

Sustainability Report 2021-22

Governance | Planet | Business | People

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FORVIA

Inspiring mobility

Our vision

Mobility is at the heart of people's lives and what matters to them: moving freely and caring for the planet, in their own way.

Our mission

We pioneer technology for mobility experiences that matter to people.

Inspired to care

our sustainability journey

Driven to inspire the future, we are ourselves inspired to care.

For the planet, our business and society, this is our approach to sustainability.

Editorial

For many years, sustainability and responsibility have been convictions that are strongly shared by Faurecia and HELLA. Now that our communities have successfully joined forces and begun our new adventure as FORVIA, the world's seventh-largest Tier-1 automotive supplier, this commitment brings us even closer. We see and frame everything through the lens of sustainability: for us, mobility is about much more than moving. It is at the heart of people's lives and what matters to them: moving freely and caring for the planet, in their own way. This common vision is reflected in our mission: to create pioneering technology for mobility experiences that matter to people.

Our common sustainability roadmap is already delivering substantial results. We are convinced that our targets and commitments to the planet, business and people make us a Group that offers exciting opportunities and perspectives for all of our stakeholders, who are part of our journey. With many actions in place, we are already embracing the urgent transformation of our industry.



PATRICK KOLLER

FORVIA Faurecia Chief Executive Officer

FORVIA has become the first automotive player with a net-zero target approved by the Science Based Targets initiative (SBTi), recognizing our efficiency and leadership in this field.

Our goal is to reach CO₂ neutrality from 2045 by transforming our products and production methods, based on the maxim to use less, use better, and use longer.

Our commitments translate into practical, measurable initiatives that you will discover in this Sustainability Report for 2021 and 2022. We would like to thank our incredible 150,000-strong community who put sustainability at the heart of everything they do, in order to meet the challenges of future generations.



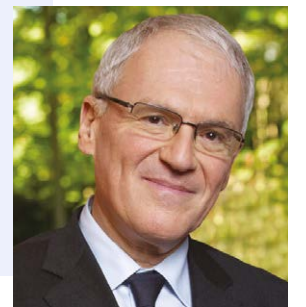
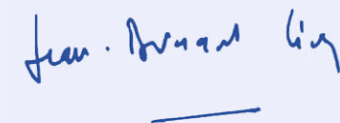
MICHEL DE ROSEN

FORVIA Faurecia Chairman of the Board of Directors

Among the major challenges of our times, the fight against climate change and the quest for a fairer, more inclusive world go hand in hand: one cannot exist without the other. For many years, convinced that companies should make a positive contribution to society, Faurecia and HELLA have been automotive industry pioneers in walking the talk on sustainability issues. Their wide range of commitments and actions include CO₂ neutrality, responsible supply chain, diversity & inclusion, and societal engagement. The road ahead is long and complex. And FORVIA has all the assets to play a leading role.

This is why it has been an honour to join the Governance, Nominations and Sustainability Committee as Chairman from early 2021, to guide and assess company's ethics and compliance policies and review its social and environmental responsibility actions.

Faurecia and HELLA are committed to achieve their shared mission under the FORVIA Group. I am confident that they will accelerate together and succeed in building a net-zero, sustainable future that reconciles protecting the planet with improvements to mobility, well-being and development.



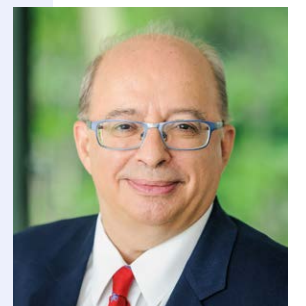
JEAN-BERNARD LÉVY

Chairman and Chief Executive Officer of EDF Member of FORVIA Board of Directors – Chairman of the Governance, Nominations and Sustainability Committee

Contributing to a better, more sustainable world is one of the most pressing issues of our time. At FORVIA, we are committed to our holistic Sustainability Roadmap focusing on our impact on the planet and people, as well as responsible governance. Key action areas address circularity and the reduction of the CO₂ footprint of our value chain. FORVIA's new science based net-zero targets are proof of our engagement to tackle climate change and decrease greenhouse gas emissions, aiming for a net-zero value chain in 2045.

We are taking action today to combat climate change with sustainable, profitable solutions.

For instance, we are investing in R&D for innovative technologies that electrify vehicles and pave the way for CO₂-neutral mobility. Our employees can do their jobs in the knowledge that they are contributing to make the world a better place. And that is an amazing mindset.



MICHEL FAVRE

FORVIA HELLA Chief Executive Officer

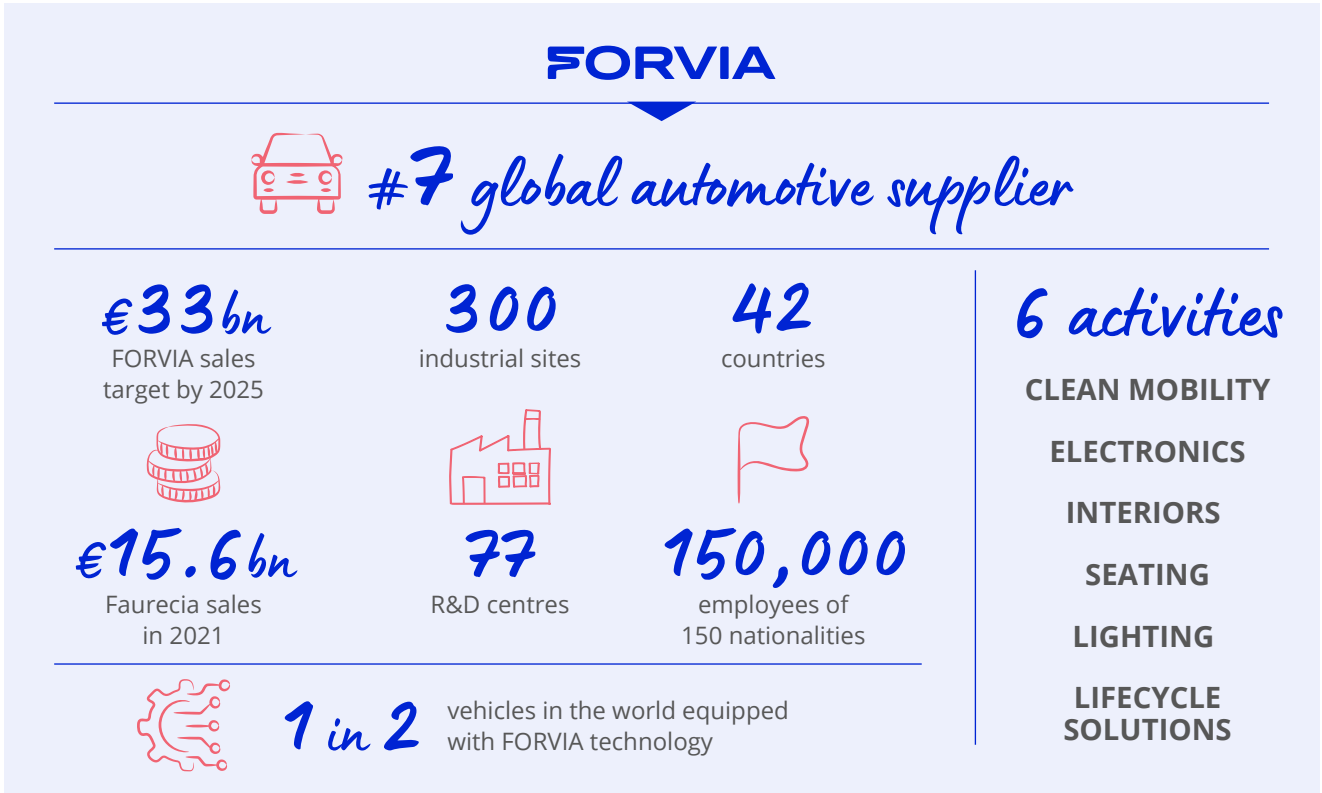
FORVIA in brief

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

Aligned with key industry megatrends and fast-growing technology areas, FORVIA is uniquely placed to bring solutions for a safe, sustainable, advanced and customized mobility. The company is organised into six Business Groups, which are accountable for Operational Performance and Total Customer Satisfaction.

The Group's key initiatives for sustainable development, and in particular its ambition to become net CO₂ neutral by 2045, are based on its strong convictions and values. Its transformation is embedded in a robust, ethical and efficient corporate governance structure.

This document enables all stakeholders to better understand the company's vision and strategy for profitable growth. FORVIA's business model is focused on creating value for all its stakeholders, in terms of both financial and non-financial performance, over the short and long term.




A transformative mindset



At FORVIA, we believe that embracing a bold ambition inspires us **to push the boundaries** and play our part in driving positive change.

A strong ESG commitment



By placing **sustainability at the heart of our strategy**, we care for our planet, conduct business in a responsible way and positively contribute to our society.

A broad portfolio



At FORVIA, we offer a unique and broad technology portfolio **for advanced and customized mobility experiences.**

A people-centric approach



United around a common passion, we leverage the full diversity and expertise of our **150,000 talents** to offer mobility solutions **designed for the people.**

For further information please consult the Group's website www.forvia.com.

Our sustainability convictions

As of 1 November 2022



Our world is in a state of permanent disruption and faces major environmental and social challenges. These include, among others, urbanization, population growth, climate change, scarce resources and technological change.

As a company, we strongly believe that we play a key role in facing up to these challenges, and that we can make a difference.

We have started to have a positive impact on society and the planet by:

- reducing our CO₂ footprint and offering solutions for sustainable mobility;
- investing in technology and new business models;
- engaging in open, responsible and balanced dialogue with our stakeholders;
- contributing to economic development and the creation of social value through local hiring;
- encouraging the broadest possible diversity in our recruitment processes and career management, while fostering workplace conditions that are tailored to individual needs;
- providing training and career advancement for our employees.

And we will continue to move forward: this is the cornerstone of FORVIA's commitment to sustainability.



Board of Directors



Executive Committee



FORVIA Faurecia: 1. Michel de Rosen - Chairman of the Board of Directors. 2. Patrick Koller - Chief Executive Officer. 3. Dr. Jürgen Behrend - Managing general partner of Hueck Industrie Holding KG. 4. Daniel Bernardino - Board member representing the employees. 5. Judy Curran - Head of Global Automotive Strategy of ANSYS. 6. Odile Desforges - Board member. 7. Penelope Herscher - Chair/Board member. 8. Valérie Landon - Chief Executive Officer France and Belgium Credit Suisse. 9. Jean-Bernard Lévy - Chairman and Chief Executive Officer of EDF. 10. Yan Mei - Senior Partner, Chair of Brunswick Group (China). 11. Denis Mercier - Deputy Chief Executive Officer of Fives Group. 12. Peter Mertens - Board member. 13. Peugeot 1810 - Represented by Robert Peugeot, Chairman of the Board of Directors of Peugeot Invest. 14. Emmanuel Pioche - Board member representing the employees. 15. Yann Brillat-Savarin - Executive Vice-President, Group Strategy. 16. Victoria Chaniel - Executive Vice-President, Group Communications. 17. Nolwenn Delaunay - Executive Vice-President, Group General Counsel & Board Secretary. 18. Olivier Durand - Executive Vice-President, Group Chief Financial Officer. 19. Nik Endrud - Executive Vice-President, North America. 20. Franck Huber - Executive Vice-President, Faurecia Seating. 21. Olivier Lefebvre - Executive Vice-President, Clean Mobility. 22. Jean-Paul Michel - Executive Vice-President, Faurecia Interiors. 23. Christopher Mokwa - Executive Vice-President, Digital Transformation. 24. Thorsten Muschal - Executive Vice-President, Sales and Program Management. 25. Christophe Schmitt - Executive Vice-President, Group Operations. 26. Jean-Pierre Sounillac - Executive Vice-President, Group Human Resources. 27. François Tardif - Executive Vice-President, Clarion Electronics and Asia.



Members of the Faurecia Board of Directors and Executive Committee and of the HELLA Shareholders Committee and Management Board



As of 1 November 2022

Shareholders Committee



Management Board



FORVIA HELLA: A. Prof. Dr. Wolfgang Ziebart - Chairman of the HELLA Shareholders Committee, Independent Advisor. B. Patrick Koller - Vice-Chairman of the Shareholders Committee and Chief Executive Officer of Faurecia. C. Nolwenn Delaunay - Executive Vice-President, General Counsel & Board Secretary of Faurecia. D. Olivier Durand - Executive Vice-President, Chief Financial Officer of Faurecia. E. Christophe Schmitt - Executive Vice-President, Group Operations of Faurecia. F. Jean-Pierre Sounillac - Executive Vice-President, Group Human Resources of Faurecia. G. Andreas Renschler - Chairman of the HELLA Supervisory Board, Independent Advisor. H. Judith Buss - Chairwoman of the Audit Committee of the HELLA Supervisory Board, Independent Advisor. I. Michel Favre - Chief Executive Officer. J. Yves Andres - Member of the Management Board, Lighting. K. Dr. Lea Corzilius - Member of the Management Board, Lifecycle Solutions and Human Resources. L. Bernard Schäferbarthold - Member of the Management Board, Finance, Controlling, Information Technology and Process Management. M. Björn Twiehaus - Member of the Management Board, Electronics.



Faurecia's 2021 sustainability performance*

* At the publication of this report, Faurecia owns more than 80% of HELLA. The two companies form the FORVIA Group. This reports mainly concerns the sustainability performance of Faurecia. When available, data are presented for HELLA's sustainability performance. The consolidation of FORVIA Group data is ongoing.



Governance

→ A diverse, international, multidisciplinary Board of Directors

82% independent Board members

13 Board Members, including 2 representing employees and 5 women (45.5%)

1 "Governance, Nomination & Sustainability" Board Committee

Quarterly Excom Committee meeting on sustainable transformation initiatives

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



Planet

0.72 CO₂ emissions scope 1 & 2 (MtCO₂eq)

46.6 CO₂ intensity (tCO₂eq/€ million of sales)

27 CO₂ emissions scope 3 (MtCO₂eq)

175 water intensity (m³/€ million of sales)

13 waste intensity (Tons/€ million of sales)

13% share of revenues eligible for the Green taxonomy



Business

95% of targeted employees received training on the Code of Ethics

1.33 accidents per million hours worked with and without a day lost (FR1t)

97% of suppliers were assessed for sustainability by EcoVadis

35/100 minimum EcoVadis score for suppliers in panel



People

21% women among the top 300 leaders

27% women managers & skilled professionals

22.6h training hours per employee

12% of employees involved in local projects



1. Governance

**Sustainability integrated
into corporate governance**

FORVIA's governance structure relies on the best standards of independence, transparency, openness, inclusiveness and responsibility for the Group's strategic and operational business.

FORVIA's governance structure includes complementary governance bodies at Faurecia and HELLA with efficient decision-making processes at all levels of the Group. It takes into account every financial, societal, social and environmental challenge in light of the Groups' convictions, values and commitments.



1.1 Robust & committed governance

1. Faurecia Board of Directors

The Board of Directors determines Faurecia's business, financial and economic strategies and oversees their implementation, in accordance with the corporate purpose and taking social and environmental challenges into consideration. The Board meets at least four times a year.

Enhanced independence

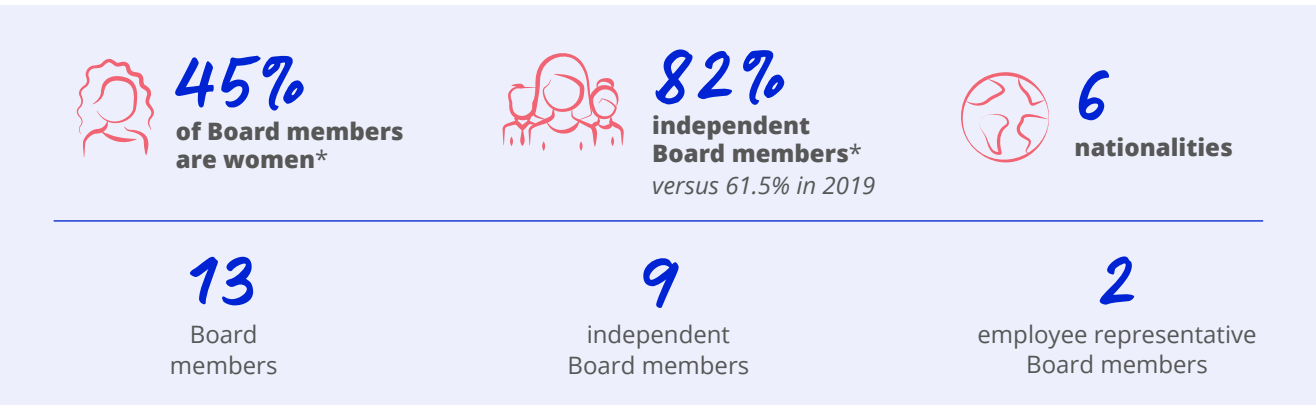
As a result of the FCA and PSA merger, the distribution by Stellantis in 2021 of its stake in Faurecia to its shareholders allowed the Group to affirm its business strategy as an independent company. The resulting enhanced independence was reflected in a change in governance, with a large majority of independent members sitting on the Board of Directors.

