Sustainability Report 2022

Governance | Planet | Business | People
# Table of contents

Editorial ................................................................. 06
FORVIA in brief .......................................................... 08
Our sustainability convictions ......................................... 10
FORVIA’s 2022 sustainability performance ......................... 12

## 1. Governance ......................................................... 14
1.1 Robust & committed governance ................................ 16
1.2 Sustainability governance ......................................... 18
1.3 Sustainability ecosystem .......................................... 22

## 2. Planet ................................................................. 24
2.1 FORVIA 2022 CO₂ emissions breakdown ....................... 26
2.2 Reduction of CO₂ & Environmental footprint in Operations (scopes 1 & 2) .......................................................... 28
2.3 Reduction of CO₂ footprint from products (scope 3) ........... 34
2.4 Green taxonomy aligned investments ......................... 37

## 3. Business ............................................................. 40
3.1 Business ethics .................................................... 42
3.2 Safety ...................................................................... 45
3.3 Responsible supply chain ............................................. 48

## 4. People ................................................................. 52
4.1 Learning organisation ................................................ 54
4.2 Diversity and inclusion .............................................. 57
4.3 Local solidarity actions .............................................. 60

Summary table of key performance indicators ....................... 66
FORVIA’s contribution to the SDGs ................................. 68
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.

FORVIA is 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 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.

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.

Contribution 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.

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

Chairman and Chief Executive Officer of Faurecia

Chairman of the Board of Directors

FORVIA Faurecia Chief Executive Officer

FORVIA Faurecia Chairman of the Board of Directors

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.

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

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

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.

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

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.
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.
FORVIA’s 2022 sustainability performance*

**Governance**

- A diverse, international, multidisciplinary Board of Directors
- 75% independent Board members
- Board Members, including 2 representing employees and 5 women (45.5%)
- “Governance, Nomination & Sustainability” Board Committee
- Quarterly Excom Committee meeting on sustainable transformation initiatives

**Planet**

| CO₂ emissions scope 1 & 2 (MtCO₂eq) | 0.83 |
| CO₂ intensity (tCO₂eq/€ million of sales) | 33 |
| CO₂ emissions controlled scope 3 (MtCO₂eq) (excluding use of sold products) | 12 |
| water intensity (m³/€ million of sales) | 126.3 |
| waste intensity (metric tons/€ millions of sales) | 8.9 |
| share of revenues aligned with the Green taxonomy | 21.6% |

**Business**

- 96.7% of targeted employees trained on the Code of Ethics
- 2.08 accidents per million hours worked with and without a day lost (FR1t)
- 77% of suppliers included in the panel assessed on sustainable development by EcoVadis
- **minimum EcoVadis score for suppliers in panel** 40/100

**People**

- **23%** women among the top 300 leaders
- **27.3%** women managers & skilled professionals
- **22.9h** training hours per employee
- **15%** of employees involved in local projects

*At the publication of this report, Faurecia owns more than 80% of HELLA. The two companies form the FORVIA Group. This report 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.

**Faurecia data.**
1. Governance

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

FORVIA’s governance structure includes complementary governance bodies at 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.

Sustainability integrated into corporate governance

- Definition of Faurecia’s sustainability convictions
- Materiality analysis
- Reference year for the sustainability roadmap
- TOP 300 senior executives: 10% of variable compensation linked to ESG criteria
- Creation of the internal department: Climate Strategy & Sustainable Transformation Initiatives
- Three climate-based scenarios used to test the resilience of the Group’s strategic plan
- Faurecia becomes independent from its historic shareholder, PSA/Stellantis
- Renaming of the Governance & Nomination committee to include the term Sustainability
- Appointment of Jean-Bernard Levy as a new independent Board Member and Chairman of the Governance, Nominations and Sustainability Committee
- Launch of Faur’ESO, the employee shareholding program
- Launch of the internal CO₂ price
- Closing of the strategic and transformative acquisition of HELLA
- Creation of FORVIA: a combination of Faurecia & HELLA, creating the world’s seventh-largest automotive supplier
- 4,800 Faurecia Managers: 15% of variable compensation linked to ESG criteria
- Faurecia integrates the EUROMEXT CAC 40 ESG® index
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.

- 42% of Board members are women*  
- 75% independent Board members*  
- 6 nationalities  
- 14 Board members  
- 10 independent Board members  
- 2 employee representative Board members

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.

- 15% women  
- 46% non-French

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.

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. 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 Christopher Mokwa, EVP for Group strategy, digital transformation and Sustainability, working together with the Climate and Sustainable Transformation Executive Committee, which includes one HELLA representative.

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.
1.2 Sustainability governance

FORVIA’s sustainability-linked remuneration criteria

<table>
<thead>
<tr>
<th></th>
<th>Short-term variable compensation</th>
<th>Long-term variable compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faurecia Chief Executive Officer</td>
<td>15% of variable compensation linked to scope 1 &amp; 2 CO2e neutrality results.</td>
<td>10% of performance shares linked to gender diversity objectives.</td>
</tr>
<tr>
<td>Faurecia TOP 300 senior executives</td>
<td>15% of variable compensation linked to scope 1 &amp; 2 CO2e neutrality results.</td>
<td>10% of performance shares linked to gender diversity objectives.</td>
</tr>
<tr>
<td>Faurecia 4,800 Managers</td>
<td>15% of variable compensation linked to scope 1 &amp; 2 CO2e neutrality results.</td>
<td></td>
</tr>
<tr>
<td>HELLA Management Board</td>
<td>10% of the variable compensation linked to safety at work and energy by 2022.</td>
<td>25% of the variable compensation linked to the CO2 objectives and gender diversity objectives as of 2023.</td>
</tr>
</tbody>
</table>

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 Faurecia 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.

