CAPITAL MARKETS DAY

Transformation in action

Paris – November 26, 2019
Accelerating transition to Clean Mobility Solutions

Agenda

1. Faurecia transformation overview
2. Cockpit of the Future enabled by Faurecia Clarion Electronics
3. Accelerating transition to Clean Mobility Solutions
4. Growth and Resilience
5. Conclusion & Q&A
Transformation in action
Mobility industry at the heart of major transformations

Mobility Industry at a Turning Point

GLOBAL DEVELOPMENT CHALLENGES
- New energy sources
- Environmental issues
- Growing urbanization
- Income disparities
- Rising Asia

TECHNOLOGY DISRUPTIONS
- Digitalization & data science
- Connected objects
- Human & bio-inspired science
- Women empowerment
- Aging population
- Millennials aspirations
- Individualism & freedom

CONNECTED
- Auronomous
- Ride-sharing
- Electrified

CARBON NEUTRAL

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Main impacts of key trends on Faurecia’s transformation strategy

**New products**
- Accelerate development of innovation for powertrain electrification and invest in zero emission solutions
- Focus on short time-to-market technology bricks for the Cockpit of the Future adaptable to autonomous driving
- New functionalities through integrated electronics

**New clients**
- Rising Asian OEMs and influence of Chinese consumers
- Pure EV players
- Mobility operators, fleets and cities

**New business models**
- Increased role of personalized user experiences including direct access to consumer
- Upgradeability, retrofit and connected services
- Cybersecurity of connected products
Faurecia combining strategic transformation and operational excellence

Transformation & carbon neutrality

Resilience & execution
Transformation strategy aligned with megatrends giving significant market opportunity

Sustainable Mobility
Solutions for fuel efficiency, air quality and zero emissions

Cockpit of the Future
Solutions for a connected, versatile and predictive cockpit

Addressable market
€46bn in 2030

Addressable market
€73bn in 2030
Accelerated investment in broad ecosystem and new competences

**SUSTAINABLE MOBILITY**
- Partnership with Michelin for fuel cell systems

**COCKPIT OF THE FUTURE**
- Acquisitions of Clarion, Creo Dynamics and Covatech
- Project to acquire SAS
- Partnerships with Microsoft, Aptoide, Devialet and Allwinner

**CYBERSECURITY**
- Investment in Guardknox and technology platform in Tel Aviv
Expanding product line offer for Sustainable Mobility and Cockpit of the Future

### SUSTAINABLE MOBILITY
- **Passenger Vehicles**
- **Fuel Cell Electric Vehicles**
- **Commercial Vehicles & High Horsepower**
- **Smart Materials**
- **ADAS**

### COCKPIT OF THE FUTURE
- **Complete Seats**
- **Seat Structure Systems**
- **Covers & Foam Solutions**
- **Comfort & Wellness Solutions**
- **Interior Modules**
- **Instrument Panels**
- **Door Panels & Center Consoles**
- **Acoustic Systems**
- **Cockpit Domain Controller**
- **Immersive Experiences**
- **Display Technologies**
- **Decoration & Interior Lighting**

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Broader and more diversified customer portfolio

<table>
<thead>
<tr>
<th>MASS MARKET OEMS</th>
<th>PREMIUM OEMS</th>
<th>CHINESE OEMS</th>
<th>CV &amp; HHP</th>
<th>NEW ENTRANTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peugeot, DS Automobiles, Citroën, Toyota, Honda, FCA, Ford, Seat, Skoda, PEUGEOT, DS Automobiles,</td>
<td>BMW, Audi, Mercedes-Benz, Jaguar, Lexus, Mini, Rolls-Royce, Bentley, BMW,</td>
<td>FAW, Great Wall, BAIC, SAIC, Dongfeng, Mercedez-Benz, DAF, MIE, ISUZU, NAVISTAR, WEICHAI, IVECO,</td>
<td>John Deere, CAT, JCB, DAF, ISUZU, NAVISTAR, WEICHAI, IVECO,</td>
<td>MOIA, BYTON, KARMA, RIVIAN, VINFAST, NIO, Lucid,</td>
</tr>
</tbody>
</table>
Global approach to Total Customer Satisfaction

- Active listening to understand
- Relentless problem resolution & program excellence
- Five-Star experience culture, demonstrating our customer commitments

- Technological edge
- Flawless launches
  - No surprises
- Build in quality
  - Zero defects at source
- 100% on-time
  - End-to-end secured capacity
- Commercial & after sales
  - "Faurecia Signature"

TOTAL CUSTOMER SATISFACTION: EVERYONE, EVERYWHERE, EVERYTIME
Record order intake leading to sales of > €20.5bn in 2022
Increasing share for New Value Spaces*

- Expected record 2017-2019 order intake reflecting continuous market share gains
- New Value Spaces order intake at 22% in 2019 vs. 12% in 2018
- Commercial Vehicles and HHP order intake at > €1.5bn
- 2 awards for fuel cell tanks and systems
- Strong acceleration in FCE order intake in 2019
- Strong profitability of order intake
- China expected to resume growth as from 2020 and remains at the core of Faurecia's strategy development

* NVS = 100% FCE + Comfort & Wellness/Advanced safety for Seating + CV/HHP/Zero emission for Clean Mobility
Delivering on financial targets despite headwinds through resilience initiatives and cost management

- All financial targets met in 2018 despite headwinds in H2
- 2019 targets confirmed despite market deterioration throughout the year: currently estimated at c. -6% versus c. -1% estimated in February

<table>
<thead>
<tr>
<th>SALES</th>
<th>PROFITABILITY</th>
<th>NET CASH FLOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019 sales at constant currencies should outperform worldwide automotive production between 150 and 350bps (excluding Clarion consolidation)</td>
<td>FY 2019 operating income should increase in value and operating margin should be at least 7% of sales (including Clarion consolidation as from April 1)</td>
<td>FY 2019 net cash flow should be at least €500m (including Clarion consolidation as from April 1)</td>
</tr>
</tbody>
</table>

Currency assumptions: USD/€ @ 1.13 and CNY/€ @ 7.71, on average

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"As a company, we believe that acting responsibly is key to ensure the sustainable development of our ecosystem for the future generations.

By acting responsibly, we create long-term value for all our stakeholders and ensure the sustainability of our business and the planet.

This is the reason why we have defined our Convictions"
### Six transversal initiatives to respond to our Convictions and to anticipate the next disruption

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Environmental issues pose a serious challenge for humanity</th>
<th>Companies must have a positive impact on society</th>
<th>The world is in a state of permanent disruption</th>
<th>Power must have a counterbalance</th>
<th>Diversity is a strength</th>
<th>Short-term thinking jeopardizes future generations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Carbon Neutral by 2030</strong></td>
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<tr>
<td><strong>Faurecia Foundation</strong> for mobility, education and environment</td>
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<tr>
<td><strong>Strategic innovation for Sustainable Mobility and Cockpit of the Future</strong></td>
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</tr>
<tr>
<td><strong>Inclusive Culture</strong> to attract, develop and retain diverse talents</td>
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</tr>
<tr>
<td><strong>Total Customer Satisfaction</strong> for long term partnerships</td>
<td></td>
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<tr>
<td><strong>Learning Organization</strong> to anticipate future disruption</td>
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</tbody>
</table>
Implications of PSA-FCA merger project

- PSA has been an active and supportive shareholder for Faurecia over the years.

