and 45% by 2030 from its 2019 baseline, subject to any recalculation) and obtain an assurance letter from the external verifier.

The 2026 Sustainability-Linked Notes will mature (i) at a redemption price of 100.125%, unless we certify that we have achieved the relevant sustainability performance target, or (ii) otherwise at par, on June 15, 2026 unless earlier redeemed or repurchased and cancelled. The 2026 Sustainability-Linked Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2026 Sustainability-Linked Notes are redeemable, in whole or in part, at any time prior to November 15, 2024 at a redemption price equal to 100% of their principal amount plus a "make-whole" premium and accrued and unpaid interest, if any, to the redemption date. The 2026 Sustainability-Linked Notes are also redeemable at any time on or after November 15, 2024 at redemption prices that vary depending on the year of redemption and attainment and certification of the relevant sustainability performance target. In addition, we may, at our option and on one or more occasions prior to November 15, 2024, redeem up to 40% of the outstanding principal amount of the 2026 Sustainability-Linked Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 107.25% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the 2026 Sustainability-Linked Notes, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2026 Sustainability-Linked Notes may require us to repurchase their 2026 Sustainability-Linked Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

2027 Notes

On November 27, 2019, we issued €700 million in principal amount of 2.375% Senior Notes due 2027 and, on February 3, 2021, we issued €190 million in principal amount of 2.375% Senior Notes due 2027, which are consolidated and form a single series. They are listed on Euronext Dublin (Global Exchange Market). The 2027 Notes will mature at par on June 15, 2027 unless earlier redeemed or repurchased and cancelled.

Terms of the 2027 Notes

We are required to pay interest on the 2027 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2020.

The 2027 Notes will mature at par on June 15, 2027 unless earlier redeemed or repurchased and cancelled. The 2027 Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2027 Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2027 Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to June 15, 2023, redeem up to 35% of the outstanding principal amount of the 2027 Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 102.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2027 Notes may require us to repurchase their 2027 Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

2027 Sustainability-Linked Notes

On November 10, 2021, we issued €1,200 million in principal amount of 2.75% Sustainability-Linked Senior Notes due 2027. They are listed on Euronext Dublin (Global Exchange Market).

As of December 31, 2023, FORVIA achieved its SPT 1.a target of reducing scope 1 & 2 emissions intensity by 20% between 2019 and 2023. As of December 31, 2023, FORVIA had scope 1 & 2 CO_2 emissions of 26 tCO_2 equivalent per € millions of sales, as compared with scopa 1 & 2 emissions of 49 tCO_2 equivalent per € million of sales, which corresponds to a reduction of more than 53%.

Terms of the 2027 Sustainability-Linked Notes

We are required to pay interest on the 2027 Sustainability-Linked Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2022. The interest rate payable on the Notes will increase by 0.25% per annum from June 15, 2026 unless we certify that by December 31, 2025 we have achieved the relevant sustainability performance target (attaining the Issuer's target set forth in the Group's sustainability-linked financing framework to reduce absolute Scope 1 Emissions, Scope 2 Emissions and Scope 3 Emissions by 10% by 2026, 15% by 2027 and 45% by 2030 from its 2019 baseline, subject to any recalculation) and obtain an assurance letter from the external verifier.

The 2027 Sustainability-Linked Notes will mature (i) at a redemption price of 100.125%, unless we certify that we have achieved the relevant sustainability performance target, or (ii) otherwise at par, on June 15, 2027 unless earlier redeemed or repurchased and cancelled. The 2027 Sustainability-Linked Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2027 Sustainability-Linked Notes are redeemable, in whole or in part, at any time prior to February 15, 2024 at a redemption price equal to 100% of their principal amount plus a "make-whole" premium and accrued and unpaid interest, if any, to the redemption date. The 2027 Sustainability-Linked Notes are also redeemable at any time on or after February 15, 2024 at redemption prices that vary depending on the year of redemption and attainment and certification of the relevant sustainability performance target. In addition, we may, at our option and on one or more occasions prior to February 15, 2024, redeem up to 40% of the outstanding principal amount of the 2027 Sustainability-Linked Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 102.75% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the 2027 Sustainability-Linked Notes, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2027 Sustainability-Linked Notes may require us to repurchase their 2027 Sustainability-Linked Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

2028 Notes

On July 31, 2020, we issued €700 million in principal amount of 3.750% Senior Notes due 2028. They are listed on Euronext Dublin (Global Exchange Market). The 2028 Notes will mature at par on June 15, 2028 unless earlier redeemed or repurchased and cancelled.