Group strategy integrating the climate risk transition

TCFD (Task Force on Climate-related Financial Disclosure) recommendations

- 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.
1.3 Sustainability ecosystem

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

**Planet**

- SBTi
- TCFD
- French Business Climate Pledge

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.

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

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.

**Business**

- EPE
- ISO 14001
- ISO 9001

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.

The Group’s analysis and control of local environmental risks is based on the ISO 14001 international standard. In 2022, 90% of FORVIA production sites which had been operational for at least two years, were ISO 14001 certified.

In 2022, 100% of FORVIA’s sites were certified by the international standard for quality management systems in the automotive industry.

**People**

- UN Global Women’s Empowerment Principles
-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
- Global Compact
- Global Reporting Initiative (GRI)

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

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.

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

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.

**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.

**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.

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.

**Europe**

- Planet
- Business
- People
- Transversal

**Faurecia ESG ratings**

- MSCI
- ISS ESG
- Euronext
- CDP

MSCI: BBB - Scale AAA to CCC
ISS ESG: C - Scale A to D
Euronext: 64/100 Listed in the index series
CDP: Climat - A, Water - B, Suppliers - A

**Risk category**

- "Low risk" No. 1 in the automotive parts sector
- Faurecia: 74/100 Top 1% in our category
- Scale A to D

**Commitments**
- Partnerships
- Transparency

**GRI**

- Global Reporting Initiative 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

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.
2. Planet

Care for the planet

- Partnership with Schneider Electric for strategic planning
- Climate transition risks, definition of 2050 scenarios with the Toulouse School of Economics
- Hydrogen Center of Expertise in Bavans, France
- Emissions reduction targets approved by the SBTi and compliant with 1.5°C global warming

First Green Bond issuance
Cross Business group division for sustainable materials
Agreement with SSAB to develop green steel parts
Internal price of CO\textsubscript{2} for new products
Member of the "We Mean Business" coalition targeting CO\textsubscript{2} neutrality
Rated "A" as a CDP Supplier engagement leader
On-site PPA (solar panels) with Engie & EDP covering 7% of energy consumption
Partnership with Veolia for recycled plastic raw materials
Variable compensation for managers integrating CO\textsubscript{2} criteria
FORVIA is the first automotive company with a net-zero target approved by the Science Based Targets initiative
FORVIA commits to Act4Nature
Launch of the Green Factory whitebook
Partnership with AXA-Climate to analyse the evolution of climate hazards at its sites

Commitments for the Planet

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>2019 Reference</th>
<th>2022 Target</th>
<th>2025 Target</th>
<th>2027 Target</th>
<th>2030 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental footprint in operations</td>
<td>Faurecia</td>
<td>FORVIA</td>
<td>Faurecia</td>
<td>FORVIA</td>
<td>Neutrality</td>
</tr>
<tr>
<td>CO\textsubscript{2} emissions scopes 1 &amp; 2 (MtCO\textsubscript{2}eq)</td>
<td>0.86</td>
<td>1.21</td>
<td>0.60</td>
<td>0.83</td>
<td>-</td>
</tr>
<tr>
<td>CO\textsubscript{2} intensity (CO\textsubscript{2}eq scopes 1 &amp; 2/€ million of sales)</td>
<td>47</td>
<td>48</td>
<td>32</td>
<td>33</td>
<td>-</td>
</tr>
<tr>
<td>Energy intensity of sites (MWh scopes 1 &amp; 2/€ million of sales)</td>
<td>121</td>
<td>125</td>
<td>95</td>
<td>101</td>
<td>-28%</td>
</tr>
<tr>
<td>Waste intensity (metric tons/€ million of sales)</td>
<td>15</td>
<td>-</td>
<td>10.6</td>
<td>8.9</td>
<td>-28%</td>
</tr>
<tr>
<td>Water intensity (m\textsuperscript{3}/€ million of sales)</td>
<td>176</td>
<td>-</td>
<td>122.3</td>
<td>126.3</td>
<td>-</td>
</tr>
<tr>
<td>Circular economy of products</td>
<td>Faurecia</td>
<td>FORVIA</td>
<td>Faurecia</td>
<td>FORVIA</td>
<td>Neutrality</td>
</tr>
<tr>
<td>CO\textsubscript{2} emissions controlled scope 3 (MtCO\textsubscript{2}eq) (excluding use of sold products)</td>
<td>8.57</td>
<td>11.81</td>
<td>9.05</td>
<td>11.98</td>
<td>-45%</td>
</tr>
<tr>
<td>Investments for sustainable technologies</td>
<td>Faurecia</td>
<td>FORVIA</td>
<td>Faurecia</td>
<td>FORVIA</td>
<td>Neutrality</td>
</tr>
<tr>
<td>Share of revenue aligned with taxonomy</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21.0%</td>
<td>-</td>
</tr>
</tbody>
</table>
2.1 FORVIA 2022 CO₂ emissions breakdown

<table>
<thead>
<tr>
<th>SCOPES 1 &amp; 2</th>
<th>Internal emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>660 kt CO₂e</td>
<td>Combustion of fuels</td>
</tr>
<tr>
<td>170 kt CO₂e</td>
<td>Electricity purchases</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SCOPE 3</th>
<th>Total emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>302</td>
<td>Fuels &amp; energy related activities</td>
</tr>
<tr>
<td>141</td>
<td>Greenhouse gases</td>
</tr>
<tr>
<td>573</td>
<td>Capital Goods</td>
</tr>
<tr>
<td>1,445</td>
<td>Upstream &amp; downstream transport</td>
</tr>
<tr>
<td>259</td>
<td>Higher education &amp; training</td>
</tr>
<tr>
<td>8,177</td>
<td>Employee commuting &amp; business travel</td>
</tr>
<tr>
<td>75</td>
<td>Purchased goods &amp; services</td>
</tr>
<tr>
<td>682</td>
<td>Processing of solid products</td>
</tr>
<tr>
<td>130</td>
<td>Products end-of-life</td>
</tr>
<tr>
<td>22,817</td>
<td>Car scope</td>
</tr>
</tbody>
</table>