- The combination of PSA and FCA would create the #1 customer for Faurecia, similar in size to VW Group, providing new opportunities for value through platforms, innovation and footprint.

- Faurecia would benefit from an enhanced market profile, based on a larger free float, increased liquidity and higher visibility.

- Faurecia continues to focus on deploying its strategy.
Targets will be achieved despite significantly lower than expected market volumes: 2022 volumes forecasted at a lower level than 2020 volumes estimated in May 2018

Market assumptions: 2020 volume slightly negative vs. 2019 and c. +1% in 2021 and 2022

2022 FINANCIAL TARGETS

- **SALES**: > €20.5bn
- **OPERATING MARGIN**: 8% of sales
- **NET CASH FLOW**: 4% of sales
Takeaways

- Faurecia strategy for the Cockpit of the Future and Sustainable Mobility is relevant and is being deployed at a sustained pace.

- Maintaining a good balance between execution and transformation allows Faurecia to deliver its financial targets even in a difficult environment.

- Faurecia is ready for the next chapter in its development.
Cockpit of the Future enabled by Faurecia Clarion Electronics

Mathieu Devillard
SVP Cockpit of the Future
FAURECIA LEADING POSITION IN SEATING...
... AND INTERIORS
COMPETENCES

- Advanced safety
- Perceived quality & seamless integration
- Comfort
- Acoustics & sound management
- Thermal management
- Ambient lighting
- Smart surfaces
CREATION OF FAURECIA CLARION ELECTRONICS
COMPETENCES

- Electronics & software
- Sensors & computer vision
- Artificial Intelligence & connected solutions
- Systems integration
- Display integration
PROJECT TO ACQUIRE SAS
Full interior systems architecture

Expanded systems integration offer for all interior modules

Expanded network of just-in-time and just-in-time sequence delivery
... TO ENABLE THE COCKPIT OF THE FUTURE VISION
Cockpit of the Future enabled by Faurecia Clarion Electronics

Jean-Paul Michel
Deputy EVP Faurecia Clarion Electronics

Frantz Lohier
CTO Faurecia Clarion Electronics
Faurecia Clarion Electronics integrates recent acquisitions of Clarion, Parrot, Coagent, Covatech and Creo Dynamics

1,600 engineers
7,100 employees o/w 70% in LCC

€1bn sales (proforma* 2019e)

Over 10 years of experience with Embedded Android

100m+ vehicles equipped worldwide

Best-in-class global manufacturing and engineering footprint

NORTH AMERICA
19% of sales
1,600 people

EUROPE
11% of sales
800 people

CHINA
23% of sales
2,300 people

JAPAN AND REST OF ASIA
47% of sales
2,400 people

*April to Dec. 2019 sales + additional estimated 3 months sales

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Four product lines aligned with Cockpit of the Future and Sustainable Mobility

**COCKPIT DOMAIN CONTROLLER**
- In-Vehicle Infotainment
- Rear Seat Entertainment Systems
- Universal/Remote Tuner
- Apps Store

**DISPLAY TECHNOLOGIES**
- Small & Medium Displays
- Large & Multiple Display Modules

**IMMERSIVE EXPERIENCES**
- Sound Systems & Branded Audio
- Occupant Monitoring Systems
- Personalized Cockpit Experiences

**ADAS**
- e-Mirror & Surround View Systems
- Automated & Autonomous Parking Systems
- Advanced Driving Systems

No legacy business and key positioning on high-growth segments
Complementarity of integrated companies and ecosystem

3 tier-one entities + 2 tech-based acquisitions + ecosystem

<table>
<thead>
<tr>
<th>3 tier-one entities</th>
<th>+</th>
<th>2 tech-based acquisitions</th>
<th>+</th>
<th>ecosystem</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Parrot Automotive</strong></td>
<td>Android OS</td>
<td>Coagent</td>
<td>AliOS DuerOS Tencent</td>
<td>clarion</td>
</tr>
<tr>
<td><strong>Display Technologies</strong></td>
<td>Small &amp; medium displays</td>
<td></td>
<td>Large &amp; multiple displays</td>
<td></td>
</tr>
<tr>
<td><strong>Immersive Experiences</strong></td>
<td>Voice recognition</td>
<td></td>
<td>Digital sound</td>
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</tr>
<tr>
<td><strong>ADAS</strong></td>
<td></td>
<td>Sensor fusion &amp; computer vision</td>
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<td>Aerodynamics &amp; acoustics</td>
</tr>
</tbody>
</table>
Two priorities

Accelerate growth in four product lines

Aggressive roadmap for cost competitiveness
Cockpit Domain Controller (CDC)
Personalized infotainment for all occupants

In-Vehicle Infotainment

Rear-Seat Entertainment Systems

Universal/Remote Tuner

Apps Store

Accelerate growth in four product lines
## Cockpit Domain Controller (CDC)
### Market Segments & Portfolio

<table>
<thead>
<tr>
<th><strong>MARKET TRENDS</strong></th>
<th><strong>PRODUCT DESCRIPTION</strong></th>
<th><strong>MARKET SIZE 2025</strong></th>
<th><strong>CAGR 20-25</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Android penetration from 24% in 2019 to 42% in 2025</td>
<td>3 primary segments:</td>
<td>€17,100m</td>
<td>+4%</td>
</tr>
<tr>
<td>HW/SW unbundling, with entry of EMS players on build-to-print</td>
<td>- Premium: IVI &amp; Cluster powered by single hardware managing several displays</td>
<td>€300m</td>
<td>+3%</td>
</tr>
<tr>
<td></td>
<td>- Mid-range: embedded navigation system</td>
<td>€600m</td>
<td>+27%</td>
</tr>
<tr>
<td></td>
<td>- Entry range: display audio for smartphone mirroring only</td>
<td>€300m</td>
<td>+18%</td>
</tr>
</tbody>
</table>

### IN-VEHICLE INFOTAINMENT (IVI)
- Dedicated infotainment ECU and displays for rear seats
- Most option market for large & premium vehicles segment
- Increasing computing capabilities creating opportunities for apps and games
- Base of downloadable apps allowing new revenue streams shared between OEMs, app creators and app store

### REAR-SEAT ENTERTAINMENT SYSTEMS
- Radio ECU with universal support standard (FM, DAB, HD radio, etc.)
- Stand-alone product for reduced system cost through cabling optimization

### UNIVERSAL/REMOTE TUNER
- Increase in penetration from 3% in 2019 to 12% in 2025 driven by OEM’s desire to:
  - Simplify CDC evolutions (tuning system more stable over time)
  - Simplify antenna management
- 28% of vehicles equipped with apps store in 2025 (premium and mid-range IVI)

### APPS STORE
- Increase in Android penetration from 24% in 2019 to 42% in 2025
- 28% of vehicles equipped with apps store in 2025

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## Cockpit Domain Controller (CDC)
### Ambition and Unique Selling Proposition