Three dedicated committees

Three permanent committees are tasked with preparing discussions on specific topics. They issue proposals, opinions and recommendations within their areas of expertise, with a sustainability issue integrated into each:

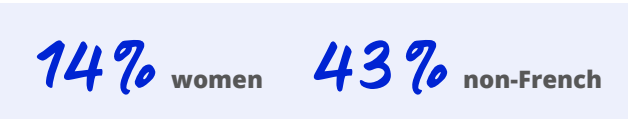
- **Audit Committee**
Review the Group's risk mapping
- **Compensation Committee**
Review the compensation policy for top management
- **Governance, Nominations and Sustainability Committee**
Steer and assess the company's ethics and compliance policies as regards good governance practice, and review the social and environmental responsibility roadmap and action plans.

Figures as of March 2022.



2. Faurecia Executive Committee

The Executive Committee has an international, diverse membership. It meets at least once a month to review the Group's results and discuss operations and strategy. Operating under the responsibility of the Chief Executive Officer, Faurecia Executive Committee is composed of the CEO and 13 Executive Vice-Presidents from the Group's international Business Groups and support roles.

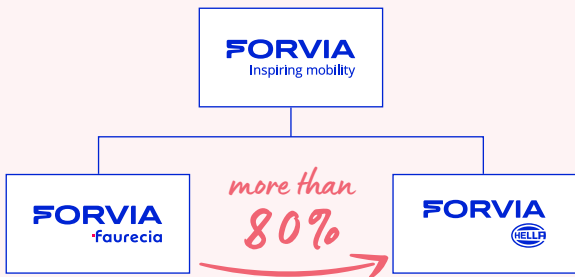


3. Full involvement of Faurecia employees in the company's shareholding

The employees' shareholding scheme and the existing top managers' shareholdings bring employee share ownership to over 2.4% of the company's capital.

HELLA governance

On August 14, 2021, Faurecia and HELLA publicly announced their intention to combine their businesses. Since January 2022, Faurecia has held a controlling interest, with 81.6% of HELLA shares, becoming HELLA's new controlling shareholder.



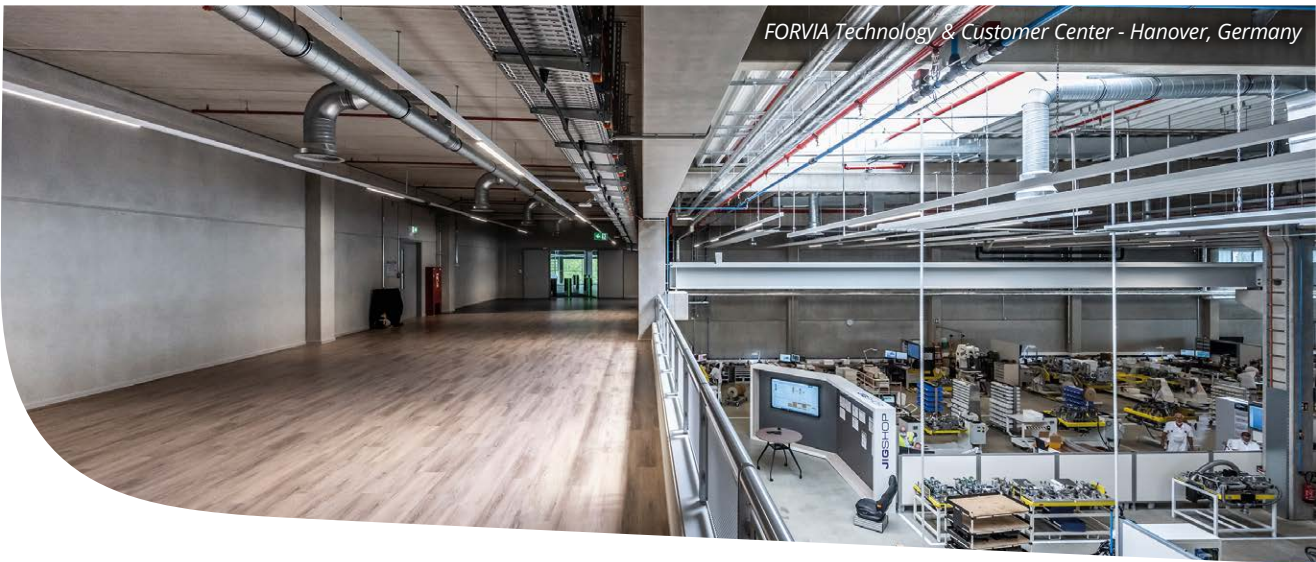
HELLA governance bodies

- **Management Board:** oversees the strategic and operational management of the HELLA Group.
- **Shareholders' Committee:** monitors and advises the Executive Board management, decides on management issues, decides on measures requiring management's approval.
- **Supervisory Board:** supervises and advises management.
- **Annual General Meeting:** exercises control rights, elects shareholder representatives to the Supervisory Board and Shareholders' Committee.

12 key skills and areas of expertise that set the company apart

Members of both Boards and the Executive Committee hail from a wide range of backgrounds and contribute diverse and complementary skills.

- | | |
|--|---|
|  Experience in Faurecia's and HELLA's core businesses |  Specific knowledge of a geographic market |
|  Experience in an industrial company |  Risk management |
|  Leadership & crisis management |  Banking/ Finance |
|  Governance/ Management of large companies |  Automotive technologies |
|  International experience |  CSR |
|  Data-based technologies/digital expertise |  Energy/ Electrification |



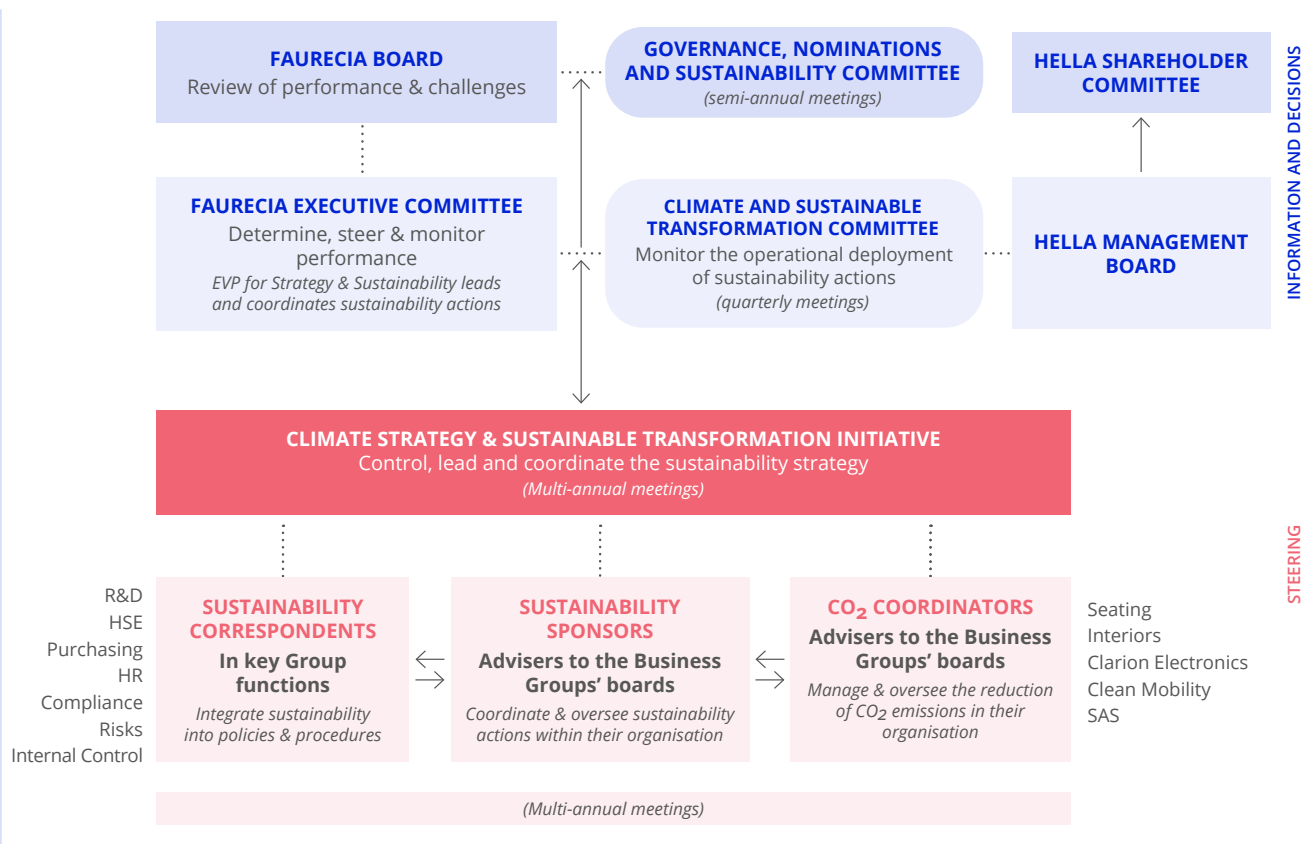
1.2 Sustainability governance

1. Driving the Group's sustainability strategy

Over the years, sustainability has become an integral part of FORVIA's decision-making process. Given the importance and scope of the sustainability issues involved in many strategic decisions, each governance body handles these issues within its area of expertise.

At Faurecia's Executive level, sustainability is led by Yann Brillat-Savarin, EVP for Strategy and Sustainability, working together with the Climate and Sustainable Transformation Executive Committee, which includes one HELLA representative.

Sustainability Governance



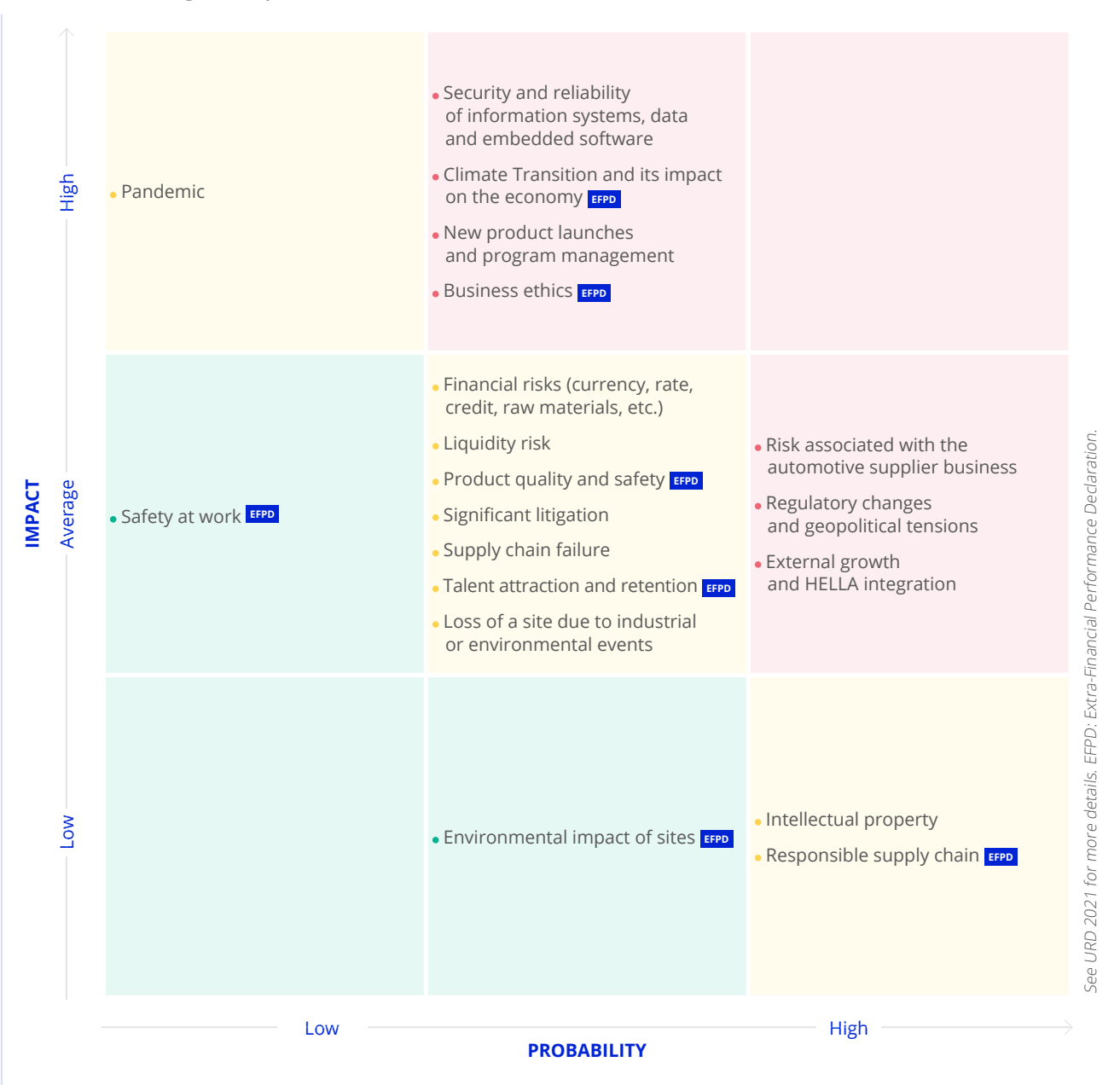
2. Sustainability embedded in the Group's processes & decision making

Group risk mapping integrating extra-financial risks

Faurecia's list of extra-financial risks is based on an in-house materiality analysis carried out in 2018 by a multidisciplinary working group from various departments. Comparisons were drawn with a risk universe for peers within the automotive sector. The preliminary list of risks was based on a methodology linked to frequency of occurrence and

degree of seriousness, which was then discussed in around twenty interviews with external stakeholders. The Executive Committee then approved a final list of risks and opportunities. These are updated on a yearly basis, and supplemented by the sustainability roadmap monitoring indicators.

Efficient risk management process



Faurecia's sustainability-linked remuneration criteria

	Short-term variable compensation	Long-term variable compensation
Faurecia Chief Executive Officer <small>(See URD 2021 p.309 for more details)</small>	15% of variable compensation linked to scope 1 & 2 CO₂e neutrality results. Qualitative objective linked to the implementation of sustainability convictions and the sustainability roadmap in the execution of the strategy.	10% of performance shares linked to gender diversity objectives .
Faurecia TOP 300 senior executives	15% of variable compensation linked to scope 1 & 2 CO₂e neutrality results.	10% of performance shares linked to gender diversity objectives .
Faurecia 4,800 Managers	15% of variable compensation linked to scope 1 & 2 CO₂e neutrality results.	

Internal strategic plan process: Business Groups & functions integrating sustainability

As part of an annual internal process, Business Groups present their 3-year strategic plan to Executive Committee members, integrating the greenhouse gas footprint reduction roadmap and more broadly the sustainability roadmap, including implementation strategies (planning, budget, resources, KPIs, etc.).

Investment decisions steered by an internal CO₂e price

Global warming, regulations, taxes and incentives will soon impact the CO₂e footprint of vehicles. Since 2021, the Group has thus included a CO₂e footprint price in new products development. The aim is to be in a position to make the right decisions and look ahead to the first vehicle's production by 2025. The internal CO₂e price will also be applied to the current product portfolio, incentivizing serial CO₂e improvements.



Internal CO₂e price

€75/tCO₂e

Group strategy integrating the climate risk transition

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

- **Applying the 11 Task Force on Climate-related Financial Disclosure (TCFD) recommendations**

Faurecia has integrated the 17 TCFD recommendations, broken down into four reporting categories: governance – strategy – risk management – indicators and objectives.










• **Climate-based Scenarios: assessing the effects of the climate transition for the Group**

As part of these TCFD recommendations, Faurecia has developed three prospective climate-based scenarios (economic, social and environmental) in partnership with the Toulouse School of Economics. These scenarios are all related to the impact of climate change. They take into account the disruptive effects of the climate transition and assess the resilience of the Group's strategy.