Controlled emissions: 11,064 kt CO₂e
- 40% of CO₂ emissions in 2025
- 60% of CO₂ emissions in 2045

OBJECTIVE
CO₂ neutral scope 1 & 2
Green energy
- On-site renewable energy production
- External renewable energy sourcing
Energy Savings
- Digitalization & smart actuators
- €100 m to achieve the objective

OBJECTIVE
-45% CO₂ 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

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

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

FORVIA 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.

-80% scopes 1 & 2 CO₂ emissions by 2025
FORVIA's SBTi Net-Zero Standard-approved roadmap

-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 2022, FORVIA created MATERFACT, a new entity to develop state-of-the-art 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 10% of CO₂ emissions
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 MATERFACT, FORVIA’s newly created Sustainable Materials entity.
2.2 Reduction of CO₂ & Environmental footprint in Operations (scopes 1 & 2)

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 (scopes 1 & 2) 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.

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

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

- 2/3 of FORVIA’s European electricity consumption

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

- Energy consumption optimization
- Process & heating electrification
- Energy efficiency
- Heat recovery
- Energy savings
- Digitalization
- Smart actuators

Renewable energy

On-site production

Renewable energy

Off-site Power Purchase Agreements

Renewable energy

Energy consumption optimization
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).

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

ACTION PLANS
KPMG advising about on-site PPAs

Schneider Electric advising on disclosure of roadmaps for scopes 1 & 2

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

ENGIE
developing energy saving solutions and 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

FORVIA industrial processes consume a modest amount of water:

→ 2/3 of the Group’s consumption for sanitary use (showers, catering, toilets).

→ 91% 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 green 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 Reduction of CO₂ & Environmental footprint in Operations (scopes 1 & 2)

#### 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 Enterprises 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.

#### Digital technology for low energy use

The Group rolled out 280 sites a system to allow a detailed analysis of energy consumption remotely. 101 plants were equipped with a connected measurement of their power consumption, making it possible to view it with a temporal accuracy of 10 to 15 minutes.

#### Energy shortage response

The Group deployed a white book on energy management in times of shortage. This guide recommends best practices and Group’s instructions, such as: adaptation and monitoring of temperatures, reduction of natural gas consumption, adaptation of work organization and work clothes, and provides for procedures to be followed in the event of a gas or electricity supply disruption.

#### Climate adaptation

FORVIA entrusted AXA-Climate with the analysis of the evolution of climate hazards at its sites, by 2030 and 2050, according to two IPCC scenarios.

#### 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 Enterprises 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.

#### Digital technology for low energy use

The Group rolled out 280 sites a system to allow a detailed analysis of energy consumption remotely. 101 plants were equipped with a connected measurement of their power consumption, making it possible to view it with a temporal accuracy of 10 to 15 minutes.

#### Energy shortage response

The Group deployed a white book on energy management in times of shortage. This guide recommends best practices and Group’s instructions, such as: adaptation and monitoring of temperatures, reduction of natural gas consumption, adaptation of work organization and work clothes, and provides for procedures to be followed in the event of a gas or electricity supply disruption.

#### Climate adaptation

FORVIA entrusted AXA-Climate with the analysis of the evolution of climate hazards at its sites, by 2030 and 2050, according to two IPCC scenarios.

#### 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 Enterprises 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.

#### Digital technology for low energy use

The Group rolled out 280 sites a system to allow a detailed analysis of energy consumption remotely. 101 plants were equipped with a connected measurement of their power consumption, making it possible to view it with a temporal accuracy of 10 to 15 minutes.

#### Energy shortage response

The Group deployed a white book on energy management in times of shortage. This guide recommends best practices and Group’s instructions, such as: adaptation and monitoring of temperatures, reduction of natural gas consumption, adaptation of work organization and work clothes, and provides for procedures to be followed in the event of a gas or electricity supply disruption.

#### Climate adaptation

FORVIA entrusted AXA-Climate with the analysis of the evolution of climate hazards at its sites, by 2030 and 2050, according to two IPCC scenarios.

#### 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 Enterprises 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.

#### Digital technology for low energy use

The Group rolled out 280 sites a system to allow a detailed analysis of energy consumption remotely. 101 plants were equipped with a connected measurement of their power consumption, making it possible to view it with a temporal accuracy of 10 to 15 minutes.

#### Energy shortage response

The Group deployed a white book on energy management in times of shortage. This guide recommends best practices and Group’s instructions, such as: adaptation and monitoring of temperatures, reduction of natural gas consumption, adaptation of work organization and work clothes, and provides for procedures to be followed in the event of a gas or electricity supply disruption.

#### Climate adaptation

FORVIA entrusted AXA-Climate with the analysis of the evolution of climate hazards at its sites, by 2030 and 2050, according to two IPCC scenarios.

#### 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 Enterprises 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.

#### Digital technology for low energy use

The Group rolled out 280 sites a system to allow a detailed analysis of energy consumption remotely. 101 plants were equipped with a connected measurement of their power consumption, making it possible to view it with a temporal accuracy of 10 to 15 minutes.