<table>
<thead>
<tr>
<th>AMBITION</th>
<th>USP</th>
<th>IN-VEHICLE INFOTAINMENT (IVI)</th>
<th>REAR-SEAT ENTERTAINMENT SYSTEMS</th>
<th>UNIVERSAL/REMOTE TUNER</th>
<th>APPS STORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Opportunistic</td>
<td>▪ Single processor piloting IVI and digital cluster</td>
<td>▪ Develop low-cost entry and mid-range segments and high-end for China</td>
<td>▪ Reach 20% market share with major OEMs in this large vehicle/premium segment</td>
<td>▪ Consolidate global leadership (target 30% market share) thanks to next Gen ASIC</td>
<td>▪ Become the leading automotive pure player in apps Market (excluding Apple and Google) targeting OEMs adopting Android</td>
</tr>
<tr>
<td>▪ Segment profitability + Technology advantage ++</td>
<td>▪ Short time to market</td>
<td>▪ Premium integration and synergies with Seating</td>
<td>▪ Premium integration and synergies with Seating</td>
<td>▪ Unique proprietary ASIC (Octopus)</td>
<td>▪ JV with Aptoide, 2nd largest app ecosystem on Android:</td>
</tr>
<tr>
<td>▪ Global footprint to address local players</td>
<td>▪ Best performance and features with apps market</td>
<td>▪ Cybersecurity leadership</td>
<td>▪ Best performance and features with apps market</td>
<td>▪ Software Defined Radio: architecture expandable to new radio standards</td>
<td>▪ Global availability with regional adaptability and custom app bundling by OEM</td>
</tr>
<tr>
<td>▪ Cybersecurity leadership</td>
<td></td>
<td></td>
<td></td>
<td>▪ AI-assisted radio navigation with SmartZap</td>
<td>▪ Cost efficient</td>
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<td></td>
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<td></td>
<td>▪ Data privacy secured</td>
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</table>

**2019-2025 CAGR**

- **2025 SALES**
  - > €1,000m

**2025 MARKET SHARE**

- 6%

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Display Technologies
Highly customizable advanced display solutions

- Small & Medium Displays
- Large & Multiple Display Modules

Accelerate growth in four product lines
### Display Technologies
#### Market Segments & Portfolio

<table>
<thead>
<tr>
<th>SMALL &amp; MEDIUM DISPLAYS</th>
<th>LARGE &amp; MULTIPLE DISPLAY MODULES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 12”3 display surface mainly for central console</td>
<td>Combined display surface in excess of 12”3 and up to 49”</td>
</tr>
<tr>
<td>Scalable tactile interface featuring HMI function (e.g. proximity, haptic feedback etc.)</td>
<td>Single or multiple display configuration</td>
</tr>
<tr>
<td>Penetration for interactive display from 30% in 2019 to 40% in 2025</td>
<td>Up to 3D free-forming</td>
</tr>
<tr>
<td>Expansion towards multimodal configuration</td>
<td>Primarily for premium and high-end vehicles</td>
</tr>
<tr>
<td>Generalization of hybrid/remote &amp; redundant HMI</td>
<td>“X in 1”: Large surface to be achieved with single display</td>
</tr>
<tr>
<td></td>
<td>Generalization of high perceived quality materials (glass lens, optical bonding)</td>
</tr>
</tbody>
</table>

**MARKET TRENDS**

- Optical bonding becoming mainstream at c. 50% application

**MARKET SIZE 2025**

<table>
<thead>
<tr>
<th>SMALL &amp; MEDIUM DISPLAYS</th>
<th>LARGE &amp; MULTIPLE DISPLAY MODULES</th>
</tr>
</thead>
<tbody>
<tr>
<td>€19,000m</td>
<td>€3,100m</td>
</tr>
<tr>
<td>+13%</td>
<td>+21%</td>
</tr>
</tbody>
</table>

**MARKET SIZE 2025**

- **CAGR 20-25**
Display Technologies
Ambition and Unique Selling Proposition

### Ambition and USP

**SMALL & MEDIUM DISPLAYS**

- **Opportunistic**
  - Focus on integration capabilities and key-accounts

- **Segment profitability +**
  - Technology advantage +

- **Enhanced features**: high dynamic range displays, invisible borders, shape on glass, transparent substrate

**LARGE & MULTIPLE DISPLAY MODULES**

- **Top 3**
  - Leader in large and 3D-Shaped display configurations (XL & “X in 1”)

- **Segment profitability +++**
  - Technology advantage +++

- **First pillar-to-pillar XL Display in SOP**
- **Enhanced features**: multi-radius XL cover lens, 3D shape bonding, multi-functional structural parts

**DIFFERENTIATING TECHNOLOGY & INTEGRATION EXPERTISE**

- **Leadership position in optical bonding, investment in glass forming and advanced backlighting**

- **Comprehensive integration and materials expertise with Interiors and Seating for structural, mechanical and safety constraints**

- **Capacity to develop differentiated designs for brand specific visual experience/immersion**

### Key Metrics

- **2019-2025 CAGR**
  - **+34%**

- **2025 SALES**
  - **€500m**

- **2025 MARKET SHARE**
  - **>10%***

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*Mainly for large & multiple display modules*
Immersive eXPeriences (IXP)
Improved and individualized in-car experience

Sound Systems & Branded Audio
Occupant Monitoring Systems
Personalized Cockpit Experiences

Accelerate growth in four product lines
# Immersive eXPeriences (IXP)

## Market Segments and Portfolio

### SOUND SYSTEMS & BRANDED AUDIO
- **Active Noise Cancellation (ANC)** for engine and road noise
- Local ANC, IP & telephony for **smart headrests**
- Exciters for sound surfaces, replacing or supplementing traditional speakers
- High-end bundled solutions (transducers, dedicated ECU, sound IP & brand licenses)

<table>
<thead>
<tr>
<th><strong>MARKET TRENDS</strong></th>
<th><strong>MARKET SIZE 2025</strong></th>
<th><strong>CAGR 20-25</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>ANC Penetration from 19% to 48% in 2025</td>
<td>€6,000m</td>
<td>+4%</td>
</tr>
<tr>
<td>Sound zoning to start on premium vehicles before 2025</td>
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</tr>
<tr>
<td>FCE to pioneer exciters market from 2021, penetration could reach 50% by 2030</td>
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</tr>
<tr>
<td>High market growth in China for bundled solutions</td>
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</tr>
</tbody>
</table>

### OCCUPANT MONITORING SYSTEMS
- Camera-based measure of driver drowsiness and distraction, recognition, gesture control
- High-frequency radar for child presence detection
- Other sensors (near infrared, biometrics...) for data fusion

### PERSONALIZED COCKPIT EXPERIENCES
- Sensor data fusion and artificial intelligence for cockpit experiences including:
  - Thermal management
  - Comfort & well-being
  - Ambient lighting
  - Immersive entertainment
  - Advanced safety

- Advanced functions by 2025
- Consumer demand for increased personalization
- Combination of functions driving individualized experiences enabled by AI

### MARKET TRENDS

<table>
<thead>
<tr>
<th><strong>MARKET TRENDS</strong></th>
<th><strong>MARKET SIZE 2025</strong></th>
<th><strong>CAGR 20-25</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety regulations: e.g. Euro NCAP from 2022/2024, US in 2023</td>
<td>€2,700m</td>
<td>+50%</td>
</tr>
<tr>
<td>Advanced personalization functionalities for high-end segments by 2025</td>
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</tbody>
</table>

## Business take-off from 2025
### Ambition and Unique Selling Proposition

**SOUND SYSTEMS & BRANDED AUDIO**

- **Niche**
  - Leader smart headrest and ANC algorithms
  - First sound surface solution available from 2021
  - Develop a portfolio of audio brands