Terms of the 2028 Notes

We are required to pay interest on the 2028 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on December 15, 2020.

The 2028 Notes will mature at par on June 15, 2028 unless earlier redeemed or repurchased and cancelled. The 2028 Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2028 Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2028 Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to June 15, 2023, redeem up to 40% of the outstanding principal amount of the 2028 Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 103.750% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2028 Notes may require us to repurchase their 2028 Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

2029 Green Notes

On March 22, 2021, we issued €400 million in principal amount of 2.375% Senior Notes due 2029. They are listed on Euronext Dublin (Global Exchange Market). The 2029 Green Notes will mature at par on June 15, 2029 unless earlier redeemed or repurchased and cancelled.

Terms of the 2029 Green Notes

We are required to pay interest on the 2029 Green Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2021.

The 2029 Green Notes will mature at par on June 15, 2029 unless earlier redeemed or repurchased and cancelled. The 2029 Green Notes are senior unsecured obligations of the Issuer, and are not guaranteed.

The 2029 Green Notes are redeemable, in whole or in part, at a redemption price equal to 100% of their principal amount plus a redemption premium and accrued and unpaid interest, if any, to the redemption date. The 2029 Green Notes are also redeemable, in whole but not in part, upon certain developments affecting taxation, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, we may, at our option and on one or more occasions prior to June 15, 2024, redeem up to 40% of the outstanding principal amount of the 2029 Green Notes with the net proceeds from one or more specified equity offerings at a redemption price equal to 102.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2029 Green Notes may require us to repurchase their 2029 Green Notes at a price equal to 101% of the outstanding principal amount thereof, plus accrued and unpaid interest, if any.

2029 Notes and the 2031 Notes

On March 11, 2024, we issued €500 million in principal amount of 5.125% Senior Notes due 2029 and €500 in principal amount of 5.500% Senior Notes due 2031 and used a portion of the net proceeds from these offerings to settle concurrent cash tender offers for a portion of our 2.625% Senior Notes due 2025 (since repaid in full)and a portion of the 2026 Sustainability-Linked Notes. The aggregate principal amount of 2026 Sustainability-Linked Notes purchased in the tender offers amounted to approximately €220 million.

On May 7, 2024, we issued an additional €200 million in principal amount of 5.500% Senior Notes due 2031, which are consolidated and form a single series with the €500 million 5.500% Senior Notes due 2031, and used

the net proceeds therefrom to settle a concurrent cash tender offer for an additional corresponding amount of 2026 Sustainability-Linked Notes.

Each of the 2029 Notes and the 2031 Notes are listed on the Global Exchange Market of Euronext Dublin. The 2029 Notes and the 2031 Notes will mature at par on June 15, 2029 and June 15, 2031, respectively unless earlier redeemed or repurchased and cancelled.

Terms of the 2029 Notes and the 2031 Notes

We are required to pay interest on the 2029 Notes and the 2031 Notes semi-annually in arrear on June 15 and December 15 of each year, commencing on June 15, 2024.

The 2029 Notes will mature at par on June 15, 2029 and the 2031 Notes will mature at par on June 14, 2031, in each case unless earlier redeemed or repurchased and cancelled. Neither the 2029 Notes nor the 2031 Notes are senior unsecured obligations of the Issuer, nor are they guaranteed.

The 2029 Notes and the 2031 Notes are redeemable, in whole or in part, at any time prior to June 15, 2026 or June 15, 2027, respectively, at a redemption price equal to 100% of their principal amount plus a "make-whole" premium and accrued and unpaid interest, if any, to the redemption date. The 2029 Notes and the 2031 Notes are also redeemable at any time on or after June 15, 2026 or June 15, 2027, respectively, at redemption prices that vary depending on the year of redemption. In addition, we may, at our option and on one or more occasions prior to June 15, 2026 or June 15, 2027, respectively, redeem up to 40% of the aggregate principal amount of the 2029 Notes or redeem up to 40% of the aggregate principal amount of the 2031 Notes at any time prior to June 15, 2026 or June 15, 2027, respectively, with the net proceeds from one or more specified equity offerings at a redemption price for the 2029 Notes equal to 105.125% of the principal amount of the 2029 Notes or at a redemption price for the 2031 Notes equal to 105.500% of the principal amount of the 2031 Notes, plus, in each case, accrued and unpaid interest, if any, to the redemption date. In the event of certain developments affecting taxation, we may redeem all, but not less than all, of the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date. In addition, in the event we undergo specific kinds of changes of control, holders of the 2029 Notes and the 2031 Notes.