#### Energy shortage response

The Group deployed a white book on energy management in times of shortage. This guide recommends best practices and Group’s instructions, such as: adaptation and monitoring of temperatures, reduction of natural gas consumption, adaptation of work organization and work clothes, and provides for procedures to be followed in the event of a gas or electricity supply disruption.

#### Climate adaptation

FORVIA entrusted AXA-Climate with the analysis of the evolution of climate hazards at its sites, by 2030 and 2050, according to two IPCC scenarios.
2.3 Reduction of CO₂ footprint from products (scope 3)

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

Faurecia assesses the environmental impact on the life cycle of its main innovation projects, with the aim of having 100% of innovation projects subject to a CO₂ cycle of its main innovation projects, with the aim of Faurecia assessing the environmental impact on the life cycle of its main innovation projects, with the aim of reducing CO₂ footprint from products (scope 3) and has launched a project to measure and reduce CO₂ emissions.

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 assessment to address the following points: avoiding substances of concern; recyclability; environmental impact; and interior air quality.

The possibilities for end-of-life recycling are an ongoing consideration.

FORVIA systematically studies plastics substitutes that are not easily recyclable (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 conducts a simplified LCA of all its innovations on the impact of CO₂ eq. 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 4 Life Cycle Assessment working groups led by the main industry associations. The purpose is to discuss relevant issues and establish a common methodology.

MATERI’ACT: a new division to develop materials for CO₂ neutral products

FORVIA created MATERI’ACT, a new division to develop, source and sell unique cutting-edge materials with low, and ultra-low footprint bringing up to 95% CO₂ eq 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:

- Recycled and biosourced composite plastics for interiors, seats and lighting

  Renewable polymers are made from recycled plastics or biomass. If they come from biomass, they sequester the CO₂ in the atmosphere through photosynthesis. They are also offered outside the automotive industry.

- Low CO₂ eq footprint covers for seats and interiors

  They have a premium feel and appearance and thus offer an alternative to traditional leather. They can also be used in other sectors, such as fashion and furniture.

- Carbon fibers with a low CO₂ eq footprint for pressurized hydrogen vessels

  This includes in the long term, biosourced elements

  This technological innovation will drastically reduce emissions from carbon fiber production processes.

- Green steel, produced by reducing iron oxides using hydrogen and low-carbon electricity

  FORVIA is a founding partner of GravitHy, which will produce hydrogen-reduced iron in Fos-sur-Mer in 2027 ("direct reduced iron"), and is also working with the steelmaker SSAB to use the first European green steel in its seats from 2025.

Targets

- FORVIA is building in Lyon, France, an open innovation center which is set to become operational in 2023

- 400 engineers in 2030

- and more than €2 bn in sales targeted by 2030
2.3 Reduction of CO₂ footprint from products (scope 3)

**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.

**DECORE partnership: sustainable design that supports the circular economy**
The DECORE (DEcarbonation, Cockpit, REconditioning) program was created by Faurecia 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 the least CO₂, are more sustainable, and increase vehicle lifetimes through retrofitting and refurbishment. The target is to provide cockpits designed with 40% recycled materials and a CO₂eq impact reduced by 85% by 2030.

**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 wholesalers with around 35,000 different 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.

---

**2.4 Green taxonomy aligned 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 & alignment of its activities under this Green taxonomy classification.

In 2022 21.6% of FORVIA’s revenue were aligned with the EU green taxonomy under the four categories:

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

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**

(Figible 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.

**2. Battery systems technologies**

(Figible 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 CO₂ footprint of its new interiors by up to 85% throughout their life cycle.

**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 textiles with a low CO₂ footprint 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 CO₂ footprint of its seats by up to 55%, throughout their entire life cycle.

**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 (EPRS) 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 EPRS**
FORVIA’s compact EPRS 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.

In 2022

€2,073m

in gross R&D expenditure**

(8% of sales)

---

**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

- **2019**
  - Launch of a quality academy for all employees to improve knowledge and ensure the robust application of quality practices

- **2020**
  - Covid-19: launch of the “Safer Together” protocol for employee safety
  - EcoVadis 2020 Award
  - Launch of the Faurecia Supplier Council with 12 suppliers

- **2021**
  - Product transparency, conformity and traceability: XCEED, the new blockchain solution for certification
  - General Motors Supplier of the Year Award

- **2022**
  - 93% share of Faurecia’s direct purchasing volume assessed on sustainability (representing around 2,000 direct suppliers)
  - Duty of Care risk mapping and strategy
  - Publication of the Group Human Rights policy
  - Faurecia EcoVadis rating of 74/100 in the top 1% of our category
  - FORVIA first Sustainability Day

#### Commitments for the Business

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>2019 Reference</th>
<th>2022 Target</th>
<th>2025 Target</th>
<th>2027 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business ethics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of targeted employees trained on the Code of Ethics</td>
<td>93%</td>
<td>96.7%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td><strong>Safety</strong></td>
<td>2.05</td>
<td>1.47</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td>Accidents per million hours worked with and without lost time (FR1t indicator)</td>
<td>2.05</td>
<td>1.47</td>
<td>1.50</td>
<td></td>
</tr>
<tr>
<td><strong>Sustainable supply chain</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of direct purchasing volume assessed for CSR performance (representing around 2,000 direct suppliers)</td>
<td>80%</td>
<td>93%</td>
<td>95%</td>
<td></td>
</tr>
<tr>
<td>Percentage of suppliers included in the panel assessed on sustainable development by EcoVadis</td>
<td>80%</td>
<td>77%</td>
<td>95%</td>
<td></td>
</tr>
<tr>
<td>Minimum EcoVadis score of the suppliers in the panel</td>
<td>30/100</td>
<td>40/100</td>
<td>55/100</td>
<td></td>
</tr>
</tbody>
</table>
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 2022

- 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.