**USP**

- ANC expertise for all cockpit configurations
- Interiors and Seating integration capability
- First automotive grade exciters with integrated speakers (30-40% cost and space benefit)
- Devialet partnership for premium audio brand

**Segment profitability ++**
**Technology advantage ++**

**OCCUPANT MONITORING SYSTEMS**

- **Leader**
  - Leader in camera-based occupant monitoring system
  - Interior radar for child detection

**USP**

- Best-in-class low-cost recognition software
- Compact, cost-competitive, fully integrated cameras
- Cockpit sensor integration based on Interiors and Seating experience
- Original application software for child detection

**Segment profitability +++**
**Technology advantage +++**

**PERSONALIZED COCKPIT EXPERIENCES**

- **Leader**
  - Leader in user experiences for Cockpit of the Future with full systems integration

**USP**

- Personalization algorithms based on self-learning/AI
- Breakthrough comfort personalization leveraging Interiors and Seating expertise

**Segment profitability ++**
**Technology advantage +++**

### 2019-2025 CAGR

<table>
<thead>
<tr>
<th>Category</th>
<th>2019-2025 CAGR</th>
<th>2025 SALES</th>
<th>2025 MARKET SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sound Systems &amp; Branded Audio</td>
<td>+28%</td>
<td>€330m</td>
<td>&gt;10%*</td>
</tr>
</tbody>
</table>

* For sound systems (excl. branded audio – market size estimated at €5.3 bn) and occupant monitoring systems
Advanced Driver Assistance Systems (ADAS)
Enhanced safety & convenience

- e-Mirror & Surround View Systems
- Automated & Autonomous Parking Systems
- Advanced Driving Systems

Accelerate growth in four product lines.
### Advanced Driver Assistance Systems (ADAS)
#### Market Segments and Portfolio

<table>
<thead>
<tr>
<th>E-MIRROR &amp; SURROUND VIEW SYSTEMS</th>
<th>AUTOMATED &amp; AUTONOMOUS PARKING SYSTEMS</th>
<th>ADVANCED DRIVING SYSTEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PRODUCT DESCRIPTION</strong></td>
<td><strong>MARKET TRENDS</strong></td>
<td><strong>MARKET SIZE 2025</strong></td>
</tr>
<tr>
<td>- e-Mirrors</td>
<td>- Automated parking: camera-based system enabling to park the car in all configurations</td>
<td><strong>Ambition to be defined in Q1 2020</strong></td>
</tr>
<tr>
<td>- Surround view systems, based on 4-6 cameras per vehicle</td>
<td>- Autonomous pickup: camera-based system enabling the car to <strong>pick up the driver on a parking lot</strong></td>
<td><strong>€2,000m</strong></td>
</tr>
<tr>
<td>- Rear view system, based on 1 camera</td>
<td></td>
<td><strong>+3%</strong></td>
</tr>
<tr>
<td>- Sensor cleaning systems for cameras, radars, lidars</td>
<td></td>
<td><strong>€1,500m</strong></td>
</tr>
<tr>
<td><strong>MARKET TRENDS</strong></td>
<td><strong>MARKET TRENDS</strong></td>
<td><strong>CAGR 20-25</strong></td>
</tr>
<tr>
<td>- e-Mirrors driven by a favorable evolution of regulation, CO₂ and fuel economy (up to 3% for large commercial vehicles); take-off as from 2023</td>
<td>- Increasing end customer appetite and regulatory push</td>
<td><strong>+3%</strong></td>
</tr>
<tr>
<td>- Cameras to progressively switch from analog to digital with better image quality</td>
<td></td>
<td><strong>€2,000m</strong></td>
</tr>
<tr>
<td></td>
<td>- Autoparking penetration reaching <strong>24%</strong> in 2025 with increasing development of camera-based solutions</td>
<td><strong>+66%</strong></td>
</tr>
<tr>
<td></td>
<td>- Autonomous pickup recently introduced</td>
<td><strong>+66%</strong></td>
</tr>
<tr>
<td></td>
<td>- Expansion into luxury/premium segments in the coming years</td>
<td><strong>+66%</strong></td>
</tr>
<tr>
<td></td>
<td>- <strong>Increasing end customer appetite and regulatory push</strong></td>
<td><strong>+66%</strong></td>
</tr>
</tbody>
</table>

**MARKET SIZE 2025**

- **€2,000m**
  - **+3%**

- **€1,500m**
  - **+66%**

**Capital Markets Day - November 26, 2019**
## Advanced Driver Assistance Systems (ADAS)

### Ambition and Unique Selling Proposition

#### AMBITION

<table>
<thead>
<tr>
<th>E-MIRROR &amp; SURROUND VIEW SYSTEMS</th>
<th>AUTOMATED &amp; AUTONOMOUS PARKING SYSTEMS</th>
<th>ADVANCED DRIVING SYSTEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Top 3</strong></td>
<td><strong>Top 3</strong></td>
<td>Ambition to be defined in Q1 2020</td>
</tr>
<tr>
<td>- Be an innovator in the camera market</td>
<td>- Be one of the leaders leveraging computer vision and sensor fusion technologies</td>
<td>- Co-development with specific customers to start soon</td>
</tr>
<tr>
<td>- Lead the e-mirror business, leveraging FCE and Interiors competences</td>
<td>- Performance and features ahead of competition: geolocation, speed and accuracy, all parking types and vehicle direction</td>
<td>- Computer vision and sensor fusion expertise developed for Low-speed ADAS solutions (e.g. Surround View &amp; Autoparking)</td>
</tr>
<tr>
<td>Segment profitability ++ Technology advantage +++</td>
<td>Segment profitability ++ Technology advantage +++</td>
<td>Faurecia AI capabilities for</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- moving object/pedestrian detection</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- behavior prediction</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- vehicle control &amp; multi-path planning</td>
</tr>
</tbody>
</table>

#### USP

<table>
<thead>
<tr>
<th>E-MIRROR &amp; SURROUND VIEW SYSTEMS</th>
<th>AUTOMATED &amp; AUTONOMOUS PARKING SYSTEMS</th>
<th>ADVANCED DRIVING SYSTEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Camera: best image quality &amp; cleaning (e.g. definition, lenses selection), integration (e.g. small form factor, flexible connectivity) and competitive pricing</td>
<td>- Performance and features ahead of competition: 3D vision, Surround View for trailer solution</td>
<td></td>
</tr>
<tr>
<td>- e-Mirror: early entry, track record in Surround View, integration into cockpit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Performance and features ahead of competition: 3D vision, Surround View for trailer solution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Segment profitability

- ++
- +++

#### Technology advantage

- +++

#### Capital Markets Day - November 26, 2019

2019-2025 CAGR

<table>
<thead>
<tr>
<th>2019-2025 CAGR</th>
<th>2025 SALES</th>
<th>2025 MARKET SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>+17%</td>
<td>€420m</td>
<td>&gt;10%*</td>
</tr>
</tbody>
</table>

* For e-mirror & surround view systems and automated & autonomous parking systems
FCE leverages a pioneer position in Surround View

NISSAN TO INTRODUCE WORLD’S FIRST AROUND VIEW MONITOR
NISSAN TOKYO (Oct. 12, 2007)

Nissan Motor Co., Ltd. will introduce the world’s first Around View Monitor, which offers the driver a bird’s eye view of the vehicle and its surroundings in real-time. In Japan, the Around View Monitor will debut in the new Elgrand, scheduled for introduction at the end of this month. The technology will also be offered to the U.S market on the all new Infiniti EX35 scheduled for launch this December. The Around View Monitor system synthesizes a bird’s eye image of the vehicle and its surrounding from four ultrawide-angle (180-degree) high-resolution cameras mounted on the front, sides and rear of the vehicle. The Around View Monitor is particularly helpful when parking, enabling the driver to steer easily and precisely into a parking space...