Three climate-based scenarios are used to test resilience of the Group's strategic plan

As per TCFD recommendations

		 Global Governance	 Complex Competition	 Wild World
Economic situation in 2050	 Governance	<ul style="list-style-type: none">• CO₂ central bank/ Climate World Bank (CWB)• International Environment Court	<ul style="list-style-type: none">• Private & national/ regional decision-makers take action• Shared initiatives + free riders (governments + companies)	<ul style="list-style-type: none">• Pension/health funds drive environmental markets (incl. CO₂)• States decentralize and divest public services
	 CO₂	<ul style="list-style-type: none">• CO₂ central bank/ Climate World Bank (CWB)• CO₂ price: € 50-100 ("managed" price)	<ul style="list-style-type: none">• CO₂ cap & trade for companies + fragmented CO₂ fines, CO₂ border taxes• CO₂ price: €30-200 (varying over time/ scope)	<ul style="list-style-type: none">• Few regional CO₂ taxes & regulations• CO₂ price: €0-1,000 (wild markets, varying CO₂ price)
	 Growth	++	+	-/+
Climate situation in 2080	 Temperature	+1.5°/2.5°C RPC 2.6	+2.5°/3.5°C RPC 4.5/6.0	+3.5°/4.5°C RPC 8.5



1.3 Sustainability ecosystem

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

Planet

SBTi

FORVIA's emissions reduction targets have been approved by the Science Based Targets initiative (SBTi) under the most ambitious scenario of 1.5°C. In 2022, FORVIA became **the first automotive company with net-zero target approved by the SBTi**.

TCFD

Since 2019, Faurecia has applied the recommendations of the Task Force on Climate-related Financial Disclosure.

French Business Climate Pledge

In 2017, Faurecia was one of the major French companies to sign the French Business Climate Pledge to take practical actions to combat climate change.

Global Hydrogen Council and French Hydrogen Council

FORVIA is part of the Hydrogen Council's executive group. The Hydrogen Council is a global initiative of leading energy, transport and industrial companies with a united vision and a long-term ambition for hydrogen to drive the energy transition.

Movin'on

Board member of the Movin'on Lab. Created by Michelin, the Movin'on Lab is an innovative and collaborative 'Think and Do Tank' aimed at promoting better life through Sustainable Mobility.

We Mean Business coalition

Since 2021, Faurecia has been a member of the coalition led by seven non-profit organisations: BSR, CDP, Ceres, CLG Europe, Climate Group, The B Team and WBCSD. The coalition aims to catalyse business leadership and drive policy goals to accelerate the transition to a net-zero economy.

Business

EPE

FORVIA is a member of Enterprises for the Environment (EpE), a French organisation that brings together 50 large French and international companies willing to give greater weight to environmental issues in their strategic decisions and day-to-day management.

ISO 14001

The Group's analysis and control of local environmental risks is based on the ISO 14001 international standard. In 2021, 85% of Faurecia production sites and 94% of HELLA production sites, which had been operational for at least two years, were ISO 14001 certified.

ISO 9001 & IATF 16949

In 2021, 100% of FORVIA's sites were certified by the international standard for quality management systems in the automotive industry.

Faurecia ESG ratings

MSCI
BBB
Scale AAA to CCC



4/5
Listed in the index series

ISS ESG
C
Scale A+ to D-

MOODY'S
64/100

EURONEXT
Euronext CAC 40 ESG index listed



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



B
Scale A to D

ecovadis

Faurecia:
69/100
Top 1% in our category



A
(in the top 8% of companies responding to the full questionnaire) scale A to D

People

UN Global Women's Empowerment Principles

Since 2020, FORVIA has been a signatory of the WEP - an initiative established by the United Nations Global Compact and UN Women. FORVIA is committed to promoting gender equality and the empowerment of women in the workplace.

Happy Index Trainees

Faurecia is "Happy Index Trainees" certified. Certification recognizing companies' approach to the onboarding, support and management of their trainees, work-study trainees and volunteers for international experience (VIEs).

Transversal

SDGs

Faurecia strongly supports the United Nations Sustainable Development Goals (SDGs) by integrating them into its materiality analysis.

Global Compact

Since 2004, Faurecia has been a signatory to the 10 principles of the Global Compact, a United Nations initiative launched in 2000. Faurecia renews its membership each year, and is committed to promoting respect for human rights, international labour standards, environmental protection and the fight against corruption.

Global Reporting Initiative (GRI)

Faurecia prepares its Extra-Financial Performance Declaration and reporting in accordance with GRI standards, core option.

Sustainability Accounting Standards Board (SASB)

The analysis of Faurecia's extra-financial challenges was made using comparisons with a risk universe for automotive sector peers, and based on SASB recommendations.

ecovadis EcoVadis

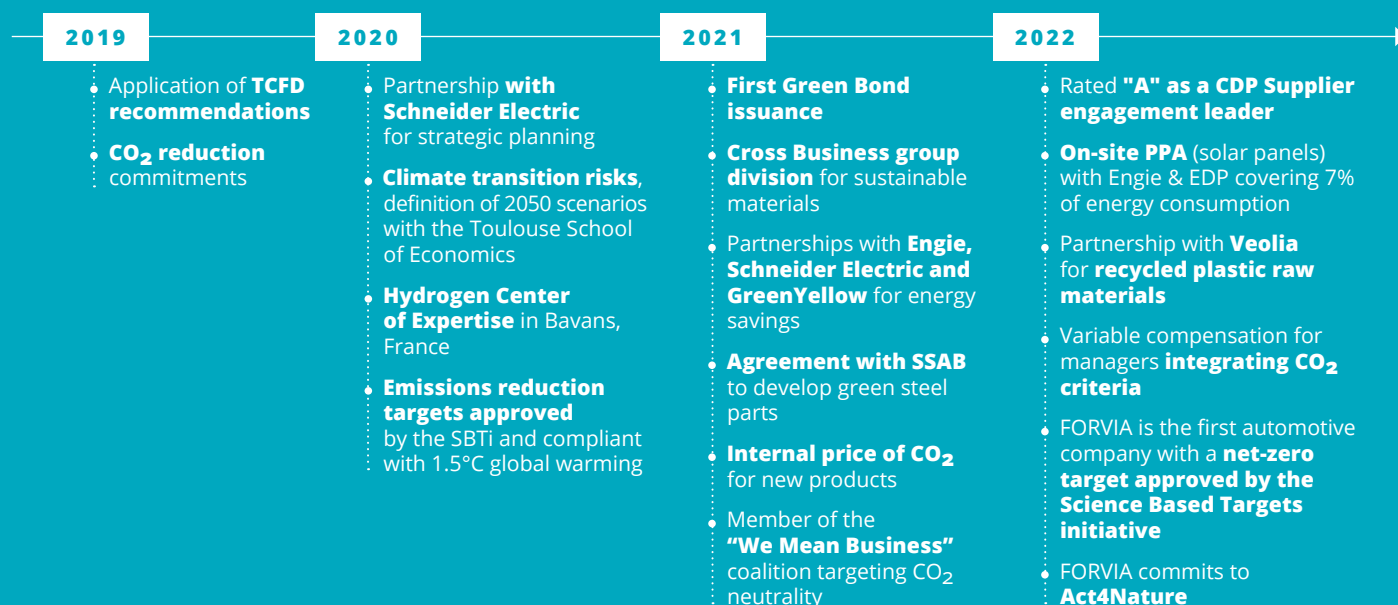
Since 2017, Faurecia has been working with EcoVadis to carry out an in-depth assessment of its suppliers, focusing on their ethical, social, and environmental practices. In 2023, HELLA will be included in the scope of this assessment.

■ Commitments ▲ Certifications
● Partnerships ◆ Transparency





2. Planet

Care for the planet



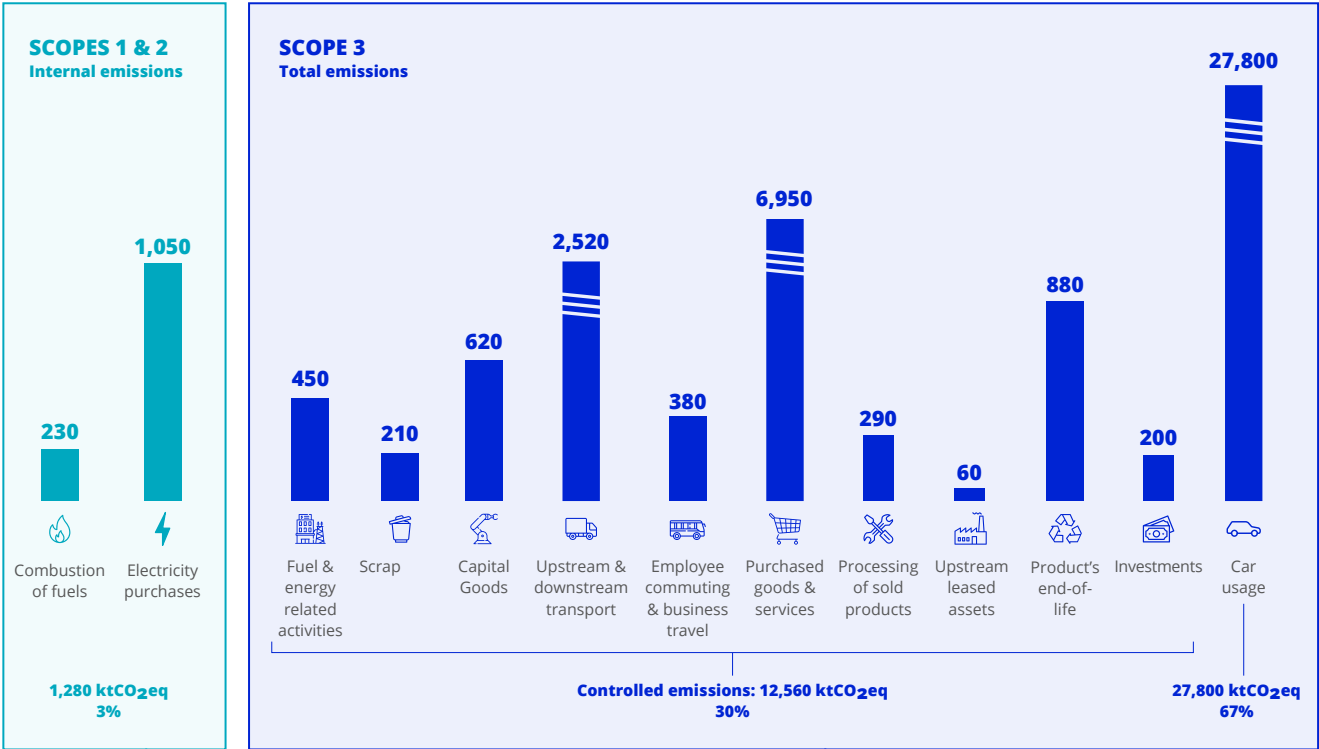
Commitments for the Planet

		KEY PERFORMANCE INDICATORS		2019* REFERENCE	2021* REFERENCE	2025 TARGET	2030 TARGET
 Environmental footprint in operations	CO ₂ emissions scopes 1 & 2 (MtCO ₂ eq)			0.93	0.72	Neutrality by 2025	
	CO ₂ intensity (tCO ₂ eq/€ million of sales)			48.8	46.6		
 Sustainable products	CO ₂ emissions scope 3 (MtCO ₂ eq)			31	27		-45%

*Faurecia data. The consolidation of FORVIA Group data is ongoing.

2.1 FORVIA 2021 CO₂ emissions breakdown

In kt CO₂ equivalent



2025

OBJECTIVE
CO₂ neutral
scopes 1 & 2

Green energy

- On-site renewable energy production
- External renewable energy sourcing

Energy Savings

- Digitalization & smart actuators
- €100 m to achieve the objective

2030

OBJECTIVE
-45% emissions
scope 3

Use less

- Lightweighting architecture
- Frugal design

Use better

- Green manufacturing
- Recycled materials
- Bio-based materials

Use longer

- Recyclability
- Modularity

FORVIA's SBTi Net-Zero commitments



In June 2022, FORVIA became the first French company and the first global automotive company to receive the new SBTi Net-Zero Standard certification.



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

The Net-Zero Standard requires companies to become CO₂ net-zero no later than 2045, and to show evidence of a common, robust, science-based understanding of what this entails. Certification is a way for companies to demonstrate to stakeholders that their emissions reductions targets are of a pace and scale required to limit long-term global warming to 1.5°C.

FORVIA's SBTi Net-Zero Standard-approved roadmap

-80% scopes 1 & 2 CO₂ emissions by 2025

FORVIA set a target in 2020 to become CO₂ neutral in its operations by 2025 (scopes 1 & 2). This roadmap has been assessed and approved by the Science Based Target initiative (SBTi) with a **-80% commitment for scopes 1 & 2**. This is in line with the target in the 2015 Paris Agreement of limiting global warming to 1.5°C.

-45% scope 3 CO₂ emissions by 2030 as an intermediate target

To reduce upstream CO₂ emissions related to its products, the Group is developing ultra-low CO₂ materials. In 2021, a new division was created for sustainable materials. FORVIA is also mobilizing its partner ecosystem, including its suppliers, to converge towards a net-zero future. FORVIA was rated "A" by CDP Suppliers for its excellent suppliers' commitment in its CO₂ neutrality roadmap.

To reduce downstream CO₂ emissions related to the use phase of its products, the Group works in particular on lightweighting architectures and frugal design, as well as end-of-life recyclability, thus contributing to the circular economy.

CO₂ Net-Zero for total emissions by 2045

FORVIA is committed to **reducing its scope 1, 2 and 3 CO₂ emissions by 90%** (in absolute value) by 2045 – a target that meets the SBTi's most ambitious standard.

Neutralizing the final 5-10%

Residual emissions amounting to 10% will be offset by removals, meaning CO₂ from the atmosphere will be **sequestered in sustainable materials, such as plastics**. This is one of the functions of FORVIA's newly created Sustainable Materials division.





2.2 Environmental footprint in operations

OUR VISION

Reducing FORVIA's environmental footprint involves neutralizing the greenhouse gas footprint in all of the Group's activities. FORVIA is also committed to applying international environmental standards in all of its sites, and works on a daily basis to reduce, recover or recycle waste generated throughout the production chain, wherever possible.

Similarly, the company is committed to using water more efficiently and to closely monitoring the use of chemicals and volatile organic compound emissions.



OUR APPROACH

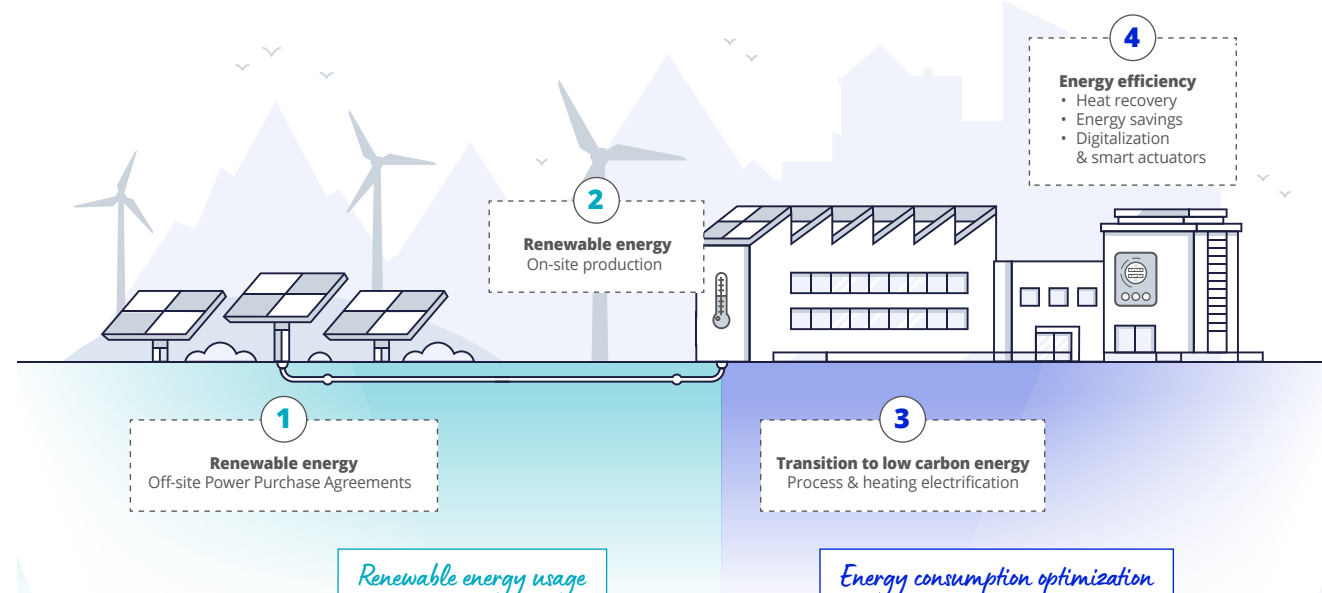
1. CO₂ neutrality in operations by 2025

Actions to accelerate the energy transition and increase energy savings

To reach its goal of operational CO₂ neutrality, FORVIA launched a global energy transition plan for 2020-2025 to develop digitalized energy efficiency and to self-produce and supply renewable energy for all Group sites around the world. As part of this plan, the Group is committed to a minimum 15% energy reduction.