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.
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/FMEA).

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.

In 2022

FORVIA’s sites are IATF 16 949 certified (automotive market requirements including ISO 9001)

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 manufacturers 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.

FORVIA or a third party regularly audits suppliers to ensure compliance with the Code of Conduct that sets out its expectations for ethical business conduct; and sharing best practices.

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.

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 multiplier risk assessment campaign.

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.

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.

**EcoVadis rating**

Faurecia score of 74/100 in the 2022 EcoVadis sustainability rating. It is in the top 1% of the companies in its category rated by EcoVadis.

**FORVIA’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.

**Sustainability day**

FORVIA organized its first Sustainability Day, an annual meeting to present its non-financial roadmap and performance to which the Group’s suppliers are invited.

**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**

End of 2022, HELLA started assessing its suppliers for sustainability by EcoVadis.
## 4. People

### Contribute to society

<table>
<thead>
<tr>
<th>Year</th>
<th>Top Employer certification in 10 countries</th>
<th>Diversity targets included in leaders’ variable compensation</th>
<th>Faurecia signs the UN Women’s Empowerment Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>-</td>
<td>-</td>
<td>Faurecia signs the UN Women’s Empowerment Principles</td>
</tr>
<tr>
<td>2020</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2021</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2022</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### Commitments for People

#### Key Performance Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2019 Reference</th>
<th>2022 Target</th>
<th>2027 Target</th>
<th>2030 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning organization</td>
<td>Number of training hours per employee per year</td>
<td>21.6h</td>
<td>22.9h</td>
<td>-</td>
</tr>
<tr>
<td>Diversity &amp; Inclusion</td>
<td>Percentage of women among the Top 300 leaders</td>
<td>15%</td>
<td>23%</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Percentage of women managers and skilled professionals hired externally</td>
<td>30%</td>
<td>35.4%</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Percentage of women managers and skilled professionals</td>
<td>24.4%</td>
<td>28.9%</td>
<td>27.3%</td>
</tr>
<tr>
<td></td>
<td>Percentage of non-Europeans among the Top 300 leaders</td>
<td>34%</td>
<td>35%</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Engagement index based on the annual employee survey of all employees</td>
<td>64%</td>
<td>73%</td>
<td>-</td>
</tr>
<tr>
<td>Local solidarity actions</td>
<td>Percentage of employees involved in local societal actions</td>
<td>10%</td>
<td>15%</td>
<td>-</td>
</tr>
</tbody>
</table>

#### Forvia Objectives

- **Learning organization**
  - Number of training hours per employee per year
    - 2019: 21.6h
    - 2022: 22.9h
    - 2027: -
    - 2030: 25h

- **Diversity & Inclusion**
  - Percentage of women among the Top 300 leaders
    - 2019: 15%
    - 2022: 23%
    - 2027: 25%
    - 2030: 30%
  - Percentage of women managers and skilled professionals hired externally
    - 2019: 30%
    - 2022: 35.4%
    - 2027: -
    - 2030: -
  - Percentage of women managers and skilled professionals
    - 2019: 24.4%
    - 2022: 28.9%
    - 2027: 27.3%
    - 2030: 30%
  - Percentage of non-Europeans among the Top 300 leaders
    - 2019: 34%
    - 2022: 35%
    - 2027: -
    - 2030: -
  - Engagement index based on the annual employee survey of all employees
    - 2019: 64%
    - 2022: 73%
    - 2027: -
    - 2030: -

- **Local solidarity actions**
  - Percentage of employees involved in local societal actions
    - 2019: 10%
    - 2022: 15%
    - 2027: -
    - 2030: -
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 33 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 2022**

- **22.9h** training hours per employee and per year
- **28%** of recently graduated managers and skilled professionals
- **12.6%** resignation rate of managers and skilled professionals
- **65%** of employees covered by a social agreement
- **14.9%** resignation rate
- **13.8h** training hours per employee and per year

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.
In 2022, FORVIA created the group Works Council in France. This new committee is a forum for information and discussion on FORVIA’s group’s strategic orientations and activities in France. It consists of 17 members appointed by the national trade unions.

→ 493 agreements signed in 23 countries in 2022
4.1 Learning organisation

**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.

  In 2022, the Group had accumulated more than 1.7 million hours of training delivered (17 hours per person) since its launch at the end of 2015.

  In 2022 >1,600 young people worldwide benefitted from apprenticeship contracts

- Learning Lab
  
  In 2022, the Learning Lab had accumulated more than 1.7 million hours of training delivered (17 hours per person) since its launch at the end of 2015.

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.

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 2022**

- **27.3%** of women managers and skilled professionals
- **35.4%** of new managers and skilled professionals hired were women
- **28.9%** of women managers and skilled professionals
- **23%** of women in Faurecia top 300 leaders (+6% vs. 2019)
- **17,000** employees received diversity training
- **162** women enrolled in a coaching and mentoring program
- **25.2%** 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.

In 2022

- 150 managers attended a Management Committees training session on diversity
- 17,000 employees received diversity training

3. Monitoring employee engagement

For several years, FORVIA has monitored employee engagement via an annual satisfaction survey. This survey measures and collects employees’ feedback, it focuses on two key indices, employee engagement (level of motivation of employees) and the enablement of employees (ability of employees to carry out their work). This survey provides insight on several perspectives including: satisfaction, confidence in the management, 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 2022

- 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 2022

- 93% of Faurecia managers and skilled professionals were recruited locally

KEY HIGHLIGHTS

Diversity & Inclusion digital events

In May 2022, Faurecia hosted its second edition of a 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.