LEADING PERFORMANCE IN AUTOPARKING

<table>
<thead>
<tr>
<th></th>
<th>Vehicle 1</th>
<th>Vehicle 2</th>
<th>Vehicle 3</th>
<th>Vehicle 4</th>
<th>Nissan Leaf (FCE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detection sucess rate</td>
<td>20%</td>
<td>30%</td>
<td>30%</td>
<td>40%</td>
<td>75%</td>
</tr>
<tr>
<td>Manoeuvre success rate</td>
<td>10%</td>
<td>35%</td>
<td>66%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Detection x Manoeuvre success rate</td>
<td>2%</td>
<td>11%</td>
<td>20%</td>
<td>32%</td>
<td>60%</td>
</tr>
<tr>
<td>Parallel parking time</td>
<td>1 – 2 minutes</td>
<td></td>
<td></td>
<td></td>
<td>35 – 45 seconds</td>
</tr>
<tr>
<td>Perpendicular parking time</td>
<td>&gt; 3 minutes</td>
<td></td>
<td></td>
<td></td>
<td>60 – 90 seconds</td>
</tr>
<tr>
<td>Driver intervention</td>
<td>Yes</td>
<td></td>
<td></td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>
Techno-bricks enabling the Cockpit of the Future

- Cockpit Domain Controller
- Immersive Experiences
- Displays
- ADAS

Capital Markets Day - November 26, 2019
Strong growth in sales with selective management of order intake

Sales in € bn

2019 PF

CAGR +16%

Targeted order intake compared to accessible RFQs

2019 2020 2021

1.9 2.1 2.3

1.6 2.5

IXP Displays ADAS CDC Non-OEM*

2019 2022 2025

Strong order intake in 2019 demonstrates FCE capacity to accelerate growth

Targeted order intake in 2020 and 2021:

- Very achievable given increase in accessible RFQs
- Securing €1.6 bn of sales in 2022

Selectivity in order intake to protect cash and manage R&D expenses

*Non-OEM business represents audio and surround view business for buses, fleets, trucks and off-highway in Japan, and global EMS business
Expansion in customer portfolio and increased content per vehicle drive growth of addressable market

- Increased accessible market from 30m vehicles in 2019 to 75m vehicles in 2025 through enlarged customer portfolio, from primarily Japanese OEMs to all international OEMs

- Faurecia content per vehicle increase mainly driven by expansion in fast-growing market segments such as large and multiple displays, e-mirrors, surround view and automated parking
Two priorities

Accelerate growth in four product lines

Aggressive roadmap for cost competitiveness
Aggressive roadmap for cost competitiveness

4 AREAS WITH STRONG ACTION PLANS

- Headcount reduction and engineering offshoring
- Bill of Material (BoM) @ benchmark generating savings of at least 20%
- Optimized footprint for operations
- Streamlined & accountable organization, effective shared services and IT systems

RIGOROUS METHODOLOGY FOR STRUCTURAL IMPROVEMENT

IDENTIFICATION OF COMPETITIVE GAP → QUICK WINS → MID-TERM PROFITABILITY IMPROVEMENT → MINDSET TRANSFORMATION

€80 million annual savings by end 2020
# Headcount reduction and engineering offshoring targets to be achieved by mid 2020

<table>
<thead>
<tr>
<th></th>
<th>April 2019</th>
<th>End 2019</th>
<th>End 2020</th>
<th>2020 vs. April 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total headcount</strong></td>
<td>8,220</td>
<td>7,100</td>
<td>6,700</td>
<td>-19%</td>
</tr>
<tr>
<td><strong>MOI (excluding R&amp;D)</strong></td>
<td>3,360</td>
<td>2,500</td>
<td>2,240</td>
<td>-33%</td>
</tr>
<tr>
<td><strong>Offshoring of R&amp;D (%) LCC</strong></td>
<td>45%</td>
<td>50%</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

1,120 headcount reduction (c. -14%) at end 2019

9 site closures including 2 plants in China

Total annual savings of €70m
BoM @ benchmark generating savings of at least 20%
Gap analysis achieved and execution plan started

Quick wins
- Commercial negotiations
- Supply chain shortening
- Right specification
  Up to 5% savings
- Serial design changes

Re-design
- Insourcing
  2% savings
- LCC re-sourcing (e.g. PCBs)
  c. 5% savings
- Serial design changes

New standards
- Core panel changes
  (e.g. SOCs). Up to 3% savings
- Improve design standards
  (e.g. mechanical parts). Up to 8% savings
- Volume effects

Capital Markets Day - November 26, 2019
Optimized footprint for operations underway

- Fully leverage global footprint to produce close to customers and simplify the supply chain
  - Concentrate regional SMT lines in single LCC plant per region (20% cost saving, 50% safety stock reduction)
- Drive economies of scale through massification
  - Consolidate global component production (e.g. cameras) in single LCC plant (up to 30% VA reduction)
- Productivity @ benchmark
- More than €10m annual savings expected
Streamlined and accountable organization, effective shared services and IT systems

- 4 global product lines to lead the strategy definition
  - Define global product roadmaps
  - Understand market trends and technology landscape

- 4 regional divisions to drive execution
  - Provide focus on customer intimacy and order intake
  - Attract local talents
  - Manage operations close to customers

- Global R&D for cost-efficient development

- Leverage Faurecia shared services and systems to provide efficient backbone

Clear accountability and performance mindset
Robust roadmap for profitable growth through selective order intake, aggressive cost competitiveness and strong cash management

<table>
<thead>
<tr>
<th>In €m</th>
<th>2019PF</th>
<th>2022</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,000</td>
<td>1,600</td>
<td>2,500</td>
</tr>
<tr>
<td>CAGR vs. 2019PF</td>
<td>+17%</td>
<td></td>
<td>+16%</td>
</tr>
<tr>
<td>EBIT as % of sales</td>
<td>≥ 2%</td>
<td>≥ 6%</td>
<td>8%</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>Neutral</td>
<td>Neutral</td>
<td>≥ 100 (4% of sales)</td>
</tr>
</tbody>
</table>
Takeaways

- FCE is aligned with strategy for the Cockpit of the Future and Sustainable Mobility. The unique combination of FCE and CoF will drive strong profitable growth

- Sales growth driven by enlarged customer portfolio and increased content per vehicle
  - 2019-2022: Resume growth in sales with managed selective order intake
  - 2022-2025: Profitable growth boosted by new fast-growing market segments and differentiating technology

- Profitability secured through realistic volume growth and aggressive cost competitiveness plan (at least €80m annual savings by end 2020)

- Our two priorities enable FCE to reach €2.5 billion of sales and 8% profitability in 2025
Accelerating transition to Clean Mobility Solutions

Mathias Miedreich
EVP Faurecia Clean Mobility
Market Context

- Electrification trend is confirmed with additional momentum for hydrogen fuel cell mobility
- Battery and fuel cell technologies will co-exist and address different market segments
- Internal combustion engines (ICE) remain dominant for the foreseeable future
- Faurecia content on ICE continues to grow to achieve ultra-low emissions and outstanding acoustic performance

Addressable market size x 2.5 by 2030
Light Vehicle Powertrain Mix Scenarii
Rise of EV and resistance of ICE confirmed under all considered scenarii

Light Vehicles: Global Powertrain Mix to 2030

- Rise of EV and resistance of ICE confirmed under all considered scenarii.