→ **€70m** investment in energy savings by 2023

FORVIA's actions to meet the target of CO₂ neutrality across its sites by 2025 (scopes 1 & 2)



In 2021

1,800 GWh of global energy consumption

900 GWh of global energy consumption

FORVIA Power Purchase Agreements (PPAs)

FORVIA is stepping up its strategy to become CO₂ neutral by signing Power Purchase Agreements (PPAs) with strategic partners in the medium and long term. On-site PPAs involve setting up facilities and producing renewable energy on FORVIA sites. Off-site PPAs, meanwhile, will allow the Group to source renewable energy from externally located assets. Leveraging these strategic collaborations with leading global partners will allow FORVIA to speed up and improve its energy resilience.

On-site PPAs with Engie and EDP (2022) 15-year contract



→ 100 hectares of solar panels on **150 sites in 22 countries**

→ **100 MW** of cumulative capacity by end-2023

→ **30%** of total capacity installed before end-2022

→ **7%** of FORVIA's global electricity needs

Off-site PPAs (2022) 10-year contract

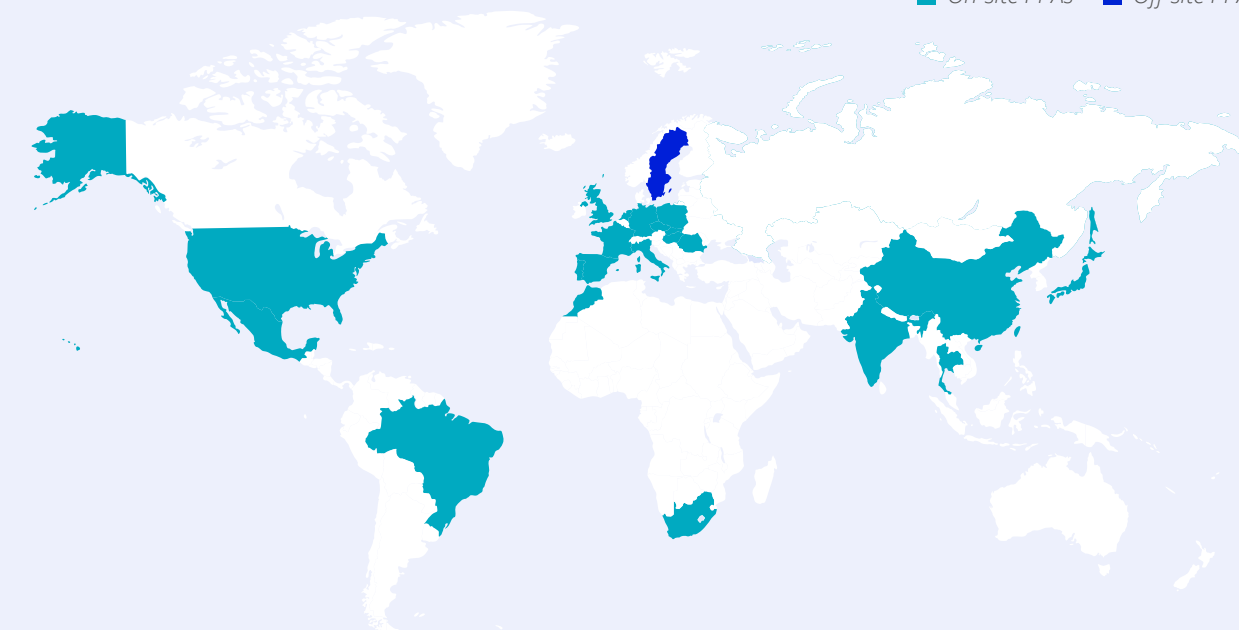


→ **27** wind turbines in two locations in Sweden

→ **650 GWh/year** by end-2023

→ **2/3** of FORVIA's European electricity consumption

■ On-site PPAs ■ Off-site PPAs



Building a CO₂ neutrality plan with a strong ecosystem

From planning to action - measuring the Group's CO₂ footprint, developing a roadmap and implementing action plans - FORVIA relies on an ecosystem of expert partners to achieve its CO₂ neutrality goals and ensure compliance with state-of-the-art requirements.

Climate strategy and sustainable transformation initiative

The CO₂ neutrality project is managed as part of the "climate strategy and sustainable transformation" initiative, reporting to the Executive Committee. Its holistic implementation includes an operational interface network for all Business Groups and support functions. A monthly and global dashboard of key indexes is used to closely monitor the roadmap and react appropriately.

Compensation for managers that integrates CO₂ neutrality criteria

To involve the teams in achieving CO₂ neutrality, the managers' compensation scheme includes a CO₂ reduction component:

- TOP 300 senior executives: 15% of the short-term compensation is linked to CO₂ neutrality
- All 4,800 managers eligible for variable compensation have 15% of their short-term compensation linked to CO₂ neutrality.

FORVIA's ecosystem of expert partners

Deloitte. sustainability leadership advisor



FOOTPRINT



the protocol used to publish all scopes (with assessment of uncertainties).



calculated footprints (scopes 1, 2, 3) since 2019



audited results for all scopes



ROADMAP



advising on disclosure of roadmaps for scopes 1 & 2



assessing and validating the roadmaps for scopes 1 & 2 as 1.5°C compliant



ACTION PLANS



advising about on-site PPAs



advising about off-site PPAs and developing energy saving solutions



set industry benchmarks & identified first action plans (scopes 1, 2, 3) supporting project management



developing energy saving solutions and installing solar panels on-site



installing solar panels on-site

2. Environmental footprint

Improving sites' environmental performance

FORVIA has committed to ISO 14001 environmental certification for its production plants that have been operational for more than two years, based on a principle of continuous improvement.

Avoiding, managing, and recovering waste

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

Making better use of water resources

Faurecia industrial processes consume a modest amount of water: Two-thirds of the Group's consumption is for sanitary use (showers, catering, toilets), and 74% of total water consumption is released to the Public Wastewater network. Improved water management is based on accurate monitoring, leak prevention and closed-loop use. The Group is preparing a plan to reduce the water consumed from the city network by prioritizing "water stress" areas and installing rainwater harvesting systems at new FORVIA sites (around 15-20 sites per year).

Preventing environmental pollution

• Limiting the use of hazardous chemical products

FORVIA has implemented a data system for managing substances throughout the supply chain for all its procured products (based on the "International Material Data System (IMDS)" OEM declaration system specific to the automotive sector). It performs upfront life cycle analysis and prevention for process by-products that may impact the environment. Among other benefits, this system provides the Group with complete information about the substances entering its products, in compliance with directives such as the European Union's REACH (Registration, Evaluation and Authorization of Chemicals) regulation. Its actions consist initially of identifying substances of concern, then anticipating and proposing substitutes.

• Limiting volatile organic compound (VOC) emissions from production

FORVIA monitors and limits atmospheric VOC emissions related to its business.



• Avoiding accidental discharge into water and soil

To eliminate the risk of accidental discharge inherent to industrial activity, FORVIA trains all site operators in anticipating risks and reacting correctly in the event of an accidental spill, in particular via its "10 Environmental Attitudes" training program. All ISO 14001-certified sites integrate the prevention of this risk into their management system. FORVIA assesses the environmental risks of its industrial projects by systematically conducting environmental audits and subsoil studies research when appropriate. Lastly, for industrial restructuring resulting in plant closures, the Group systematically assesses the environmental impact and carries out a soil and subsoil study when appropriate.



2.2 Environmental footprint in operations

Assessing the impact on biodiversity and identifying FORVIA sites located near to natural environments

FORVIA moderates its impacts on biodiversity by reducing the impact of its activities on the soil and the air. The Group has mapped its sites located close to protected areas, and takes action to reduce the pressure on these areas. Protected areas close to FORVIA sites are natural areas containing fauna and flora (interest type 1 or 2); areas containing protected species that are endangered or liable to become endangered (e.g. leopards, ground squirrels, etc.); and protected natural water areas (rivers and streams). There are 24 sites (17 production plants, 6 assembly sites and 1 R&D site) located less than three kilometres from a protected area.



In 2022, FORVIA committed to Act4nature. Led by the French organisation Entreprises for the Environment (EpE), Act4nature is an international alliance that aims to promote practical business actions that benefit nature through 10 common commitments and so-called SMART (Specific, Measurable, Attainable, Relevant and Time-bound) individual commitments.

FORVIA Green factory white book



FORVIA has created a guide listing the environmental constraints to be considered and the best practices to be applied when developing a new site (the Group develops about 15 to 20 new sites per year). It includes the identification and management of potential impacts on biodiversity.

In 2021



85%

of production plants
(operational for more than 2 years)
were ISO 14001 certified

205,000t

of waste generated
by Faurecia's sites
(62% non-hazardous waste)

64%

waste recycling rate

2,710,000m³

of water consumption

1,500t

of Volatile Organic Compound
(VOC) emissions



94%

of production plants
ISO 14001 certified

30,600t

of waste generated
by HELLA's sites

1,200,000m³

of water consumption

KEY HIGHLIGHTS



Digital transformation supporting CO₂ neutrality

Faurecia's digital transformation supports its goal of CO₂ neutrality via global monitoring (using its "Resource Advisor") and the installation of smart actuators (AI-powered energy & emissions monitoring and reduction software systems).

"We Mean Business" coalition

Faurecia is signatory to a letter from the "We Mean Business" coalition calling on the G20 to maintain the 1.5°C commitment set out in the Paris Agreement.



Think.Act.Save! program to reduce HELLA's energy consumption

As a manufacturing company, a major source of HELLA's CO₂ emissions is the energy consumed in its production. The worldwide Think.Act.Save! initiative has been implemented to systematically reduce its energy usage. As part of this program, HELLA's production experts assess where energy is being wasted, identify how machines and systems can become more energy efficient, share best practices and define new standards.

Deloitte: Measuring HELLA's CO₂ footprint

FORVIA teamed up with Deloitte to calculate its greenhouse gas footprint along the value chain (scope 3). HELLA and Faurecia have identified where the greatest emissions occur for upstream and downstream business activities. Based on this knowledge, both companies can implement key levers to reduce the CO₂ footprint efficiently.



Solar rooftop on a FORVIA production site - Allenjoie, France



2.3 Sustainable products

OUR VISION

FORVIA's commitment to the circular economy is reflected in the design of its products, taking into account their entire life cycle (eco-design, use of resources and raw materials, use phase, end-of-life and recycling).

The Group has developed an efficient management strategy for its materials and resources. The materials that Faurecia uses are mainly metals (80% by weight of total raw materials purchased) and plastic (20%).

OUR APPROACH

FORVIA assesses the life cycle of its main innovation projects, with the target of 100% of innovation & development projects undergoing a simplified Life Cycle Analysis by 2023.

1. Using environment-friendly material

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

2. Improving eco-design

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

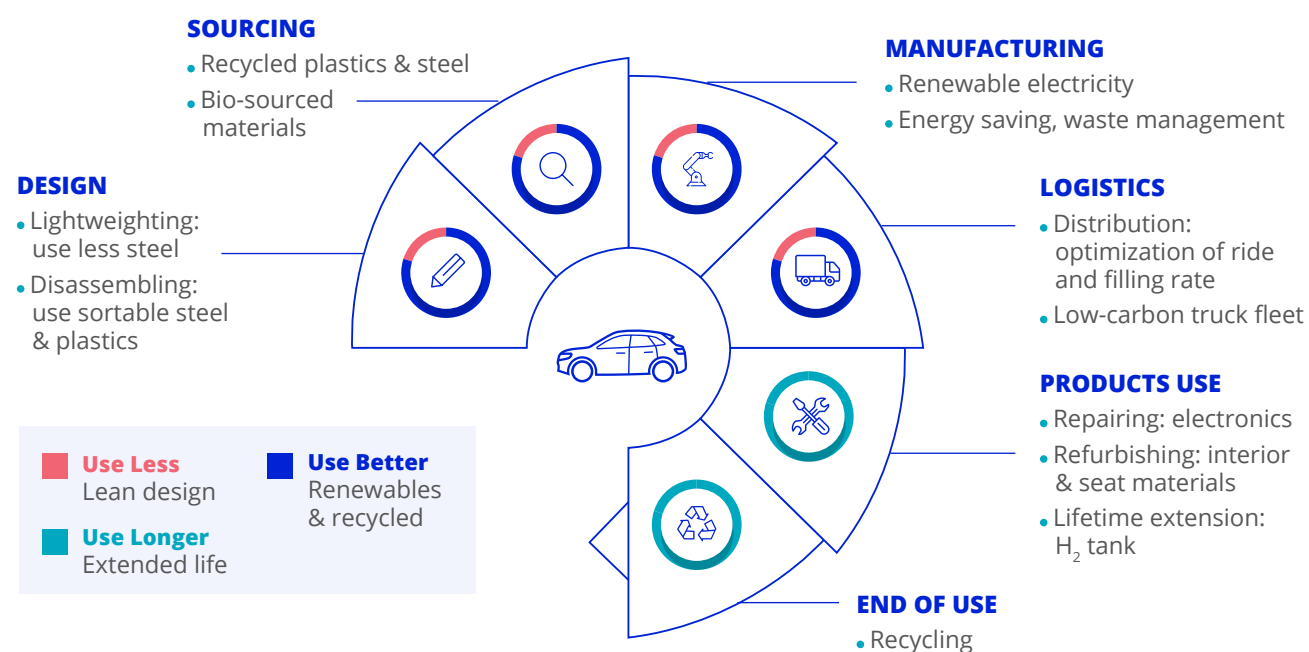
FORVIA systematically studies plastics substitutes that are not easily recyclable (PVC, thermoset or composite plastics such as glass-fibre reinforced polypropylenes). The Group innovates for greater frugality via:

- lean cockpit architecture & seat design;
- material reduction;
- use of CO₂-negative material;
- scrap reduction.

3. Life Cycle Analysis

FORVIA evaluates the life cycle of its key innovation projects. Based on the ISO 14040 and 14044 standards, it measures impacts including greenhouse gas emissions, consumption of non-renewable resources and materials, and water eutrophication. The Group is also an active participant in three Life Cycle Assessment working groups led by the main industry associations. The purpose is to discuss relevant issues and establish a common methodology.

Industry associations



MATERI'ACT: A new division to reach CO₂ neutrality in our products



FORVIA created MATERI'ACT, a new division to develop, source, produce and sell unique cutting-edge materials with low, and ultra-low footprint bringing up to 85% CO₂ reduction versus current materials.

The new entity brings more than 10 years of expertise in formulating and processing recycled and bio-sourced materials, including experience in variability management. All sustainable materials from MATERI'ACT are aligned with the European Green Taxonomy.

The range of products includes:

Bio-based and carbon-capturing compounds for interiors, seats and lighting

Renewable polymers are made of post-consumer recycled plastics and/or bio-mass. When bio-mass based, these sequester CO₂ from the atmosphere as soon as they can be recycled or re-used at their end-of-life. These polymers are used for interiors, seats and lighting. They are also offered outside the automotive industry.

Low CO₂ carbon fibers for H₂ tanks

Existing carbon fibres have high CO₂ emissions (around 30 kg CO₂/kg) due to their non-optimized production processes. This technological breakthrough will dramatically change production processes, leading eventually to single-digit emissions. These fibres will be used for H₂ tanks and other high-performance applications (e.g. aeronautics).

Bio-based foils for seats and interiors

Bio-based foils embed biomass within their structure. Used for seats or interior surfaces, they have outstanding feel and appearance and offer an animal-free alternative to traditional leather. These foils can also be used in other industries (e.g. fashion or furniture).

Green steel for seats

FORVIA is a founding partner of GravitHy, a steelmaking company producing Direct Reduced Iron using H₂ in a new chemical reaction that avoids CO₂ emissions. Production is expected to start in 2027.