- > 900 applications worldwide
- 60 D&I award winners from 25 countries

Gender diversity in the TOP 300 leaders

Faurecia launched the RISE program, a nine-month support program to develop the internal promotion of women to the Top 300 leaders.

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 launched its corporate Foundation in 2020, 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.

- **€1 million**
  - Year budget
- **4 calls for projects**
  - Among employees since 2020
- **+ 4,000 people**
  - Supported since 2020
- **34 employees**
  - Solidarity projects
  - Financed since 2020

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. Among all the actions carried out in 2022, the teams in the United States, Mexico and Canada were encouraged to perform two hours of community service. More than 5,500 volunteers, employees, their friends and family members took part in this campaign. Together, they volunteered more than 16,000 hours cleaning parks and rivers or serving meals.

3. **The Solidarity HUB: volunteering platform**

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, 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.

**FUELS**

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

“Backpack on the go” - 2021 Chinese solidarity challenge

€1 million
- Year budget

4 calls for projects
- Among employees since 2020

+ 4,000 people
- Supported since 2020

34 employees
- Solidarity projects
- Financed since 2020
4.3 Local solidarity actions

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.

EXCEPTIONAL DONATION OF €550,000

AID TO UKRAINE

€300,000 to the NGO Première Urgence Internationale

(Hygiene products for mothers and children & emergency aid at the Polish border)

€145,000 to the Fundația Comunitara Valcea in Romania

(supporting recruitment at Faurecia plants and integration of refugees)

AID FOR UKRAINIAN REFUGEES

€250,000 in the countries bordering Ukraine

€65,000 to Jedia Dzieciom in Grojec, Poland and Fundația Comunitara Valcea in Romania

(Franzian initiative for the integration of refugee children)

€40,000 to Caritas in the Czech Republic

(Advising, accommodation, translation and childcare)

€20,000 to People in need in Slovakia

(Supporting actions that promote biodiversity and protect ecosystems.

The FORVIA Foundation supports the les prairies de NOE program dedicated to the protection of wild pollinators in France. With the help of NOE, the Foundation will develop, between 2023 and 2024, a project to restore wild pollinators on two FORVIA pilot sites in France and Germany. The project will focus on the rehabilitation of natural spaces, change in green space management practices, and employee awareness.

Environment

Supporting actions that promote biodiversity and protect ecosystems.

The FORVIA Foundation supports the les prairies de NOE program dedicated to the protection of wild pollinators in France. With the help of NOE, the Foundation will develop, between 2023 and 2024, a project to restore wild pollinators on two FORVIA pilot sites in France and Germany. The project will focus on the rehabilitation of natural spaces, change in green space management practices, and employee awareness.

Education

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

The FORVIA Foundation fund their program “Back on track”, an intensive learning program for people with few or no qualification that prepares them before they resume their qualifying studies, as well as emergency scholarships for the most vulnerable students.

Education

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

The FORVIA Foundation fund their program “Back on track”, an intensive learning program for people with few or no qualification that prepares them before they resume their qualifying studies, as well as emergency scholarships for the most vulnerable students.

Culture

Combining culture and inclusion with the Théâtre des Amandiers de Nanterre

As a national drama center, the mission of the Théâtre Nanterre-Amandiers is to support creations by young people that will be the theater of tomorrow. The Foundation contributes to the La Belle Troupe des Amandiers program, a two-year training course in acting for twelve young artists. During this training program, the apprentice actors perform their own creations across the Nanterre area and the Greater Paris region to reach the widest and most dispersed audience possible in order to make culture accessible to all.

Culture

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. This includes mental health support for young people and suicide prevention, daycare for children from families in difficulty in order to promote a return to employment, emergency shelters for women victims of violence and their children and, lastly, the financing of scholarships for young adults without family support.

Humanitarian aid

Global funding in 2022

€400,000

Societal action partnerships

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

Humanitarian aid

Global funding in 2022

€400,000

Societal action partnerships

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

Humanitarian aid

Global funding in 2022

€400,000

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. This includes mental health support for young people and suicide prevention, daycare for children from families in difficulty in order to promote a return to employment, emergency shelters for women victims of violence and their children and, lastly, the financing of scholarships for young adults without family support.

Education

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

The FORVIA Foundation fund their program “Back on track”, an intensive learning program for people with few or no qualification that prepares them before they resume their qualifying studies, as well as emergency scholarships for the most vulnerable students.

Environment

Supporting actions that promote biodiversity and protect ecosystems.

The FORVIA Foundation supports the les prairies de NOE program dedicated to the protection of wild pollinators in France. With the help of NOE, the Foundation will develop, between 2023 and 2024, a project to restore wild pollinators on two FORVIA pilot sites in France and Germany. The project will focus on the rehabilitation of natural spaces, change in green space management practices, and employee awareness.

Education

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

The FORVIA Foundation fund their program “Back on track”, an intensive learning program for people with few or no qualification that prepares them before they resume their qualifying studies, as well as emergency scholarships for the most vulnerable students.

Environment

Supporting actions that promote biodiversity and protect ecosystems.

The FORVIA Foundation supports the les prairies de NOE program dedicated to the protection of wild pollinators in France. With the help of NOE, the Foundation will develop, between 2023 and 2024, a project to restore wild pollinators on two FORVIA pilot sites in France and Germany. The project will focus on the rehabilitation of natural spaces, change in green space management practices, and employee awareness.

Culture

Combining culture and inclusion with the Théâtre des Amandiers de Nanterre

As a national drama center, the mission of the Théâtre Nanterre-Amandiers is to support creations by young people that will be the theater of tomorrow. The Foundation contributes to the La Belle Troupe des Amandiers program, a two-year training course in acting for twelve young artists. During this training program, the apprentice actors perform their own creations across the Nanterre area and the Greater Paris region to reach the widest and most dispersed audience possible in order to make culture accessible to all.