JPY Notes

2026 JPY Notes

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

As of December 31, 2024, the outstanding amount of these bonds amounted to ¥11,700 million (€71.8 million, translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024).

2027 JPY Notes

On December 15, 2023, FORVIA issued bonds for an amount of ¥6,800 million due March 15, 2027, bearing annual interest of 2.81%, payable on June 15 and December 15 each year, as from June 15, 2024 (provided that the last interest payment shall be made on March 13, 2026).

As of December 31, 2024, the outstanding amount of these bonds amounted to ¥6,800 million (€41.7 million, translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024).

2028 JPY Notes

On December 15, 2023, FORVIA issued bonds for an amount of ¥700 million due December 15, 2028, bearing annual interest of 3.19%, payable on June 15 and December 15 each year, as from June 15, 2024 (provided that the last interest payment shall be made on March 15, 2027).

As of December 31, 2024, the outstanding amount of these bonds amounted to ¥700 million (€4.3 million, translated from Japanese Yen into euros at a rate of ¥163.06 per €1.00, which was the rate of Japanese Yen per euro as published by the European Central Bank as at December 31, 2024).

Terms of the JPY Notes

Each series of the JPY Notes will mature at a redemption price of 100%, unless earlier redeemed or repurchased and cancelled. Each Series of the JPY Notes are senior unsecured and unguaranteed obligations of the Issuer.

Each series of the JPY Notes is redeemable, in the event of certain developments affecting taxation, in whole but not in part, at the option of the Issuer, at any time, at 100% of the principal amount, together with any interest accrued to and including the date fixed for redemption. In addition, upon the occurrence of certain changes of control of FORVIA, each bondholder will have the right to require us to redeem all or any part of such bondholder's bonds at a redemption price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of redemption.

Syndicated Credit Facility

On December 15, 2014, FORVIA signed a syndicated credit facility among us as borrower and various lenders, 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 signed with its lenders 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 CO neutrality for its scopes 1 & 2, and to extend its maturity to five years, i.e. May 2026, with two one-year extension options subject to the lenders' agreement.

On April 26, 2022 FORVIA renegotiated its covenant related its leverage ratio (ratio of Net debt to Adjusted EBITDA) and which compliance is a condition affecting the availability of this credit facility. Net debt corresponds to published consolidated net debt. Adjusted EBITDA corresponds to operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, for the past twelve months. 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, 2024, this condition was met.

On June 27, 2023 FORVIA 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, subject to the lenders' 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 lenders representing two-thirds of the syndicate) and on the debt level of some subsidiaries.

On June 10, 2024, FORVIA extended the maturity of the syndicated credit facility to May 26, 2028 for an amount of €1,500 million.

As of December 31, 2024, this facility was not drawn.

Japanese Yen Term and Revolving Facilities Agreement

We have entered into a JPY30 billion Japanese Yen Term and Revolving Facilities Agreement among us as borrower and various lenders dated February 7, 2020 with a five-year maturity (with the possibility to extend such maturity by two one-year periods, the first of which has been exercised to extend maturity to February 7, 2026). The maturity of the credit line has been extended from February 2025 to February 2026 by exercising the first extension option.

The Japanese Yen Term and Revolving Facilities Agreement is composed of (i) a term facility for an amount of JPY15 billion and (ii) a revolving facility for an amount of JPY15 billion.

As at the date of this Offering Memorandum, JPY20 billion was drawn under the facility. The Japanese Yen Term and Revolving Facilities Agreement includes one financial covenant (which needs to be complied with semi-annually), concerning compliance with a consolidated financial ratio: the ratio of total net debt to Adjusted EBITDA must not exceed 3.0x (previously 2.79x).