Capital Markets Day - November 26, 2019
Light Vehicle Regulatory Drivers
Regulatory pressure (CO₂ and pollutants) forces the move to ultra-clean ICE and EV

CO₂ EMISSIONS REGULATION (g/km)

Commercial vehicle following similar trend in Europe:
-15% CO₂ in 2025 and -30% in 2030 vs. 2019

POLLUTANT EMISSIONS REGULATION (g/km)

Strong CO₂ challenges for Europe & China
Still unclear for North America

Euro-7 will complete the process of making ICE virtually pollutant-free even in city-driving conditions
CO2 and Cost Drivers
FCEV competitive against BEV with improved range and fast refilling

**CRADLE-TO-GRAVE CO2 FOOTPRINT**

Mid-size global average car

- **T-CO2 eq**
- **Variability relative to vehicle size**
- **Vehicle usage**
- **Energy production & distribution**
- **Battery production & recycling**
- **Vehicle cycle**
- **Assembly, disposal, recycling...**

**OPERATING AND POWERTRAIN COST (k€)**

Assumptions:
- LCV Segment
- EU region
- Max range 500 km
- 90,000 km/year
- 3 years ownership

Hybrid best in class with global energy mix

FCEV at par with BEV with green energy mix

Post 2025, FCEV TCO on par with BEV TCO for Light-duty Vehicle
Commercial Vehicle Powertrain Mix Drivers
Regulation and new logistic models drive vehicle segments and powertrain mix

URBAN DISTRIBUTION MODEL

City centers
Last mile delivery by low/zero emission light commercial vehicles

Hubs
Central distribution center located just outside city limits used as drop off delivery point for heavy-duty long-distance trucks

URBAN DISTRIBUTION MODEL

IMPLICATIONS

LIGHT-DUTY VEHICLES
Growth due to increased importance of last-mile

SMALL MEDIUM-DUTY VEHICLES
Cannibalized by LDV in cities and heavier vehicles outside of cities

CITY BUSES
Growth due to urbanization trend and aging population

MEDIUM-DUTY VEHICLES
Steady demand in relation to population growth and density

HEAVY-DUTY VEHICLES
Strong demand for long-distance

EMISSIONS REGULATION

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2019</th>
<th>2022</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHINA</td>
<td>CN IV</td>
<td>CN V</td>
<td>CN VI</td>
<td>CN VI D</td>
</tr>
<tr>
<td>INDIA</td>
<td>BS III</td>
<td>BS IV</td>
<td>BS VI</td>
<td>BS VI D</td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
<td>EPA 10</td>
<td>CARB 24</td>
</tr>
<tr>
<td>EUROPE</td>
<td>EU VI</td>
<td>EU VI D</td>
<td></td>
<td>EU VII</td>
</tr>
</tbody>
</table>
Commercial Vehicle (CV) Powertrain Mix Scenarios

Strong resistance of Diesel; Fuel Cell as the prime path for heavy trucks electrification

COMMERCIAL VEHICLES: GLOBAL POWERTRAIN MIX TO 2030

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICE diesel</td>
<td>76%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Battery EV</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Other ICE (including hybrid)</td>
<td>9%</td>
<td>13%</td>
<td>16%</td>
</tr>
<tr>
<td>Faurecia baseline</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
<td>Other ICE (including hybrid)</td>
<td>9%</td>
<td>13%</td>
<td>16%</td>
</tr>
<tr>
<td>Faurecia aggressive electrification</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2030 FAURECIA ELECTRIFICATION SCENARIOS

<table>
<thead>
<tr>
<th></th>
<th>WEIGHT IN THE MIX</th>
<th>ELECTRIFICATION %</th>
<th>DOMINANT TECHNOLOGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIGHT-DUTY VEHICLES</td>
<td>22%</td>
<td>11-16%</td>
<td></td>
</tr>
<tr>
<td>SMALL MEDIUM-DUTY VEHICLES</td>
<td>11%</td>
<td>7-10%</td>
<td></td>
</tr>
<tr>
<td>CITY BUSES &amp; COACHES</td>
<td>20%</td>
<td>32-38%</td>
<td></td>
</tr>
<tr>
<td>MEDIUM-DUTY VEHICLES</td>
<td>15%</td>
<td>1-5%</td>
<td></td>
</tr>
<tr>
<td>HEAVY-DUTY VEHICLES</td>
<td>32%</td>
<td>5-10%</td>
<td></td>
</tr>
</tbody>
</table>
Faurecia is addressing all major segments in ICE and EV

<table>
<thead>
<tr>
<th>ICE</th>
<th>LIGHT VEHICLE</th>
<th>COMMERCIAL VEHICLE</th>
<th>HIGH HORSEPOWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>EV</td>
<td>4</td>
<td>5</td>
<td>Under review</td>
</tr>
</tbody>
</table>

Capital Markets Day - November 26, 2019
ICE Solutions for Light Vehicles
Content per vehicle grows by 20% as ICE closes the gap with EV

### SUPER CLEAN

- **Low to no PM, NOx & HC**
  - ELECTRIC HEATED CATALYST (EHC)
    - -70% NOx &
    - -75% Hydrocarbon vs Euro6d
  - EHC WITH PRE-HEATING FUNCTION
    - Near Zero Emission vehicle
  - COMBO EGR/EHRS*
    - > 3% CO₂ saving for gasoline vehicles

<table>
<thead>
<tr>
<th>Component</th>
<th>Faurecia content per vehicle</th>
<th>SOP</th>
<th>Cost</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>EHC</td>
<td>€85</td>
<td>2023</td>
<td>€85</td>
<td>In production</td>
</tr>
<tr>
<td>EHC with Pre-Heating Function</td>
<td>&gt;€100</td>
<td>2025</td>
<td>€100</td>
<td>In production</td>
</tr>
<tr>
<td>Combo EGR/EHRS*</td>
<td>€80</td>
<td>In production</td>
<td>€80</td>
<td></td>
</tr>
</tbody>
</table>

### SUPER QUIET

- **No compromise on noise**
  - ADVANCED ARCHITECTURE
    - -3dB and compactness under city driving
  - ELECTRIC VALVE
    - Compactness and adaptive sound
  - RESONANCE FREE PIPE (RFP)
    - Compactness and quiet driving

<table>
<thead>
<tr>
<th>Component</th>
<th>Faurecia content per vehicle</th>
<th>SOP</th>
<th>Cost</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Architecture</td>
<td>€15</td>
<td>2023</td>
<td>€15</td>
<td>In production</td>
</tr>
<tr>
<td>Electric Valve</td>
<td>€30</td>
<td>In production</td>
<td>€30</td>
<td></td>
</tr>
<tr>
<td>Resonance Free Pipe (RFP)</td>
<td>€15</td>
<td>In production</td>
<td>€15</td>
<td></td>
</tr>
</tbody>
</table>