Culture

Combining culture and inclusion with the Théâtre des Amandiers de Nanterre

As a national drama center, the mission of the Théâtre Nanterre-Amandiers is to support creations by young people that will be the theater of tomorrow. The Foundation contributes to the La Belle Troupe des Amandiers program, a two-year training course in acting for twelve young artists. During this training program, the apprentice actors perform their own creations across the Nanterre area and the Greater Paris region to reach the widest and most dispersed audience possible in order to make culture accessible to all.
4.3 Local solidarity actions

**EMPLOYEE SOLIDARITY PROJECTS SPONSORED BY THE FORVIA FOUNDATION SINCE 2020**

**FRANCE**
- Accommodation support and inclusion measures for homeless people
  > 5 families
- Supporting the artistic training program for young comedian from the French theater "le Théâtre des Amandiers"
  > 12 artist students
- Set-up of 1 mobile space to help with the orientation and integration of young people who have dropped out of school or without qualifications in rural areas of the east of France
- Supporting the creation of a school offering vocational training in industrial maintenance
  > 45 students

**PORTUGAL**
- Supporting an environmental education program for seniors organised by young people
  > 40 seniors & 8 young people

**SPAIN**
- Supporting the education & integration of children and families in 2 refugee centres
  > 252 young refugees
- Financing digital tools & providing training for children in need
  > 50 children and 30 families

**UNITED STATES**
- Installing wheelchair ramps to improve the independence of people with disabilities
  > 6 families

**BRAZIL**
- Vocational training for school dropouts
  > 275 children

**MEXICO**
- Reforestation venture that redistributes the benefits to a children’s charity
  > 12,000 trees per year and 100 children

**ARGENTINA**
- Mentoring & scholarships for vulnerable teenagers
  > 10 students
- Restoring indigenous forests to improve the livelihood of local farmers
  > 25 farmers and 300 students

**MOROCCO**
- Providing bikes that allow children from remote villages to go to school by themselves
  > 100 children

**TUNISIA**
- Vocational training for school dropouts
  > 100 children

**GERMANY**
- Financing the purchase of a minivan for a disabled people’s residence
  > 22 residents
- Financing digital equipment to support a digital coaching program for vulnerable parents to help them better support their children in the use of the media
  > 100 families

**CZECH REPUBLIC**
- Financing minivans for 3 non-profit organisations helping children with disabilities
  > 100 beneficiaries

**SLOVAKIA**
- Introducing eco-friendly practices to a primary school and providing training
  > 100 children

**ROMANIA**
- Digital tool donation & extracurricular activities for disadvantaged children
  > 62 children
- Providing a minibus to improve the social inclusion of children with disabilities
  > 30 children
- Road safety training and social activities to improve the social inclusion of children with disabilities
  > 120 children
- Setting up an IT lab in a school located in a disadvantaged area
  > 150 children
- Building a lecture hall in a rural school
  > 150 children

**ITALY**
- Refurbishing computers so that children can follow classes online
  > 300 children
- Ecofriendly assistance and deliveries for families impacted by Covid-19
  > 1,000 families

**CHINA**
- After-school centers for migrant workers’ children
  > 700 children

**VIETNAM**
- Financing scholarships & providing materials to offer a brighter future for schoolgirls in Mekong
  > 50 schoolgirls

**SOUTHEAST ASIA**
- Vocational training for school dropouts
  > 252 young refugees
- Improving facilities & training for children in need
  > 50 children and 30 families
- Creating a green energy village
  > 130 residents
- Increasing the capacity of a school & dormitories in a rural residential school
  > 70 schoolgirls

**GERMANY**
- Financing the purchase of a minivan for a disabled people’s residence
  > 22 residents
- Financing digital equipment to support a digital coaching program for vulnerable parents to help them better support their children in the use of the media
  > 100 families

**FRANCE**
- Accommodation support and inclusion measures for homeless people
  > 5 families
- Supporting the artistic training program for young comedian from the French theater "le Théâtre des Amandiers"
  > 12 artist students
- Set-up of 1 mobile space to help with the orientation and integration of young people who have dropped out of school or without qualifications in rural areas of the east of France
- Supporting the creation of a school offering vocational training in industrial maintenance
  > 45 students

**PORTUGAL**
- Supporting an environmental education program for seniors organised by young people
  > 40 seniors & 8 young people

**SPAIN**
- Supporting the education & integration of children and families in 2 refugee centres
  > 252 young refugees
- Financing digital tools & providing training for children in need
  > 50 children and 30 families

**UNITED STATES**
- Installing wheelchair ramps to improve the independence of people with disabilities
  > 6 families

**BRAZIL**
- Vocational training for school dropouts
  > 275 children

**MEXICO**
- Reforestation venture that redistributes the benefits to a children’s charity
  > 12,000 trees per year and 100 children

**ARGENTINA**
- Mentoring & scholarships for vulnerable teenagers
  > 10 students
- Restoring indigenous forests to improve the livelihood of local farmers
  > 25 farmers and 300 students

**MOROCCO**
- Providing bikes that allow children from remote villages to go to school by themselves
  > 100 children

**TUNISIA**
- Vocational training for school dropouts
  > 100 children

**GERMANY**
- Financing the purchase of a minivan for a disabled people’s residence
  > 22 residents
- Financing digital equipment to support a digital coaching program for vulnerable parents to help them better support their children in the use of the media
  > 100 families

**CZECH REPUBLIC**
- Financing minivans for 3 non-profit organisations helping children with disabilities
  > 100 beneficiaries