On April 26, 2022 we proactively renegotiated such covenant. The level of this ratio was not tested on June 30, 2022 and will be set at 3.75x for December 31, 2022 (instead of 3.0x) before returning to 3.0x from June 30, 2023 onwards.

As at December 31, 2024, we complied with this ratio.

Net debt corresponds to published consolidated net debt. Adjusted EBITDA corresponds to operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, for the past twelve months. Furthermore, this Japanese Yen Term and Revolving Facilities Agreement includes some restrictive provisions on asset disposals (and for example, a disposal representing the higher of €4,000 million and 35% of our total consolidated assets requires the prior approval of lenders representing two-thirds of the lenders under the Japanese Yen Term and Revolving Facilities Agreement) and on the level of indebtedness of our subsidiaries.

Sustainability-Linked Schuldschein

In December 2021, we entered into transactions to issue €700 million in principal amount of sustainability-linked *Schuldscheindarlehen* (a privately placed bank loan under German law), issued in multiple tranches with settlement in December 2021 for €435 million thereof and in January 2022 for €265 million thereof, maturing in July 2024, January 2026, January 2027 and January 2028 and of which FORVIA repaid €138.0 million of the floating rate tranche upon maturity in July 2024. The Sustainability-Linked 2021 Schuldschein was issued under our sustainability-linked financing framework established in October 2021. The Sustainability-Linked 2021 Schuldschein does not include any financial covenants. However, the Sustainability-Linked 2021 Schuldschein includes certain restrictive provisions on asset disposals and on the level of indebtedness of our subsidiaries. The U.S. dollar tranches have in effect been partially converted in euro through long term cross-currency swaps. The proceeds from the Sustainability-Linked 2021 Schuldschein were used to finance the HELLA Acquisition.

In July 2024, we entered into transactions to issue €742.6 million in principal amount of sustainability-linked *Schuldscheindarlehen* (a privately placed bank loan under German law), issued in multiple tranches with settlement July 12, 2024 for €542.6 million thereof and on July 24, 2024 for €200 million thereof, maturing in January 2027, January 2028, July 2029 and July 2031. The Sustainability-Linked 2024 Schuldschein was issued under our sustainability-linked financing framework established in October 2021. The Sustainability-Linked 2024 Schuldschein does not include any financial covenants. However, the Sustainability-Linked 2024 Schuldschein includes certain restrictive provisions on asset disposals and on the level of indebtedness of our subsidiaries. The U.S. dollar tranches have in effect been partially converted in euro through long term cross-currency swaps. The proceeds from the Sustainability-Linked 2024 Schuldschein were used to finance the early repayment of reimbursement by anticipation of other *schuldschein* maturing in 2024 and the redemption of the remaining outstanding amount of our 2.625% Senior Notes due 2025.

Factoring Programs

We have several factoring programs, which enable us to obtain financing at a lower cost than issuing bonds or obtaining bank loans. Part of our financing requirements is met through receivables sale programs, under which the receivables are derecognized and not included as assets in our consolidated balance sheet.

As at December 31, 2024, financing under these programs, corresponding to the cash received as consideration for the receivables sold totaled €1,278.9 million, compared to €1,291.6 million as at December 31, 2023 and €1,274.9 million as at December 31, 2022. See note 19 of our 2024 Consolidated Financial Statements for more information on our factoring programs.

Negotiable Debt Instruments

We have a €1,200 million commercial paper program (NEU CP) and a €500 million Medium Term Notes program (NEU MTN). We regularly issue securities under these programs with maturities of between one month and 2.5 years. As at December 31, 2024, the outstanding amount under both programs, aggregated, was €487.2 million.

European Investment Bank Term Loan

We entered into a €315 million term loan dated July 1, 2022 with a seven-year maturity to finance investments in R&D and manufacturing deployment of hydrogen technology for mobility applications and R&D in the fields of vehicle advanced driver assistance systems and driver monitoring systems. The EIB Loan is composed of two tranches (i) a first tranche for an amount of €289 million, and (ii) a second tranche of €26 million. As at December 31, 2024, €315 million was drawn under the EIB Loan.