- **Average content per ICE vehicle to increase 20% by 2030**
- **2018/2019 order book for ICE innovation > €1.5bn**
- **2020**
  - €170
- **2030**
  - €205

*Exhaust Gas Recirculation (EGR) / Exhaust Heat Recovery System (EHRS)*
ICE Solutions for Commercial Vehicles
On track to increase market share from 17% to 25% in 2025

2018/2019: high acquisition and market share gain with order book at €2.4bn including:

- North America: #1 medium and heavy-duty platform
- Europe: #1 heavy-duty platform with TRATON
- China: platforms with top 3 medium/ heavy-duty OEMs
- Japan: platforms with Komatsu and the leading Japanese truck OEM
- India: #1 medium and heavy-duty platform

CONTENT PER VEHICLE TREND: ASIA AND ULTRA-LOW NOX AS KEY DRIVERS & CNG AS OPPORTUNITY

Faurecia average content per ICE commercial vehicle increasing by >30% (+€155) with upside potential from CNG
ICE Solutions For High Horsepower Market
Positive regulation dynamic, paving the road for mid and long-term growth

HIGH HORSEPOWER REGULATIONS HIGHLIGHTS

NORTH AMERICA
- EPA Tier4 (2017)
- Local Regulations (CARB, NESHAP...)
- IMO III for Sea Going vessels (2016, extended to smaller boat in 2021)
- EPA Tier4 for Inland Going vessels (2017)

EUROPE
- Local Regulations (ie. BlmSchV in Germany – 2019, upgrade in 2025)
- Stage V (2021)

CHINA & ASIA PACIFIC
- Local Regulations (at country or city level, increased pressure)
- India CPCB (2021)
- China National DECA Yangtze delta (2022)

GLOBAL EMISSIONIZATION RATE INCREASING FROM 10% IN 2019 TO 60% IN 2030
ICE Solutions For High Horsepower Market
Leverage CV OEM access to grow from 14% to 22% market share by 2030

HIGHLIGHTS

1. Shift from fragmented end customer base to OEM certified solutions

- €3.8bn
- Project solutions: 45%
- OEM solutions: 55%

2. Post 2020 stringent regulations in Marine & Stationary

HIGH HORSEPOWER GROWTH PLAN

HUG ENGINEERING DOCKING POINT 2018

- Leader in High Horsepower European market
- Project based manufacturing

GLOBAL EXPANSION NEW CUSTOMERS 2025

- Global footprint with takeoff in Asia/America
- Small series manufacturing with OEMs

LEVERAGE FAURECIA TECHNO & OEM ACCESS 2030

- OEM certified solutions
- Best in class de-NOx technology with digital services / predictive maintenance

HUG ENGINEERING - A SUCCESSFUL INTEGRATION

- Technology & brand value confirmed by the market
- IMO III framework agreement closed with Top 3 Engine OEM in HHP

Faurecia sales evolution

- 10% of engines with an exhaust aftertreatment

Capital Markets Day - November 26, 2019
Faurecia captures up to €15/kWh on a battery electric or dual power vehicle

**Unique selling points:**

- **Increased cost effectiveness:** compact and light solution easy to assemble and integrate including with fuel cell system (dual power model)
- **Increased safety:** 100% fire containment + crash performance
- **Increased battery performance:** superior thermal management

**OEMs recognize the value of Faurecia’s global footprint and status as a major global tier 1 supplier**

- 4 LV program awards: with EV OEMs in North America and China, and premium German OEM. SOPs: 2021
Fuel cell attractiveness is confirmed for larger vehicles with long range.

- Fuel cell more suitable for SUV, LCV, CV
  - Superior TCO potential versus BEV
  - Increased convenience: longer range, short refueling time
  - China announced 1m FCEV by 2030

- Major players take position in fuel cell market
  - HYUNDAI to develop and commercialize FC Electric powertrains
  - CNH/IVECO to produce trucks in EU in partnership with Nikola
  - BOSCH licensed Powercell technology
  - CUMMINS acquired Hydrogenics

EV Solutions For Light and Commercial Vehicles: Fuel Cell

Capital Markets Day - November 26, 2019
Faurecia and its new JV with Michelin will support OEMs from component to system development and vehicle integration.
Hydrogen Storage Systems

- Increased autonomy (more H2 at iso weight)
- Reduced cost (-20% Carbon Fiber)
- Reliability (anti collapse system)

Stack
- Best-in-class power density
- Compactness
- System integration capability

Homologation
- 350 & 700 bar H2 EC79 homologated tank

Business Awards
- One LCV - SOP 01/21
- One CV - SOP 07/21
- High-horsepower applications under development

Faurecia CPV for fuel cell vehicle in 2025 is up to €40k in CV and €8k in LV
Addressable Market Size under Faurecia baseline scenario
ICE remains a large value pool, EV drives growth after 2025

Capital Markets Day - November 26, 2019

FCM MARKET
In €bn

CAGR 20-30

Battery Solutions +13%
Fuel Cell Systems +101%
High Horsepower +18%
Commercial Vehicles +6%
Light Vehicles +2.5%

ICE

EV

ICE

Commercial Vehicles +9%

Light Vehicles

Battery Solutions

CAGR 20-30
Faurecia market share is increasing in all markets including fast-growing EV segments (baseline scenario)

<table>
<thead>
<tr>
<th>Segment</th>
<th>2020 in €bn</th>
<th>Market CAGR</th>
<th>2030 in €bn</th>
<th>Market CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICE LIGHT VEHICLE</td>
<td>14.5</td>
<td>+2.4%</td>
<td>18.3</td>
<td>+3.0%</td>
</tr>
<tr>
<td>ICE COMMERCIAL VEHICLE</td>
<td>3.5</td>
<td>+5.7%</td>
<td>6.1</td>
<td>+5.7%</td>
</tr>
<tr>
<td>ICE HIGH HORSEPOWER</td>
<td>0.7</td>
<td>+18%</td>
<td>3.8</td>
<td>+21%</td>
</tr>
<tr>
<td>EV LIGHT VEHICLE</td>
<td>1.4</td>
<td>+23%</td>
<td>10.9</td>
<td>+24%</td>
</tr>
<tr>
<td>EV COMMERCIAL VEHICLE</td>
<td>0.2</td>
<td>+42%</td>
<td>7.5</td>
<td>+24%</td>
</tr>
</tbody>
</table>

- Total market is growing from €20bn in 2020 to €46bn in 2030 (+9% CAGR)
- Total Faurecia sales are growing from €4.7bn in 2020 to €12.1bn in 2030 (+10% CAGR)

Up to €200m sales opportunity in 2030
Faurecia Sales and Market Share
Faurecia growth outperforms the market (baseline scenario)

- Faurecia Clean Mobility sales x 2.6 by 2030
- 2019 achievements (business awards, technical milestones) confirm topline ambition
Faurecia sales under fast electrification scenario
Aggressive electrification increases Faurecia rate of growth

Faurecia high content per EV means that faster electrification is an opportunity
Faurecia Clean Mobility Financial Performance

Benchmark performance confirmed despite investment in EV solutions

<table>
<thead>
<tr>
<th></th>
<th>In €m</th>
<th>2019e</th>
<th>2022</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,600</td>
<td>5,200</td>
<td>7,300</td>
<td></td>
</tr>
<tr>
<td>Of which Light Vehicles</td>
<td>4,000</td>
<td>4,200</td>
<td>5,500</td>
<td></td>
</tr>
<tr>
<td>Of which Commercial Vehicles</td>
<td>540</td>
<td>850</td>
<td>1,400</td>
<td></td>
</tr>
<tr>
<td>Of which HHP</td>
<td>60</td>
<td>150</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td><strong>EBIT as % of sales</strong></td>
<td>c. 11%</td>
<td>≥ 12%</td>
<td>&gt; 13%</td>
<td></td>
</tr>
</tbody>
</table>
Takeaways

- Electrification is accelerating in all segments driven by regulation and public pressure.