**SLOVAKIA**
- Introducing eco-friendly practices to a primary school and providing training
  > 100 children

**ROMANIA**
- Digital tool donation & extracurricular activities for disadvantaged children
  > 62 children
- Providing a minibus to improve the social inclusion of children with disabilities
  > 30 children
- Road safety training and social activities to improve the social inclusion of children with disabilities
  > 120 children
- Setting up an IT lab in a school located in a disadvantaged area
  > 150 children
- Building a lecture hall in a rural school
  > 150 children

**ITALY**
- Refurbishing computers so that children can follow classes online
  > 300 children
- Ecofriendly assistance and deliveries for families impacted by Covid-19
  > 1,000 families

**CHINA**
- After-school centers for migrant workers’ children
  > 700 children

**VIETNAM**
- Financing scholarships & providing materials to offer a brighter future for schoolgirls in Mekong
  > 50 schoolgirls
Key performance indicators table

<table>
<thead>
<tr>
<th>Planet</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ emissions scopes 1 &amp; 2 (MtCO₂eq)</td>
<td>0.86</td>
<td>0.83</td>
</tr>
<tr>
<td>CO₂ intensity (tCO₂eq/scopes 1 &amp; 2/€ million of sales)</td>
<td>47</td>
<td>33</td>
</tr>
<tr>
<td>Energy intensity of sites (MWh scopes 1 &amp; 2/€ million of sales)</td>
<td>121</td>
<td>101</td>
</tr>
<tr>
<td>Waste intensity (metric tons/€ million of sales)</td>
<td>15</td>
<td>8.9</td>
</tr>
<tr>
<td>Water intensity (m³/€ million of sales)</td>
<td>176</td>
<td>126.3</td>
</tr>
</tbody>
</table>

Neutrality %

<table>
<thead>
<tr>
<th>Circular economy of products (scope 3)</th>
<th>2019</th>
<th>2022</th>
<th>2025</th>
<th>2027</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ emissions controlled scope 3 (MtCO₂ eq) (excluding use of sold products)</td>
<td>8.57</td>
<td>11.81</td>
<td>9.05</td>
<td>11.98</td>
<td>-45%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investments for sustainable technologies</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of revenue aligned with taxonomy</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of targeted employees trained on the Code of Ethics</td>
<td>93%</td>
<td>96.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Safety</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accidents per millions hours worked with and without lost time (FR1t indicator)</td>
<td>2.05</td>
<td>1.47</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Responsible supply chain</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of direct purchasing volume assessed for CSR performance (representing around 2,000 direct suppliers)</td>
<td>80%</td>
<td>93%</td>
</tr>
<tr>
<td>Percentage of suppliers included in the panel assessed on sustainable development by EcoVadis</td>
<td>80%</td>
<td>77%</td>
</tr>
<tr>
<td>Minimum EcoVadis score of the suppliers in the panel</td>
<td>30/100</td>
<td>40/100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>People</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of women among the top 300 leaders</td>
<td>15%</td>
<td>23%</td>
</tr>
<tr>
<td>Percentage of women managers and skilled professionals hired externally</td>
<td>30%</td>
<td>35.4%</td>
</tr>
<tr>
<td>Percentage of women managers and skilled professionals</td>
<td>24.4%</td>
<td>28.9%</td>
</tr>
<tr>
<td>Percentage of non-Europeans among the top 300 leaders</td>
<td>34%</td>
<td>35%</td>
</tr>
<tr>
<td>Engagement index based on the annual employee survey of all employees</td>
<td>64%</td>
<td>73%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Local solidarity actions</th>
<th>2019</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of employees involved in local societal actions</td>
<td>10%</td>
<td>15%</td>
</tr>
</tbody>
</table>

FORVIA OBJECTIVES

- Development of hydrogen technologies and battery systems for zero-emission mobility
- FORVIA committed to increasing its activities aligned with the Green Taxonomy
- Development of low-carbon vehicle technologies
- Hydrogen joint venture: Symbio, in a 50/50 partnership with Michelin
- Large ecosystem of partners for sustainable innovations
FORVIA's contribution to the SDGs

FORVIA's sustainability strategy is aligned with the United Nations Sustainable Development Goals (SDGs).

**Planet**

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

7. **AFFORDABLE AND CLEAN ENERGY**
   - On-site production and external sourcing of renewable energy.

8. **DECENT WORK AND ECONOMIC GROWTH**
   - Respect for and promotion of international principles relating to human rights and labour law throughout the value chain.

9. **REDUCED INEQUALITIES**
   - Fight against discrimination.

10. **CLIMATE ACTION**
    - Reduction of FORVIA's greenhouse gas emissions to achieve operational CO₂ neutrality by 2025.

**Business**

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

8. **DECENT WORK AND ECONOMIC GROWTH**
   - Eco-design of products and circular economy.

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

12. **RESPONSIBLE CONSUMPTION AND PRODUCTION**
    - Development of solutions for zero-emissions mobility over the full vehicle life cycle.

**People**

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

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.

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

6. **REDUCED INEQUALITIES**
   - Development of local societal actions.

**Partnership for the Goals**

17. **PARTNERSHIP FOR THE GOALS**
    - Partnerships for sustainable innovation with key players in the industrial and technological ecosystem.
Contacts

Isabelle CORNU
FORVIA Sustainable Development Director and
FORVIA Foundation General Delegate

Eugénie WARTEL
FORVIA Sustainable Development Manager and
FORVIA Foundation Operational Delegate

+33 (0)1 72 36 70 00
sustainability@faurecia.com
www.faurecia.com/en/sustainability

23-27 avenue des Champs Pierreux
92000 Nanterre, France

For more information see the
Universal Registration Document 2022