FORVIA is also working with SSAB to use the first European green steel in seats as early as 2026.

SSAB



Key Milestone

- FORVIA is building a dedicated *Sustainable Materials R&D Center* and a *Pilot plant* both of which are set to become operational in 2023
- *400 engineers* in 2030
- and more than *€2 bn* in sales targeted by 2030



KEY HIGHLIGHTS

Electronic systems recycling: the RepairLab

Faurecia Clarion Electronics (FCE) offers a multi-brand repair service throughout Europe. In 2020, in partnership with Stellantis and Renault, FCE launched a electronic repair offer based on a circular economy model.

30,000 repairs each year

"Seat for the Planet" program

Faurecia Seating has developed a program to improve industrial processes, materials and seat design, and to reduce the CO₂ footprint of its systems by 45% throughout their life cycles.

- Reducing weight
- Using sustainable, recycled and recyclable materials
- Designing for modularity: reducing seat complexity from 80 to 20 elements to facilitate personalization and refurbishment over the product's lifetime, as well as end-of-life recycling

DECORE partnership: sustainable design that supports the circular economy

The DECORE (DEcarbonation, COckpit, REcycling/REconditioning) project was created by Faurecia along with Renault, the French Atomic Energy Commission (CEA) and MTB Recycling. Its goal is to decarbonise the vehicles of the future using technologies that emit less CO₂, are more sustainable, and increase vehicle lifetimes through retrofitting and refurbishment. The target is to provide cockpits designed with 40% recycled materials and an 85% lower CO₂ impact by 2030.

FORVIA
faurecia

Lifecycle Solutions

HELLA's Lifecycle Solutions business group contributes to environmental protection and the prudent use of resources. As part of its Aftermarket services, the company supplies spare

parts and provides workshops with diagnostic equipment and additional tools. FORVIA thus helps to extend vehicles' lifetimes, getting them back on the road quickly and efficiently.

FORVIA
HELLA



2.4 Green taxonomy eligible investments

OUR VISION

The EU taxonomy is a classification system issued by the European Commission that sets out a list of environmentally sustainable economic activities. It provides a common framework for investors to determine which investments are seen as contributing to net-zero carbon commitments and the Paris Climate Agreement.

As a key partner helping automotive manufacturers meet CO₂ neutrality targets, FORVIA has analysed the eligibility of its activities under this Green taxonomy classification. In 2021, about 13% of Faurecia's revenue were eligible under four main categories:

- **3.2. Manufacture of equipment for the production and use of hydrogen**
- **3.3. Low-carbon manufacturing technologies for transport**
- **3.4. Manufacture of batteries**
(8% of HELLA revenue were eligible under this category)
- **3.6. Manufacture of other low carbon technologies**

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

OUR APPROACH

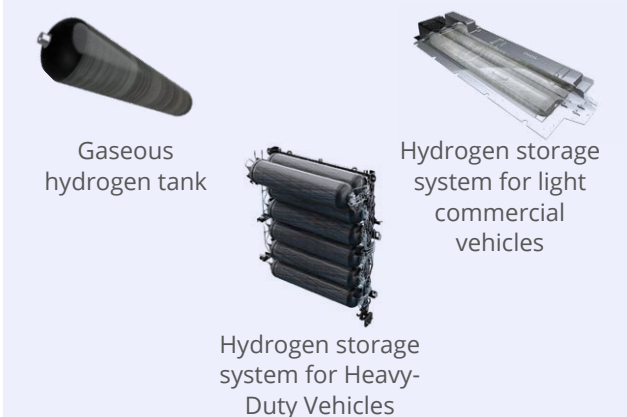
1. Hydrogen storage systems technologies

(eligible under 3.2)

FORVIA believes that hydrogen-powered mobility and fuel cell technology will occupy a significant place in the powertrains energy mix in the next 10-15 years. It supports automakers by providing complete Hydrogen Storage System integration for different vehicle architectures that meet industry requirements, with just-in-time delivery of end-of-line tested turnkey systems.

FORVIA's carbon-fibre homologated tanks (350 and 700 bar) are designed to optimize weight reduction and fuel consumption. They will be produced at the Group's new Center of Expertise for Hydrogen Storage Systems in Bavans, France. FORVIA has already signed major contracts to produce Light Commercial Vehicles, as well as a large-scale Heavy-Duty Commercial Vehicle project to promote hydrogen mobility in Switzerland.

Hydrogen Storage System (HSS)



KEY HIGHLIGHTS

Investing in Green Hydrogen

Green hydrogen is easily produced by electrolysis of water using electricity from renewable energies. It is a key lever for zero pollution and zero CO₂ emission mobility. Hydrogen also allows for the storage of overproduced renewable energy, such as a wind turbines operating at night.

2. Battery systems technologies

(eligible under 3.4)

The rapid growth of electric vehicles is driving the need for integrated battery thermal and energy management solutions, as well as lightweight battery housing that makes electric driving more economical.

FORVIA's battery management systems (BMS) ensure the safe and reliable functioning of lithium-ion batteries for fully electric vehicles, as well as for plug in and hybrid vehicles (PHEVs). These BMS monitor the voltage, temperature and current of the batteries, as well as providing various safety functions including those relating to high voltage. The BMS design is modular and scalable for integration into different drive electronics, independent of the cell technology used. This ensures a high degree of variability for use in a wide range of batteries and vehicle models.

The Group is also an expert in the thermal management of cooling circuits for batteries, electric motors and vehicle interiors. Its intelligent battery sensors also measure the state of charge and health of vehicle batteries.

→ 48V DC/DC Converter

FORVIA's 48V DC/DC converter enables bidirectional power transmission between 48V and 12V networks for mild hybrid vehicles, while powering fuel-saving options such as electric power steering actuators or windshield heaters. It also enables CO₂-reducing functionalities such as recuperation (energy recovery during braking), improved start-stop behaviour, and sailing mode (coasting in idle with the engine switched off).



3. Low-carbon vehicle technologies*

(eligible under 3.3)

FORVIA develops full system technologies for sustainable automotive design and materials, energy efficiency, extending product life and increasing recyclability.

Full interiors systems capability

FORVIA develops sustainable materials for instrument panels, door panels and centre consoles, as well as the seamless integration of smart functionalities. The use of bio-sourced materials (vegetable fibres mixed with a resin) can reduce the weight of vehicle parts and significantly lower environmental impacts.

→ Interior for the Planet

FORVIA's "Interior for the Planet" innovation program is based on three pillars: use less, incorporate recyclable and recycled materials, and create alternatives to petrol solutions, with no impact on cost. By 2030 FORVIA aims to reduce the interior CO₂ footprint from cradle to gate up to 85%.

Seats and seating systems

FORVIA develops eco-designed technologies for complete seats, seats mechanisms and frames, covers and comfort solutions aimed at optimizing safety, comfort and wellbeing. The Group is working on low-carbon textiles for seat covers as alternatives to leather. It is also innovating to reduce the complexity of its seat design from 80 to 20 elements. This frugality-based innovation will facilitate personalization and refurbishment over the seats' lifetime, as well as end-of-life recycling.

→ Seat for the Planet

FORVIA's "Seat for the Planet" innovation program is based on life cycle management and five requirements: use sustainable materials (natural, with lower CO₂ footprints, recycled or recyclable), use less (and reduce waste in manufacturing), avoid mixed materials, focus on consumer experiences and needs, and design for easy assembly and disassembly. By 2030, FORVIA aims to reduce the seat CO₂ footprint from cradle to gate by 45%.

*Low-carbon vehicles are hybrid (hydrogen or electric) with emissions of less than 50 CO₂/kg.

Electronics

The electrification of vehicles is a major lever for CO₂-neutral mobility. FORVIA thus offers a comprehensive portfolio including sensors and actuators, automated driving, lighting, body electronics, cockpit electronics, hmi/displays and energy management. FORVIA's Advanced Driver Assistance Systems (ADAS) devices help to reduce emissions when driving.

→ E-mirror range

FORVIA's e-mirror range replaces conventional door mirrors. An intelligent sensor provides drivers with a dynamic view and safety alerts, improving fuel consumption by up to 1.6% and reducing CO₂ emissions by up to 4.6 g/km.

Clean mobility

One-third of the energy currently produced by automotive drivetrains is lost as heat through the exhaust system. FORVIA's Exhaust Heat Recovery Systems (EHRS) is adapted for use in hybrid vehicles by allowing them to operate in electric mode more often, improving fuel economy and reducing CO₂ emissions.

→ Compact EHRS

FORVIA's compact EHRS can be installed close to the engine for maximum heat recovery. It reduces fuel consumption by 3-7% in cold conditions due to faster engine warmup and increased use of the electric mode.



4. Other sustainable technologies

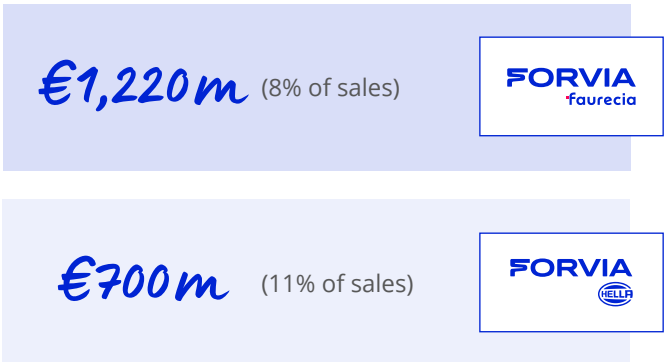
(eligible under 3.6)

FORVIA develops sustainable materials demonstrating substantial life-cycle greenhouse gas emission reductions compared to the best performing alternative technologies available on the market.

→ NAFILean®

FORVIA NAFILean® technologies incorporate hemp fibers in non-visible plastic interiors components. In addition to being fully recyclable, they offer up to 40% reductions in weight and reduce up to 95% the CO₂ emissions associated with the market reference. Around 13 million vehicles are equipped with NAFILean® products.

R&D investments** in 2021



**R&D spending including the depreciation and amortization of capitalized development costs.

KEY HIGHLIGHTS

Hydrogen Fuel Cell systems

In 2019, Faurecia created Symbio: a joint venture with Michelin to develop, produce and market hydrogen fuel cell systems for all types of electric vehicles. With an initial investment of €140 million, Symbio unites Faurecia's and Michelin's hydrogen fuel cell stack operations, with a new plant dedicated to the production of fuel cell stacks in the Lyon region. Faurecia and Symbio address 75% of the fuel cell value chain.

Partnership with Stellantis

Stellantis' new range of light commercial vehicles will be equipped with Faurecia hydrogen storage systems, as well as fuel cell stacks through Symbio.





3. Business

Responsible performance



Commitments for the Business

	KEY PERFORMANCE INDICATORS	2019* REFERENCE	2021*	FORVIA OBJECTIVES 2025 TARGET
 Business ethics	% of targeted employees receiving training on the Code of Ethics	93%	95%	100%
 Safety	Accidents per million hours worked with and without a day lost (FR1t)	2.05	1.33	1.8



3.1 Business ethics

OUR VISION

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

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



OUR APPROACH

1. Building an ethics and compliance culture

The Group's ethics and compliance program seeks to implement an extensive system of policies, processes, training programs and communications. FORVIA's leaders have a personal, renewed commitment to integrity. They are supported by a robust compliance processes that drives a Group-wide culture of integrity.

The Code of Ethics aims to develop accountability and employee empowerment based on respect for fundamental human rights, economic and social dialogue, skills development, and ethics and rules of conduct, including those related to detecting and preventing corruption.

The principles set out in the Code of Ethics are translated into operational requirements by the Management Code and other systems, such as the Anti-Corruption Code of Conduct and the Best Practices Guide aimed at combating anti-competitive practices.

In 2021

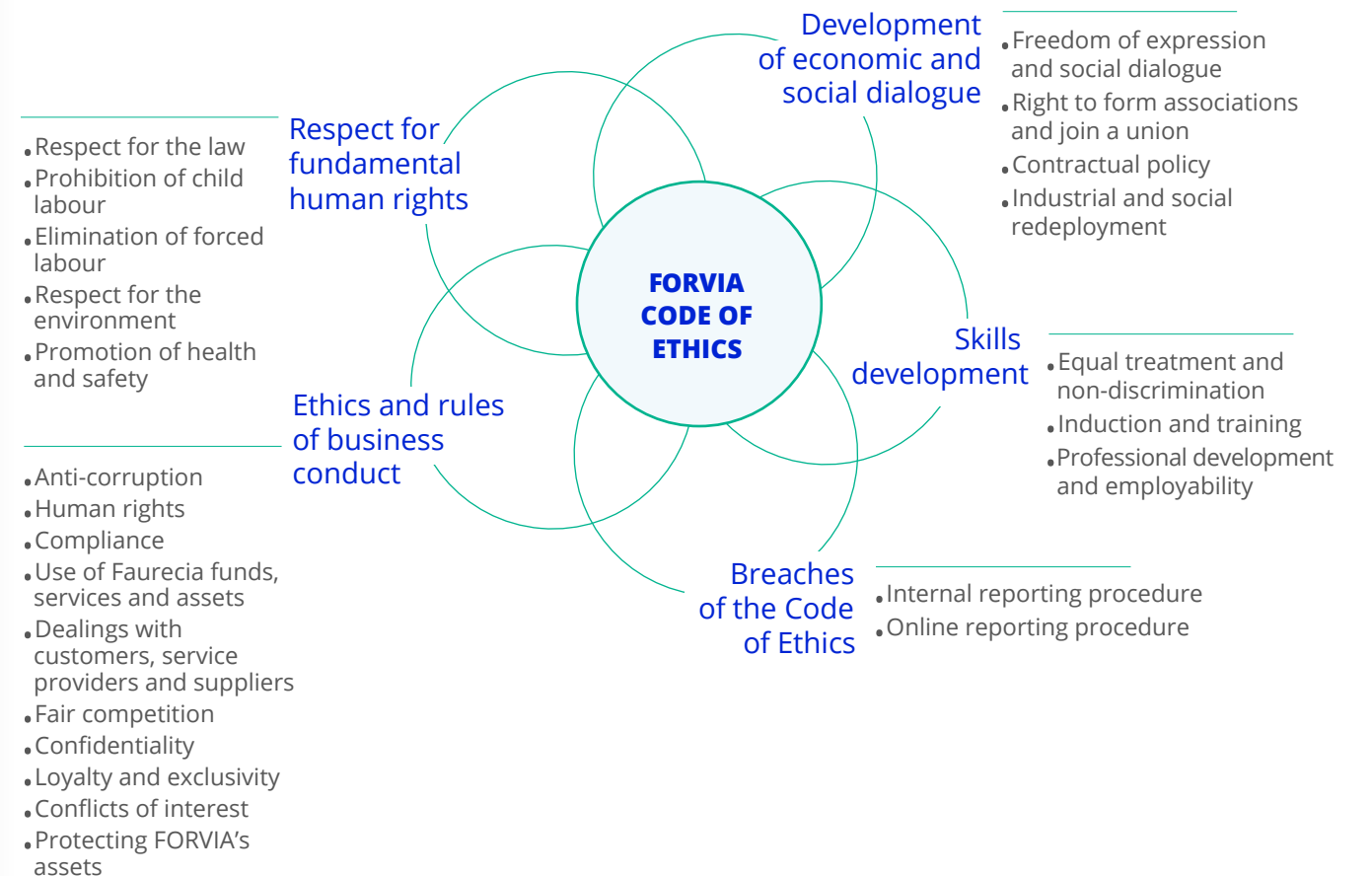


12 different languages for the Code of Ethics

100% acknowledgement of the Faurecia Code of Ethics by new employees



15 different languages for the Code of Ethics



2. Strong compliance governance

The implementation of the Group compliance program is based on specific organisation and governance:

- **Group compliance committee** chaired by the Chief Executive Officer, for priorities and strategic decisions.
- **Risk committee** for compliance risks discussions.
- **Audit committee** for disclosure of the annual compliance roadmap.
- **Regional Compliance Officers (RCOs)** and **Business Groups Compliance Leaders** for implementing the compliance program, sharing priorities and drafting action plans.

3. Continuous risk assessment

FORVIA defines and implements systems, processes and risk assessment plans to continuously improve its ethics & compliance program.

The Group Compliance Officer works closely with the Risk Officer and the Internal Control and Internal Audit network. Their role is to identify and monitor non-compliance risks and to update the compliance risk mapping on a regular basis, using feedback from the population exposed to identified risks.