The EIB Loan includes one financial covenant tested semi-annually requiring a consolidated financial ratio of total net debt to Adjusted EBITDA not to exceed 3.75x as at December 31, 2022, 3.75x as at December 31, 2023 and 3.75x as at December 31, 2024 and thereafter. For the purposes of such financial covenant (i) net debt corresponds to published consolidated net debt and (ii) Adjusted EBITDA corresponds to operating income plus depreciation, amortization and provisions for impairment in value of property, plant and equipment and intangible assets, for the last twelve months.

As at December 31, 2024, we complied with this ratio.

The EIB Loan also includes restrictive provisions on asset disposals and on the level of indebtedness of our subsidiaries.

Latin American Syndicated Loans

Our consolidated subsidiary, FORVIA Sistemas Automotrices de Mexico Srl, entered into a U.S.$210 million equivalent loan (converted from MXN to U.S.$ at the time of issuance) dated September 22, 2022 with a five-year maturity. The following loans were made available to us pursuant to the Latin American Syndicated Facility agreement: (i) a first tranche of MXN 2 billion with floating interest and (ii) a second tranche of U.S.$110 million with floating interest. We entered into a further U.S.$90 million (converted from MXN to U.S.$ at the time of issuance) loan dated February 10, 2023 with the same conditions and maturity, March 22, 2028.

Although the Latin American Syndicated Facility does not include any financial covenants, it includes certain restrictions on the level of indebtedness of some of our subsidiaries.

Term Loan

FORVIA signed on June 9, 2023 a €500 million syndicated loan 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 CO neutrality for its scopes 1, 2 & 3 controlled emissions. On May 24, 2024, the maturity of this loan was extended to June 2, 2027.

The Term Loan 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.

HELLA Indebtedness

The indebtedness of HELLA, FORVIA's majority-owned and fully consolidated subsidiary, will be structurally senior to the Syndicated Credit Facility, the Japanese Yen Term and Revolving Facilities Agreement, the Schuldscheindarlehen, the EIB Loan, the Term Loan, the 2026 Sustainability-Linked Notes, 2027 Notes, the 2027 Sustainability-Linked Notes, the 2028 Notes, the 2029 Green Notes, the JPY Notes and the Notes.

The HELLA Indebtedness includes (i) the HELLA 2027 Notes, (ii) the HELLA Japanese Yen Debt, (iii) the HELLA USD Loan, (iv) the HELLA SSD and (v) to the extent drawn, if at all, the HELLA Credit Facility.

HELLA 2027 Notes

The HELLA 2027 Notes were issued on September 3, 2019, with a principal amount of €500 million. The HELLA 2027 Notes are due on January 26, 2027, and bear annual interest of 0.50%, which is payable on January 26 each year, beginning from January 26, 2020.

The proceeds of the HELLA 2027 Notes were used to redeem the €500 million bonds due January 24, 2020, bearing annual interest of 2.375%, issued in January 2013.

The HELLA 2027 Notes are listed on the Luxembourg Stock Exchange.

HELLA Japanese Yen Debt

On September 17, 2002, HELLA issued a notes certificate for an amount of JPY 12 billion due on September 17, 2032, bearing annual interest of 3.50% (accruing in Japanese Yen), which is payable on March 17 and September 17 each year, beginning from March 17, 2003.

On June 26, 2003, HELLA signed a loan for an amount of JPY 10 billion due June 20, 2033, bearing annual interest of 4.02% (accruing in U.S. dollars), which is payable on June 20 and December 20 each year, beginning from December 20, 2003.

HELLA Credit Facility

On September 30, 2022 HELLA signed a new syndicated credit facility, replacing the prior facility signed on June 1, 2015, for an amount of up to €450 million, with maturity on September 30, 2025, with two one-year extension options and an option to increase the amount up to an additional €150 million. In September 2023, HELLA exercised one of its extension options to extend the maturity of the credit line through December 2026.

As of December 31, 2024, this facility was not drawn.

HELLA USD Loan

HELLA is party to a loan denominated in U.S. dollars, in the equivalent amount of U.S.$75 million, due in January 2026.

HELLA SSD

In March 2024, HELLA placed a senior unsecured *schuldschein* with principal amount of €200 million (the "**HELLA SSD**"). The HELLA SSD was placed in several tranches, in EUR and USD, at fixed and variable rates, with maturities in March 2027, March 2029 and March 2031. Proceeds were used in May 2024 to repay a portion of the maturing €300 million 1.000% Notes due 2024 which HELLA had issued in May 2017.