100% Tier-1 compliance risks included in the Group Risk Universe

4. Training and communication on ethics and compliance

FORVIA has introduced various training sessions for all FORVIA employees (including part-time employees, interns, consultants, etc.). These courses are tailored to FORVIA's risk profile, and address the risks that local teams may face. They include online mandatory MOOCs (Ethics, Anti-trust, Anti-corruption), regular refresher sessions at the industrial sites, practical guides on anti-competitive practices, reporting and managing conflicts of interest, and the internal whistle-blowing procedure. Significant efforts have been made to disseminate these guides throughout the Group.

Along with the Human Resources, Internal Audit and Control teams, the Compliance department ensures that all identified employees receive proper training in the internal rules.

FORVIA's Duty of Care plan

In 2022, FORVIA enhanced its Duty of Care plan. Its purpose is to identify risks and prevent serious violations of human rights and fundamental freedoms, or the health and safety of people and the environment, resulting from the Group's activities or those of its subcontractors and suppliers in the various countries where it operates.

KEY HIGHLIGHTS

Faurecia's Speak Up line: a way to escalate ethics and compliance issues

Employees (including temporary workers, subcontractors, etc.) and suppliers are encouraged to raise concerns or report violations of Faurecia's internal policies, processes and applicable laws via an independent whistle-blowing hotline: www.faurecia.ethicspoint.com

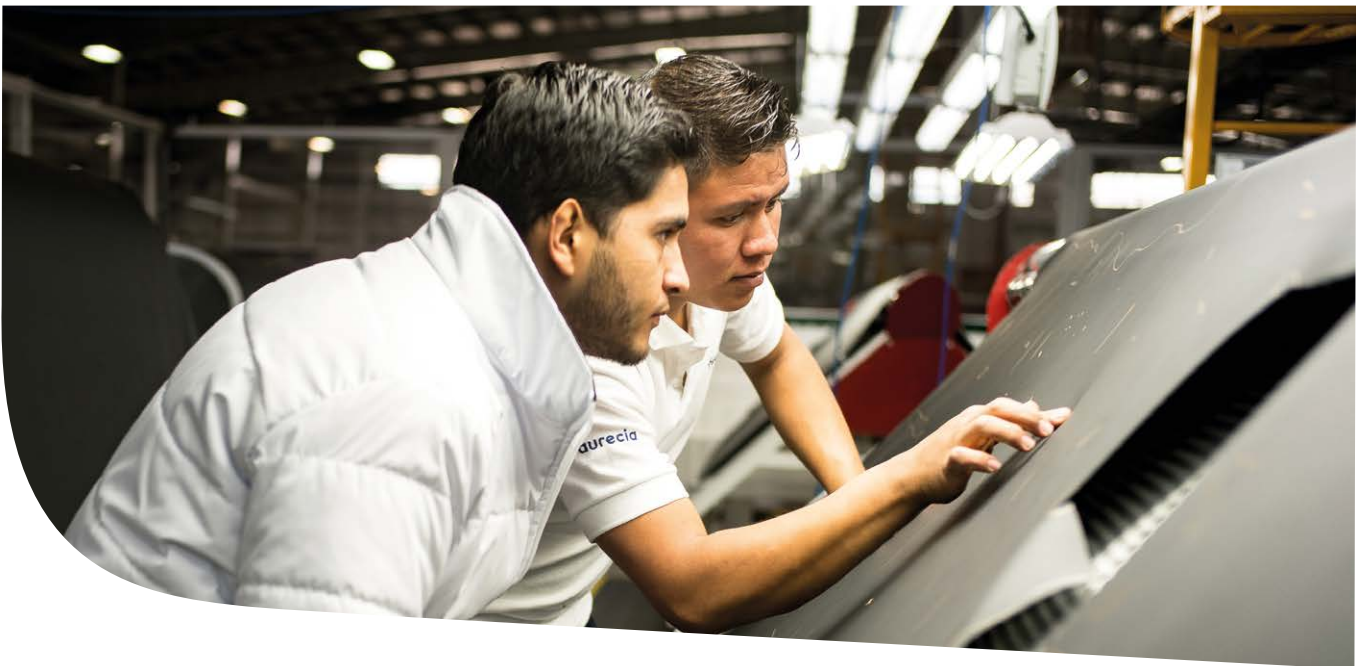


New Anti-corruption MOOC

In 2021, Faurecia launched a new anti-corruption MOOC, which was completed by 94% of its target audience (2,644 employees).

Anti-trust law: HELLA employee training

HELLA uses a new e-learning tool to train the relevant employee groups on anti-trust issues, challenges and laws. Available in four languages, the course addresses rules and offers tips relating to contact with competitors.



3.2 Safety

OUR VISION

FORVIA seeks to provide a safe work environment for all its employees and outside parties, while placing quality and service at the heart of operational excellence.

Policies and measures are implemented to anticipate, reduce and manage the main safety risks identified by FORVIA (physical injury related to production; occupational illnesses related to workstation ergonomics) based on two priorities: protecting employees' health and improving workplace safety.

The Group's Hygiene, Health and Safety policy is overseen by the HSE department. It translates into a set of simple, practical rules via the "Seven Fundamental Principles for Safety".

FORVIA is also committed to its products being beyond reproach in terms of quality and safety, including the active and passive safety of drivers and passengers, with the goal of achieving Total Customer Satisfaction. The Group's safety policy applies to its entire value chain: sourcing, development, production, customer satisfaction monitoring and, where applicable, product recalls.



0.26

2021 accident severity rate
(lost hours/1,000 hours)



0.51

2021 accident severity rate
(lost hours/1,000 hours)

OUR APPROACH

1. Safety at work

Workplace health and safety driven by excellence

FORVIA's Hygiene, Health and Safety policy is implemented via the **Faurecia Excellence System (FES)**. Based on active risk prevention, this management tool uses metrics that can be regularly checked, and their effectiveness measured.

FES incorporates the leading quality, environmental and safety standards (e.g. IATF 16949, ISO 14001 and ISO 45001) and benefits from FORVIA's 14+ years of experience. It is continually supplemented with the best internal and external practices relating to lean manufacturing.

Creating a culture of safety with the CARE program



The CARE program is deployed at nearly 300 sites worldwide. Its function is to raise awareness and increase commitment among all employees and subcontractors as they go about

their day-to-day work. The program is based on four fundamental principles:

- **Compliance:** compliance with HSE rules through training and audits;
- **Attitudes:** reactions and practices that ensure the safety of all employees;
- **Risk mitigation:** detecting and preventing risks;
- **Everyone's Commitment:** from operators to top management, including all levels of leadership.

Training, communication and internal audits

The FES ensures that all employees are continuously trained according to HSE rules. On site, several communication media (videos, messaging, presentations, etc.) are used remind all employees of the "Seven Fundamental Principles for Safety" on a daily basis. All meetings systematically begin with a safety topic. An online platform has also been set up to discuss and share best practices. Each month, a specific topic is chosen to highlight one of the Group's best practices and celebrate employees' commitment to safety issues.

Annual in-plant audits and risk assessment

Each year, an internal team conducts FES audits to assess compliance with the "Seven Fundamental Principles for Safety" and the level of risk at all sites.

The Group also launches regular actions to detect and prevent occupational safety risks in all its plants. Each "Autonomous Production Unit" aims to detect one risk per day. To better anticipate accidents, employees participate directly in the daily identification of risks.



Preventing musculoskeletal disorders

For several years, the Group has implemented measures to better take into account and reduce the physically demanding nature of its workstations, with each workstation being classified according to its level of arduousness. Workstation ergonomics are integrated into the FES tool. These are systematically taken into account from the design stage of new products and production tools, and checked both on a daily basis and during production plant audits.

2. Product safety

Implementing zero-defects

• Safety policy

FORVIA's product safety goals are rooted in its zero-defects quality policy. This policy consists of:

1. using quality criteria to ensure the intrinsic safety of products and systems with regard to their materials, their design, and their production processes (VOC emissions, mechanical resistance, etc.);
2. designing products that ensure the active and passive safety of drivers and passengers.

• Safety regulations and criteria

The Group ensures that its products comply with local regulations. Depending on the country, these may include mandatory equipment or qualifications, performance tests or impact tests. Regulatory compliance is confirmed according to local legislation, by self-certification, or by certification from accreditation laboratories.

FORVIA is also committed to designing the safest products based on independent driver and passenger safety assessments, particularly those carried out by the international New Car Assessment Programs (NPACs). Tests relate to accident prevention and the consequences of various types of impacts.

Finally, FORVIA is committed to implementing its quality and safety policy in a way that meets equipment manufacturers' requirements, which extend beyond the regulatory framework.

Creating a product safety culture

• Total Customer Satisfaction strategy (TCS)

The Total Customer Satisfaction strategy enhances and affirms FORVIA's competitive position in terms of quality and customer loyalty. Product safety occupies a central place in FORVIA's worldwide operations via quality agreements, a shared vision spanning all regions, and the integration of local needs.

• Training and awareness

The FORVIA University Quality Academy is present at all Group sites to ensure that all employees are aware of and apply quality and safety rules. All operators receive training in working standards, including product safety, as part of the induction to the Group.

Managing product safety

FORVIA integrates end-user security into its processes throughout its value chain via the Faurecia Excellence System (FES) - the Group's management tool with integrated quality and safety standards (IATF 16949 and ISO 9001).

- **Safety of components and materials:** sharing the Group's zero-defects goal with suppliers via the Supplier Quality Requirements.
- **Safety in design:** conducting a preventive analysis of failure modes and their effects (e.g. Design/Process Failure Mode and Effect Analysis, D/PFMEA)
- **Safety checks during production:** applying systematic control points.
- **Continuous improvement:** implementing assessment and audit programs.
- **Digital traceability:** ensuring that each part produced at each control point is safety compliant. Successive records are made, from the supplier to the customer, to analyse any problems and anticipate recall campaigns, if necessary.
- **Alert and problem resolution system:** any employee can report a non-conformity and generate a corrective action plan.

100%

Faurecia's sites are **IATF 16 949 certified** (automotive market requirements including ISO 9001)



100%

HELLA's sites are **IATF 16 949 certified**



FORVIA product quality & safety certifications

- **IATF 16 949 and ISO 9001®:** quality management in the automotive industry
- **ISO 26 262:** functional safety & data security
- **TISAX® Trusted Information Security Assessment eXchange**



KEY HIGHLIGHTS

Quick Response Continuous Improvement (QRCI)

Faurecia has developed a system that analyses the frequency of work-related accidents to measure the effectiveness of actions in a specific area. After each accident, a QRCI analysis is performed using a problem solving method to ensure that the primary causes of the accident are understood, that corrective actions have been effectively implemented, and that preventive measures are in place and shared across the various sites.

Blockchain project

Faurecia is committed to combating fraud and counterfeiting, and is already working with several suppliers and customers on a blockchain system. As well as product safety, this system will measure the environmental and carbon impact of products across the value chain.



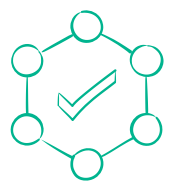
Covid-19: testing and vaccination for HELLA employees

HELLA employees were extremely confident in the company's pandemic response. This was reflected in its global employee survey, with 94% declaring themselves satisfied with the company's Covid-19 measures. In 2021, HELLA provided extensive testing for its employees. The company also offered vaccinations in Germany and Lithuania, with a total of 4,000 doses administered to employees by medical professionals.

Product Cyber Security

New regulations and standards such as UNECE R-155 and ISO/SAE 21434 require vehicles and their electronic control units to be secured against malicious cyber attacks. HELLA is following automotive manufactures in implementing strong cyber security controls that meet these requirements (e.g. Smart Car Access Systems, Electronic Power Steering units, Radar Sensors and Battery Management Systems).





3.3 Responsible supply chain

OUR VISION

Social, environmental and fair economic business practices are key aspects of the Group's relationship with its partners. Based on the Group's convictions and its Code of Ethics, FORVIA has developed a sourcing and supply chain Code of Conduct that sets out its expectations for supplier relations.

FORVIA or a third party regularly audits suppliers to ensure compliance with this code. A sustainability assessment is fully integrated into the Group's supplier management strategy to ensure that their respective aims are fully aligned.

Finally, FORVIA engages in ongoing dialogue with suppliers to maintain close ties and share knowledge and best practices. This includes a Supplier Council organized twice a year and chaired by the CEO, regular supplier conventions, and an annual supplier satisfaction survey.



OUR APPROACH

1. The sourcing and supply chain Code of Conduct

Since 2013, the Group has required its suppliers to comply with its sustainable purchasing policy, which targets the four fundamental principles of the ISO 26000 international standard for procurement: protecting the environment; respecting human and labour rights; ethical business conduct; and sharing best practices across the Group's global supply chain. This complies with the following documents and conventions:

- Universal Declaration of Human Rights;
- International Labour organisation's Declaration (ILO);
- Declaration on Fundamental Principles and Rights at Work;
- Rio Declaration on Environment and Development;
- United Nations' Convention against Corruption.

Labour & Social Issues

No child labour
No forced labour
Working hours
Fair wages
Equal treatment and non-discrimination

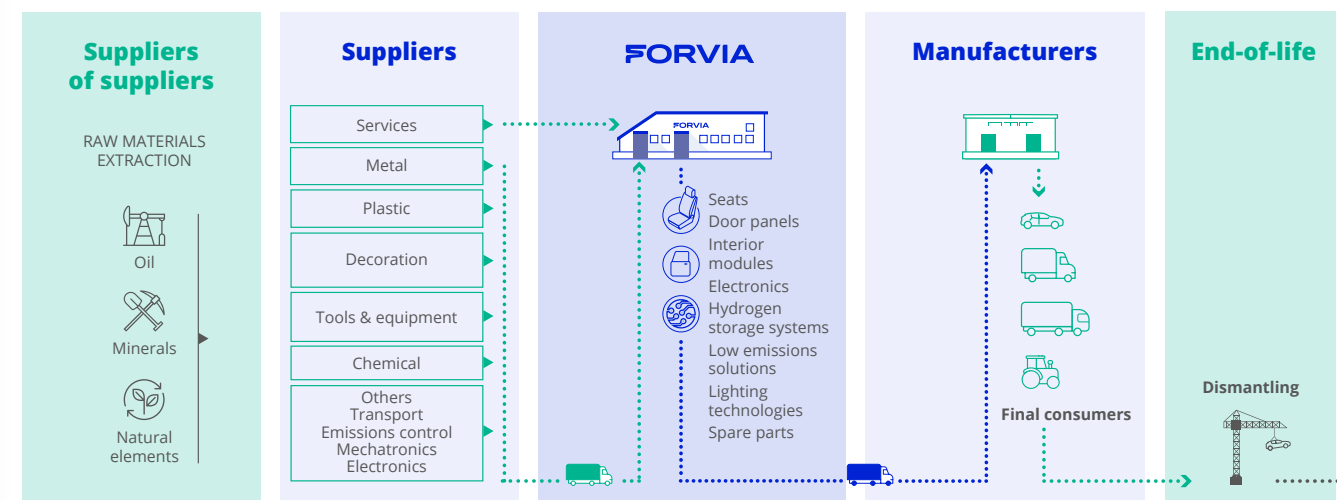
Environment

Environmental policy
Innovation & product life cycle
Protecting natural resources
Prohibited substances and materials
CO₂ emissions reduction

Business practices

Combatting corruption & bribery
Fair competition
Managing conflicts of interest

FORVIA value chain



2. Assessing suppliers' sustainable practices

Since 2017, the Group has worked with EcoVadis to carry out an in-depth assessment of its suppliers, focusing on their ethical, social, and environmental practices. The assessment is a prerequisite to joining Faurecia's panel of suppliers. Suppliers with an EcoVadis score above 62 are audited every three years; the others are audited annually.

At the operational level, FORVIA also has a robust process in place to ensure that its suppliers meet sustainability commitments, in strict compliance with:

- **REACH** (the European Registration, Evaluation and Authorization of Chemicals)
- **IMDS** (International Material Data Collection System - the automotive industry's material data system)
- **Conflict minerals regulations:** to curtail trade in some metal and minerals in conflict zones and high-risk areas, FORVIA implements a process to provide transparency and certainty about the supply practices of importers, smelters and refiners. An international declaration platform gives FORVIA information on all products containing these minerals, as well as the suppliers using them. FORVIA uses the Responsible Minerals Initiative's (RMI's) Conflict Mineral Reporting Template (CMRT) questionnaire as part of its annual supplier risk assessment campaign.

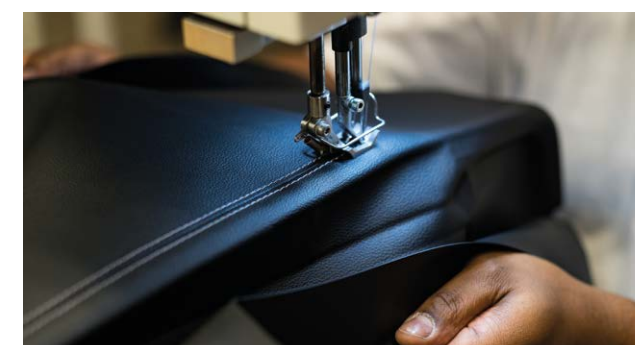
100% of sourcing covered by a **no-go sustainability criterion**

2,000 suppliers assessed for their sustainability performance in 2021

97% of Faurecia suppliers were assessed for **sustainability** **ecovadis** by EcoVadis in 2021

Supplier ratings give sustainability criteria the same weighting as quality and financial criteria

FORVIA
Faurecia



Responsible leather sourcing

FORVIA endeavours to use responsible sourcing, particularly for leather items used in seating products. The Group works with around 10 direct suppliers, which are proposed and assessed by the manufacturer. These suppliers offer food chain by-products.



3. Mitigating procurement risk

FORVIA'S risk mapping integrates key suppliers' risk management, overseen by the Risk Committee on a quarterly basis. Faurecia uses an ongoing supplier risk assessment process. An external data analytics tool alerts the Group about any material, financial, reputational and compliance risk, at all stages of supplier relationship management:

- **Listing in the supplier panel:** the entry process includes a general risk assessment and a CSR assessment.
- **Supplier qualification:** depends on the supplier's level of risk and the results of the EcoVadis analysis.
- **Corrective action plans for at-risk suppliers:** monitored on a daily basis by buyers, and monthly by the Commodities Director since 2021.
- **Risk analysis of materials used by suppliers:** systematic inclusion in the International Material Data System (IMDS) - the automotive sector's data collection system - from the design phase.

FORVIA recognized as a Supplier Engagement Leader in 2021 and 2022 by CDP



The Group was rated "A" by CDP for its excellent supplier engagement since the launch of its CO₂ Neutrality program in 2019. The Group has been recognized for the way it has mobilized its partners to converge towards a net-zero future across its entire value chain. The Group is also aiming to onboard 500 key suppliers into CDP's Supply Chain Management Program by 2022.

FORVIA suppliers council

Sharing priorities with suppliers

FORVIA has made use of a Suppliers Council since the start of the Covid-19 health crisis in 2020. The Council brings together the representatives of 12 suppliers to discuss upcoming challenges, market changes and trends, as well as the CO₂ reduction

policy. The Board decided to address three priority topics in 2021: Power Purchase Agreements (PPAs); best practices in energy management to achieve CO₂ neutrality; and alternative materials.

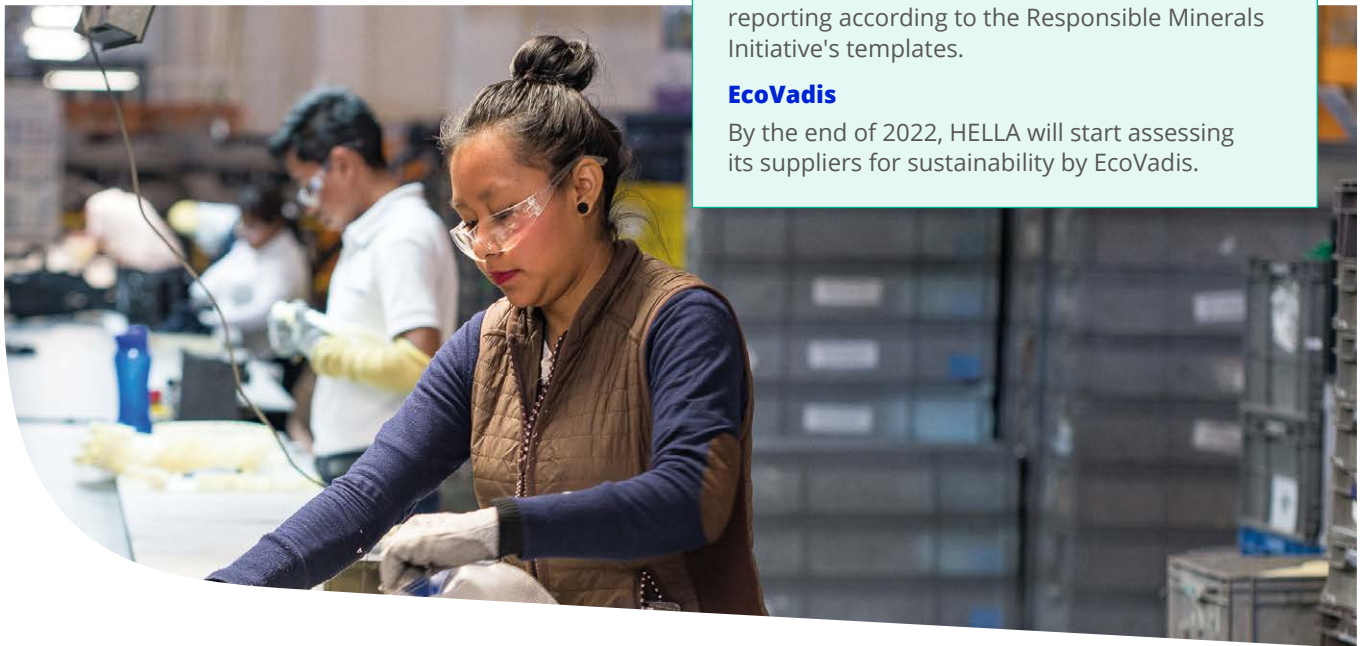
4. A CO₂-neutral supply chain

Suppliers whose CO₂ targets align with FORVIA's are key to achieving CO₂ neutrality by 2030, as purchases account for 70% of scope 3 emissions. A cornerstone of the supplier relationship, this is based on four pillars:

- supplier's commitment to CO₂ targets;
- CO₂ impact assessment using a common IT platform;
- sharing of best practices and existing data on energy efficiency and CO₂ emissions in factories;
- shared action plan to reduce the total CO₂ footprint.

In 2021, FORVIA asked its suppliers to take part in the Group's climate strategy, which outlined requirements for 2021 and 2022:

- a CO₂ commitment from 2021 led by Executive Management;
- a gradual increase in the minimum requisite EcoVadis score (35 in 2021, 55 in 2025 and 66 in 2030);
- an incentive to participate in the Carbon Disclosure Project (CDP), a climate-neutrality accelerator;
- innovations in sustainable and recyclable materials, the circular economy, and waste and by-product management by 2022.



KEY HIGHLIGHTS

EcoVadis rating

Faurecia has a "Gold" supplier ranking from its customers, with a score of 69/100 in the 2021 EcoVadis sustainability rating. It is in the top 1% of the companies in its category rated by EcoVadis.

Faurecia's "Speak Up" line and supplier alerts

The alert procedure was opened to all Group suppliers via the website. A systematic reminder is sent during business reviews with each supplier.

New supplier risk analysis tool

In 2021 Faurecia adopted a risk analysis tool that will enable it to assess the risk of natural disasters and geopolitical conflict from 2022.

Faurecia, as assessed by suppliers

1,000 supplier satisfaction surveys (representing 42% of direct industrial purchases) are performed every year. In 2021, the Group's average score was 2.95 out of 4.

Respect for Human Rights in HELLA's supply chain

HELLA is strengthening its supply chain due diligence. Suppliers will be asked about their sustainability performance and their human rights policies on a risk basis. HELLA has also initiated cobalt and mica reporting according to the Responsible Minerals Initiative's templates.

EcoVadis

By the end of 2022, HELLA will start assessing its suppliers for sustainability by EcoVadis.







4. People

Contribute to society

2019	2020	2021	2022
<ul style="list-style-type: none"> Top Employer certification in 10 countries Creation of the FORVIA Foundation 	<ul style="list-style-type: none"> Diversity targets included in leaders' variable compensation Faurecia signs the UN Women's Empowerment Principles 	<ul style="list-style-type: none"> Commitment to maintain 1,400 jobs for apprentices, young graduates & volunteers for international experience (VIEs) Faur'ESO, Faurecia Employee Shareholding plan Diversity & Inclusion Digital Events: first WW Recognition Program Virtual recruitment fair offering more than 800 apprenticeship contracts & internships Faurecia Foundation selects 11 employee projects Faurecia Foundation signs 5 new external partnerships Happy Index Trainee label in Europe and 4 countries 	<ul style="list-style-type: none"> Launch of Her Way: conferences to promote Women within the Group FORVIA Foundation selects 21 new employee projects Launch of the Solidarity Hub: volunteering platform for FORVIA employees

People Commitments

	KEY PERFORMANCE INDICATORS	2019* REFERENCE		2027 TARGET		2030 TARGET	
		2019*	2021*				
 Learning organisation	Number of training hours per employee and per year	21.6h	22.6h			25h	
 Diversity and inclusion	% of women among the top 300 leaders	15%	21%	25%		30%	
	% of women managers and skilled professionals	24.4%	27%	30%		35%	



* Faurecia data. The consolidation of FORVIA Group data is ongoing.



4.1 Learning organisation

OUR VISION

FORVIA's core businesses are undergoing a rapid transformation. The Group strives to ensure its staff remain employable throughout their working lives via learning, professional mobility and on-the-job training. This is the best way to guarantee that everyone can reap the benefits of technological advances, innovation and changing work practices, whilst being prepared for change and challenges.

Talent management is a key component of employee development, and FORVIA's HR strategy and best practices are aimed at attracting and retaining talents to meet business needs and foster their growth.



OUR APPROACH

1. Training to support the Group's transformation

FORVIA's training offer is aimed at all employees across all levels of responsibility.

- **FORVIA University:** 22,000 managers and skilled professionals have access to FORVIA's corporate university programs and services to grow the skills required for the Group's transformation. The university has five campuses worldwide, and provides both face-to-face and online training.
- **Learning Lab:** all employees have access to this digital learning platform, including a library of over 450 business and managerial courses available in more than 20 languages.
- **All on Board Connect:** the Group has created a learning community based on monthly Webinars. The aim is to give all employees a better understanding of key issues and to involve them in the Group's transformation.

Main training areas

- Plant performance and optimal production start-up
- Customer offerings
- Technological expertise
- Managerial skills
- Value creation and entrepreneurial spirit
- Working methods for excellence or creativity
- International and intercultural management

Faurecia's managerial values

Faurecia's corporate culture and management model is aligned with its transformation strategy. The model seeks to encourage agile and inclusive leadership. It promotes three managerial values - entrepreneurship, accountability and autonomy - and three behavioural values - energy, respect and exemplarity.

To bring this culture to life, Faurecia developed its Management Code, which sets out the key skills that leaders must acquire according to their level of responsibility. The Code provides self-assessment and managerial benchmarks for use in annual performance reviews. It also serves as a reference for employees to construct an individual development plan.

2. Managing talents

FORVIA's talent management policy supports employees in their career development. From the time of hiring, employees are offered professional opportunities including mobility options and promotions.

The Group uses international volunteer programs as a key driver for its graduate recruitment ambitions.

It also offers all new hires a personal induction program to learn about its values, its strategy, its organisation, its culture and its operational systems.

FORVIA uses an annual assessment to ensure that its package remains competitive compared to local markets.

In 2021



22.6h training hours per employee and per year

28% of recently graduated managers and skilled professionals

11% annual turnover rate of managers and skilled professionals

71% of employees covered by a social agreement



14% annual employee turnover rate (June 2021 to May 2022)



3. Strengthening social dialogue

FORVIA pursues an active policy of dialogue and negotiation with employee representative bodies. In 2018, it created a European company committee composed of 25 members that proportionally represent the workforce of the 16 European countries in which the Group has a presence. The committee is committed to strengthening economic and social dialogue.

→ **501** agreements signed in 25 countries in 2021 (a record number)

KEY HIGHLIGHTS

Apprentices, Volunteer for International Experience (VIE) contracts and PhD opportunities

In July 2020, the Group committed to take on 1,000 apprentices and VIEs in France by end-December 2020, and to maintain the existing recruitment programs for apprentices, VIEs and doctoral students for 2020 and 2021, with an additional target of 400 interns.

Since 2020

2,100

apprentice and VIE hires

(1,400 apprentices in France and more than 700 VIEs)

Learning Lab

In 2021, more than 330,000 hours of digital training were provided through MOOCs, i.e. nearly four hours per employee over the year. This passed the symbolic threshold of one million hours of training since the launch of the lab at end-2015.

"Top Employer Europe" label

Following audits carried out by the Top Employer Institute, Faurecia was among the companies awarded the "Top Employer Europe" label for 2021. This label rewards companies for their excellence in managing human capital and employing women in leadership positions.

HELLA trains its future leaders

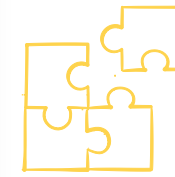
HELLA has implemented a series of L.E.A.D. programs (LEAD = learn, engage, accelerate, drive) to train and promote talented managers and experts. These are conducted annually and aim to foster and develop global talent. The programs are run at various hierarchical levels. They last for several days, and take place in Mexico, Eastern Europe, China, India and Germany.

Learning Lab opens for HELLA

Since spring 2022, HELLA employees have enjoyed access to Learning Lab - FORVIA's online training platform. The lab offers over 2,000 training courses on topics such as communication, artificial intelligence, creativity, time management, sustainability and many more.

FORVIA
Faurecia

FORVIA
HELLA



4.2 Diversity and inclusion

OUR VISION

Diversity is one of FORVIA's strengths. It is both a source of motivation for employees and a source of innovation. It has a positive impact on FORVIA's performance and on the development of its employees. FORVIA is committed to promoting diversity as a genuine strength and an asset, to fostering inclusion, and to combating all forms of discrimination.

Diversity is a multi-dimensional concept that includes a person's origin, religion, gender, disability status, sexual orientation, training experience, or any other difference. It is already part of FORVIA's culture and identity: employees spanning 103 nationalities and backgrounds have been central to the company's success. The Group has adopted a gender diversity target and inclusion action plans to create an inclusive culture in which all forms of diversity are seen as a genuine source of value. Plans are also in place to set up an internal Board Committee.

OUR APPROACH

1. Promoting gender diversity

Implementing the diversity and inclusion policy

The Vice-President of FORVIA University and HR Transformation coordinates the rollout of the diversity and inclusion policy. A Group Diversity and Inclusion Champion sponsors the program and leads an internal network of around 40 diversity and inclusion ambassadors around the world. Their role is to promote diversity and inclusion within their business scope and in their country, in particular through training.

Promoting gender equality in recruitment and careers

FORVIA encourages its partner recruitment agencies to promote gender diversity. In 2021, the Group increased its target for the proportion of women among shortlisted job applicants. From now on, two out of four shortlisted applicants must be female (compared to one in three previously). The Group also launched a program for recruiting high-potential female executives and reaching gender balance among Faurecia's 300 most senior executives.

A review of women's careers is also planned every year, and the People Review was adapted to include a section on female talent at various levels within the Group. Two programs for developing female talents have also been launched by FORVIA University, centred on mentoring, coaching and sponsorship.

Equal pay

An annual equal pay analysis has been carried out since 2016, revealing no major statistical differences. Any discrepancies are examined on an individual level and corrected on a case-by-case basis.

Integrating gender equality in compensation

As a way of involving Faurecia's 300 top executives in our diversity strategy, 10% of their long-term variable compensation is linked to meeting gender diversity targets.

In 2021

FORVIA
Faurecia

36%

of new managers and skilled professionals
hired were women
(+2.5pts vs. 2020 and + 10pts vs. 2018)

27%

of women managers and skilled professionals

21%

of women in **Faurecia top 300 leaders** (+6% vs. 2019)

6,000

employees completed **gender diversity MOOCs**

162

women enrolled in a **coaching and mentoring program**

FORVIA
HELLA

23%

of women managers and skilled professionals

2. Diversity training

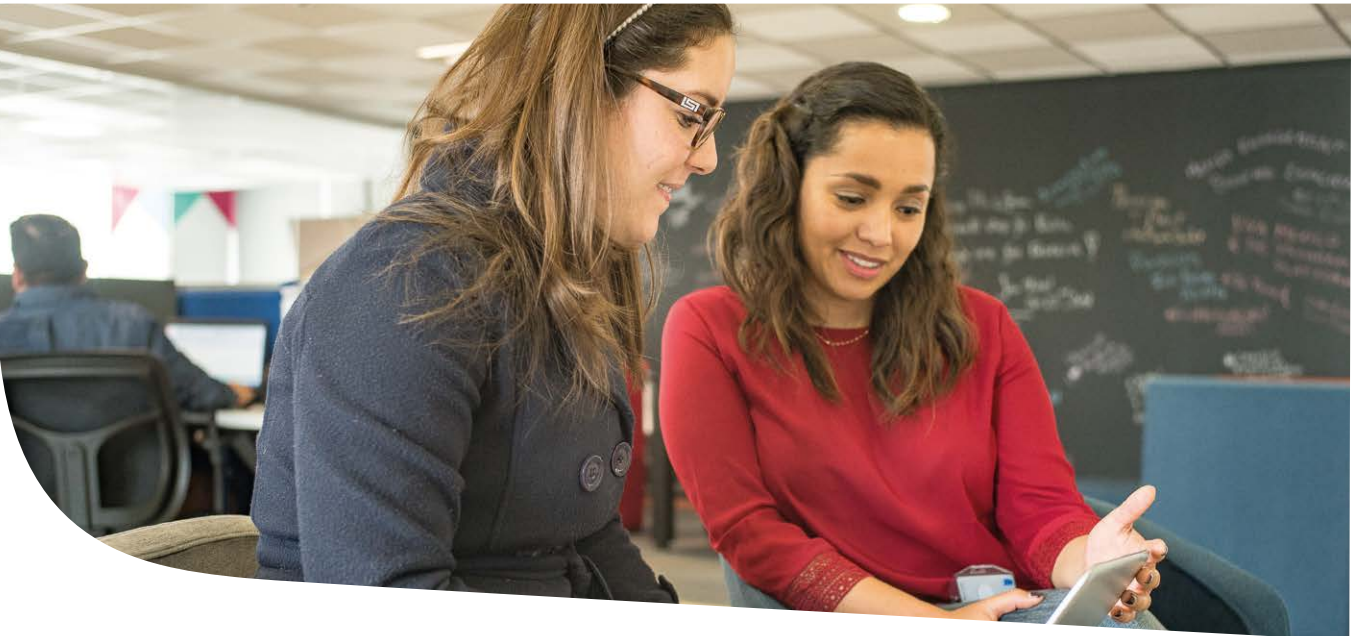
Several training modules are in place to raise managers' awareness and grow an inclusive culture. The issues addressed include understanding unconscious biases, achieving greater efficiency via a diverse team, etc.



400 managers attended a **Management Committees training session**
2,400 managers trained in 2021
100% of managers trained in **unconscious biases** by 2023

3. Monitoring employee engagement

For several years, FORVIA has monitored employee engagement via an annual satisfaction survey. This survey measures and collects employees' feedback from several perspectives, including: compensation, well-being at work, diversity, ethics, training and career development, health and safety, the environment, and



FORVIA's sustainable development strategy. The survey is designed to give an overview of all permanent employees' engagement, providing key insights that are shared at site level.

In 2021



73% Employee engagement index

4. Promoting local employment with local managers

FORVIA promotes local managerial appointments to better understand specific cultural conditions and strengthen its performance. The Group also strives to have a positive impact on the economic development of the regions where it operates by employing and nurturing local talent around the world.

In 2021



94% of Faurecia managers and skilled professionals **were recruited locally**

KEY HIGHLIGHTS

Diversity & inclusion digital events

In May 2021, Faurecia hosted a first-of-its-kind global event dedicated to diversity and inclusion. Two virtual sessions were organised to celebrate the many initiatives taking place across the company. Gender diversity - an area where Faurecia is committed to progress - was a particular focus.



1,800 attendees

70+ D&I award winners from 22 countries

UN Global Women's Empowerment Principles

Faurecia is a signatory of the UN Global Women's Empowerment Principles since 2020, reflecting its commitment to gender equality and women's empowerment in the workplace.

The Faurecia Women at Work network

This purpose of this network is to connect women, to encourage exchanges of views and co-development, and to guide women in their careers within the Group. This involves three specific initiatives: local discussion sessions ("Let's connect"), large-scale digital events centred on inspiring women's career paths ("Her Way"), and small group discussions with a leader role model.

Networking events to promote diversity

For its Women's Day, more than 240 HELLA female employees from various business divisions, roles and countries met for a live digital event. Among the main topics addressed were the art of networking and communicating.





4.3 Local solidarity actions

OUR VISION

FORVIA is a member of the community in each region where it operates worldwide. The Group contributes to local economic development and creating local social value. It has a responsibility to maintain a frank, ongoing dialogue with the communities near to its sites to ensure that its operations are harmoniously integrated in each region.

The Group aims to strengthen its commitment to local communities by initiating or contributing to projects and programs that address local needs, and by offering its expertise and resources in support of these actions. The Group's societal engagement is based on local economic development and local solidarity actions initiated by employees and the FORVIA Foundation.

OUR APPROACH

1. The FORVIA Corporate Foundation

FORVIA
Foundation

In 2020, the Group officially launched its corporate Foundation, which invests significant resources to support projects in countries where the Group operates. These actions are centred on three pillars: mobility, the environment and education. Employees are asked to submit their ideas to the Foundation for projects with a tangible social impact. They can then develop and deploy these initiatives on a larger scale.

- €1million
/year budget
- 4 calls for projects
among employees since 2020
- + 4,000 people
supported since 2020
- 34 employees
solidarity projects
financed since 2020



"Backpack on the go" - 2021 Chinese solidarity challenge



"Bike to School" in Morocco - Project sponsored by the Foundation in 2021

2. Implementing societal action programs



FORVIA encourages solidarity initiatives at all of its sites by facilitating employees' involvement in projects that benefit society, and by offering its expertise to the regions where the Group operates.

Each site is invited to design its own local and annual societal action plan, and employees make significant contributions to local communities through voluntary initiatives in the form of events or donation campaigns.

For instance, the "FORVIA Unites with Employees for Local Services" (FUELS) initiative was created in 2010 by Faurecia North America employees to fight hunger. It has gradually spread to other causes and countries. Other actions include employees at more than 50 sites in Canada, Mexico and the United States taking part in the "Help from the Heart" fundraising campaign in 2021 to fight hunger and improve children's education in Canada. FORVIA matched the total donations collected.

3. The Solidarity HUB: volunteering platform

Solidarity Hub
by the **FORVIA**
Foundation

To expand its societal impact and facilitate employee engagement, the Group is implementing a digital tool that will centralize FORVIA's solidarity actions throughout the year. Launched in 2021 in Canada, the United States, France and Mexico, the Solidarity HUB also offers "private" volunteer work with non-profit organisations, bridging the gap between employees' desire to act and the volunteer missions offered by local non-profits. The platform will be rolled out in 2022 at all FORVIA sites.

KEY HIGHLIGHTS

FORVIA

faurecia

FORVIA

HELLA

Third edition of the FORVIA Foundation's call for projects

After successfully implementing 14 projects in 2020 and 2021, the FORVIA Foundation launched its third call for projects in 2022.

21 employee solidarity projects were selected. These will be supported in 2022 by a €700 000 grant.

HELLA'S Hueck Foundation

HELLA's Hueck Foundation (founded in 1999 for the company's centennial anniversary) focuses on supporting education, science and environmental conservation, and assisting children and seniors in the surrounding communities of Lippstadt, Germany.

Local solidarity actions

Each year, employees are involved in local solidarity actions on their sites. These include fundraising campaigns, blood donations, food collections, or others initiatives addressing specific needs. For example, during the Covid-19 health crisis, teams in Romania designed an air filtering device for hospital wards, and teams in India developed a cost-effective ventilator.

FORVIA STANDS WITH UKRAINE

EXCEPTIONAL DONATION OF

€550,000

AID TO UKRAINE

€300,000

to the NGO **Première Urgence Internationale**
(hygiene products for mother and children & emergency aid at the Polish border)

PREMIERE URGENCE INTERNATIONALE

AID FOR UKRAINIAN REFUGEES

€250,000

to local NGOs in the countries bordering Ukraine

€145,000

to the **Fundatia Comunitara Valcea** in Romania
(supporting recruitment at Faurecia plants and integration of refugees)

€65,000

to **Jedlnia Dzieciom** in Grojec, Poland and **Fundatia Comunitara Valcea** in Romania
(Forvian initiative for the integration of refugee children)

€40,000

€20,000 to **Caritas** in the **Czech Republic**
€20,000 to **People in need** in **Slovakia**
(for advice, accomodation, translation and childcare)

An exceptional donation from the FORVIA Foundation

In March 2022, the FORVIA Foundation earmarked €500,000 in response to the war in Ukraine. An internal call for donations was launched to support the solidarity initiatives led by more than 20,000 Forvians in neighbouring countries (Poland, Romania, Hungary, Slovakia and the Czech Republic). This fundraising campaign raised €25,000 in donations from employees, which the Foundation matched with an additional €25,000. The funds are being distributed to NGOs providing aid to refugees and those remaining in Ukraine.

HELLA support for Ukrainian refugees

HELLA donated €100,000 to the UN's emergency refugee aid fund. HELLA employees also organised a variety of initiatives to help those fleeing the war in Ukraine. Volunteers in Slovakia, Lithuania, Germany, Romania and the Czech Republic collected donations in kind.

Societal action partnerships

The FORVIA Foundation has enhanced its impact by forging five partnerships with external players recognized for their societal actions.

→ €400,000 global funding in 2022

FORVIA

Foundation

Fondation de France

Providing emergency assistance - food, basic necessities, psychological assistance - and long-term educational support to students affected by the Covid-19 crisis in France.

In 2022, The Foundation continues to support projects addressing post-Covid issues. These include mental health support and suicide prevention measures for young people, housing for vulnerable single-parent families, and training in emerging sectors.

Education

SIMPLON FOUNDATION

Supporting young digital workers and improving the prospects of those with little or no qualifications to find digital jobs.

The FORVIA Foundation sponsors an intensive learning program and offers scholarships for emergency actions.

MobileSchool.org

Providing educational and social connections for "street children".

The FORVIA Foundation supports three mobile schools that organise regular visits to disadvantaged neighbourhoods in Mexico and Romania, providing an educational and social connection for "street children". In 2022, the Foundation is supporting the opening of a new mobile school in Romania and Poland to help children fleeing the war in Ukraine.

Environment

envie autonomie

Giving a second life to medical equipment for people with permanent or temporary disabilities.

The FORVIA Foundation sponsors two new operating sites in France, and provides skills sponsorship on environmental footprint management and spare parts management.

Noë

Supporting actions that promote biodiversity and protect ecosystems.

The FORVIA Foundation supports a program to protect and restore pollinators in France by restoring grasslands, improving scientific knowledge and changing agricultural and community practices.

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FORVIA Sustainability Report 2021-22 63

EMPLOYEE SOLIDARITY PROJECTS SPONSORED BY THE FORVIA FOUNDATION SINCE 2020



Key performance indicators table

				FORVIA OBJECTIVES			
Commitments	Flagship projects	Key performance indicators	2019 ⁽¹⁾ Reference year	2021 ⁽¹⁾	2025	2027	2030
Planet							
Environmental footprint in operations	<ul style="list-style-type: none"> Management of the CO₂ neutrality strategy on all sites Deployment and management of the environmental policy using the FORVIA Excellence System ISO 14001 certifications Reduced energy consumption Use of renewable energy 	CO ₂ emissions scopes 1 & 2 (MtCO ₂ eq)	0.93	0.72	Neutrality by 2025		
		CO ₂ intensity (tCO ₂ eq/€ million of sales)	48.8	46.6	- 20%		
Sustainable products	<ul style="list-style-type: none"> Management of the CO₂ neutrality strategy throughout the supply chain Life cycle analysis of innovations and the entire solutions portfolio Creation of a new division to develop and produce innovative and smart sustainable materials Two initiatives to accelerate the development of sustainable solutions: "Interiors for the planet" and "Seats for the planet" Electronic repairs in partnership with automotive industry customers 	CO ₂ emissions scope 3 (MtCO ₂ eq)	31	27			-45%
Green taxonomy eligible investments	<ul style="list-style-type: none"> First green bond issue of €400 million maturing in 2029 Development of hydrogen technologies for zero-emissions mobility Development of low-emission and air quality technologies Hydrogen joint venture: Symbio, a 50/50 partnership with Michelin Large ecosystem of partners for sustainable innovations 						
Business							
Business ethics	<ul style="list-style-type: none"> Application of the Code of Ethics Communication about the whistle-blowing procedure for employees and subcontractors Ethics, compliance and anti-corruption training Preventing tax evasion and corruption 	Percentage of targeted employees receiving training on the Code of Ethics	93%	95%	100%		
Safety	<ul style="list-style-type: none"> Zero-defect quality program and Total Customer Satisfaction Deployment and management of workplace safety measures using the Faurecia Excellence System CARE program to strengthen the culture of safety and ergonomics at work 	Accidents per million hours worked with and without lost time (FR1t indicator)	2.05	1.33⁽²⁾	1.8		
Responsible supply chain	<ul style="list-style-type: none"> Faurecia's responsible purchasing policy CSR assessment of suppliers in partnership with EcoVadis Management of the CO₂ neutrality strategy throughout the value chain 						
People							
Learning organisation	<ul style="list-style-type: none"> Training system for all employees Coaching and mentoring programs for managers and professionals 	Number of training hours per employee and per year	21.6h	22.6h			25h
Diversity and inclusion	<ul style="list-style-type: none"> Diversity and inclusion training, particularly addressing unconscious bias Program for the hiring and promotion of talented women Annual employee satisfaction and engagement survey 	Percentage of women among the top 300 leaders	15%	21%		25%	30%
		Percentage of women managers and skilled professionals	24.4%	27%		30%	35%
Local solidarity actions	<ul style="list-style-type: none"> FORVIA has launched a solidarity commitment platform in the United States, Canada, France and Mexico to promote solidarity among its employees The FORVIA Foundation has selected 21 new solidarity projects worldwide 						

1. Faurecia data. The consolidation of FORVIA Group data is ongoing.

2. These data do not include SAS Automotive, which was acquired in 2020. The FR1t indicator including SAS was 1.49 in 2021.

Faurecia's contribution to the SDGs

Faurecia supports the United Nations Sustainable Development Goals (SDGs) program to achieve a better, more sustainable future for all.

In 2019, the Faurecia Group identified which of the 17 SDGs it contributes to via its sustainable development actions and operations.



Planet

- 6. CLEAN WATER AND SANITATION**
Efficiency in water use.

12. RESPONSIBLE CONSUMPTION AND PRODUCTION
Sustainable waste management.

13. CLIMATE ACTION
Reduction of FORVIA's greenhouse gas emissions to achieve operational CO₂ neutrality by 2025.
- 7. AFFORDABLE AND CLEAN ENERGY**
On-site production and external sourcing of renewable energy.

Business

- 3. GOOD HEALTH AND WELL-BEING**
Reduce safety risks in plants and road injuries via FORVIA's product quality and safety policy.

11. SUSTAINABLE CITIES AND COMMUNITIES
Air quality innovations that are particularly suited to urban areas.

13. CLIMATE ACTION
Development of solutions for zero-emissions mobility over the full vehicle life cycle.
- 8. DECENT WORK AND ECONOMIC GROWTH**
Respect for and promotion of international principles relating to human rights and labour law throughout the value chain.

12. RESPONSIBLE CONSUMPTION AND PRODUCTION
Eco-design of products and circular economy.

17. PARTNERSHIP FOR THE GOALS
Partnerships for sustainable innovation with key players in the industrial and technological ecosystem.
- 10. REDUCED INEQUALITIES**
Fight against discrimination.

People

- 3. GOOD HEALTH AND WELL-BEING**
Implementation of uncompromising workplace safety and risk prevention policies.
Supporting employees and families during the pandemic.

5. GENDER EQUALITY
Promotion and career development of women.
Fight against discrimination and for professional equality.

10. REDUCED INEQUALITIES
Development of local societal actions.
- 4. QUALITY EDUCATION**
Training and skills development for FORVIA's employees, in particular via FORVIA University.
Support for solidarity and local initiatives that promote education.

8. DECENT WORK AND ECONOMIC GROWTH
Active prevention of accidents at work and occupational diseases.

17. PARTNERSHIP FOR THE GOALS
Active societal engagement with local communities and NGOs.

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For more information see the
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