- Increased ICE content per vehicle fully offsets any loss of ICE passenger vehicle volumes under the fast electrification scenario (30% EV in 2030).

- Market share gains and technology enable a doubling of revenues for CV/HHP ICE solutions by 2025.

- Our differentiating EV power solutions, especially our fuel cell full system offer, will secure our future profitable growth.

Electrification is a significant opportunity for Faurecia.
Since our previous CMD in May 2018, environment has deteriorated

- Significant drop in current estimates for worldwide automotive production vs. May 2018 estimates
  - 2019: -10.7 million vehicles
  - 2020: -12.4 million vehicles
    - i.e. volume drop > 10%
      - China: -6.2 million vehicles
        - i.e. volume drop > 20%

### AUTOMOTIVE PRODUCTION VOLUME ESTIMATES FOR 2020
(source: IHS Markit)

<table>
<thead>
<tr>
<th>Region</th>
<th>2020</th>
<th>2020e Nov 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>17.3</td>
<td>16.6</td>
</tr>
<tr>
<td>Europe</td>
<td>23.0</td>
<td>21.0</td>
</tr>
<tr>
<td>China</td>
<td>27.3</td>
<td>21.1</td>
</tr>
<tr>
<td>South America</td>
<td>4.2</td>
<td>3.4</td>
</tr>
<tr>
<td>Worldwide</td>
<td>97.9</td>
<td>85.5</td>
</tr>
</tbody>
</table>

(in million vehicles)
In this environment, our performance is resilient

- In 2018, despite headwinds as from H2, we met all our financial targets and achieved record results
- For 2019, we confirm all our financial targets announced in February, despite deterioration of worldwide automotive production:
  - In February, volume expected to drop by c. -1% year-on-year
  - Now expected to drop by c. -6% year-on-year

| SALES |
| FY 2019 sales at constant currencies should outperform worldwide automotive production between 150 and 350bps |

| PROFITABILITY |
| FY 2019 operating income should increase in value and operating margin should be at least 7% of sales |

| NET CASH FLOW |
| FY 2019 net cash flow should be at least €500m |

Currency assumptions: USD/€ @ 1.13 and CNY/€ @ 7.71, on average
Our resilience is based on 3 pillars

### GLOBAL INITIATIVES
- Total Customer Satisfaction
- Three Global cost optimization programs launched in 2018:
  - “Operations Execution and Digital Transformation” for increasing industrial efficiency
  - “Global Business Services” for a leaner cost structure
  - “Global R&D Power” for improving engineering efficiency
- Convert to Cash

### STRUCTURAL ACTIONS & COST FLEXIBILIZATION
- Rationalization/Optimization of industrial footprint
- Tight management of direct and indirect headcount
- Use of temporary staff
- SG&A cost-cutting measures

### GOVERNANCE & MANAGEMENT FOCUS
- Monthly Operations Reviews with Business Groups
- Annual stress case scenarios with specific actions plans
- Sponsorship of an Executive Committee member for each key country/sub-region
- Monthly Risk Management Reviews for plants and programs

Enhanced efficiency & leaner cost structure

Increased agility & resilience

High anticipation & responsiveness
Our three global cost optimization programs are on track (1/3)

**OPERATIONS EXECUTION & TRANSFORMATION**

### PROGRAM OBJECTIVES
**presented in May 2018**
- Plant ranking and program/plant risk assessment and management
- Acceleration in digital transformation
- Implementation of Process Control Towers
- 2018-2020 cumulated savings of c. €280m and FY 2020 savings of c. €150m vs. 2017

### PROGRESS TO DATE
- Risk management has almost eliminated program launch and manufacturing risks
- +1,100 robots & AGVs deployed in 2018 and 2019
- Deployment of standard digital tools for optimized material flow, manufacturing automation and process variability control

### NEXT STEPS
- Integration of FCE and SAS
- Accelerated deployment of AI (Process variability reduction & automatic quality inspection)
- 2020-2022 cumulated savings of c. €175m in digital transformation (before additional savings from FCE and SAS under review)
Our three global cost optimization programs are on track (2/3)

**GLOBAL BUSINESS SERVICES**

<table>
<thead>
<tr>
<th>PROGRAM OBJECTIVES</th>
<th>PROGRESS TO DATE</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>presented in May 2018</strong></td>
<td><strong>Migration to 5 centers achieved + Pune (India) innovation center</strong></td>
<td><strong>Integration of FCE and SAS</strong></td>
</tr>
<tr>
<td>From 34 locations to 5 main regional operations centers in low-cost countries</td>
<td>Significant headcount reduction on track (down 20% vs. end 2017) and important gains in flexibility</td>
<td>Acceleration in digitalization and automation of processes</td>
</tr>
<tr>
<td>100% SAP implementation at Group level</td>
<td>New integration opportunities: central procurement for indirect purchasing, digital reporting and controlling support platform</td>
<td>2020-2022 cumulated savings of c. €20m (before additional savings from FCE and SAS under review)</td>
</tr>
<tr>
<td>2018-2020 cumulated savings of c. €120m and FY 2020 savings of c. €50m vs. 2017</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Capital Markets Day - November 26, 2019
Our three global cost optimization programs are on track (3/3)

GLOBAL R&D POWER

<table>
<thead>
<tr>
<th>PROGRAM OBJECTIVES</th>
<th>PROGRESS TO DATE</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>presented in May 2018</td>
<td>2020 R&amp;D hourly rate target already reached for two Business Groups</td>
<td>Integration of FCE and SAS</td>
</tr>
<tr>
<td>• Targeting €50 R&amp;D hourly rate in 2020 (vs. €70 in 2016)</td>
<td>• 2020 R&amp;D hourly rate target already reached for two Business Groups</td>
<td>• Development cycle time and program management reduced to an average of 20 months</td>
</tr>
<tr>
<td>• Best shoring with more than 1,200 engineers in India in 2020</td>
<td>• c. 2,000 engineers in India</td>
<td>• <strong>2020-2022</strong> cumulated savings of c. €60m (before additional savings from FCE and SAS under review)</td>
</tr>
<tr>
<td>• 2018-2020 cumulated savings of c. €100m and FY 2020 savings of c. €50m vs. 2017</td>
<td>• Savings to finance innovation</td>
<td></td>
</tr>
</tbody>
</table>

2020-2022 cumulated savings of c. €60m (before additional savings from FCE and SAS under review)
Our Convert2Cash (C2C) program is delivering on targets

<table>
<thead>
<tr>
<th>PROGRAM OBJECTIVES</th>
<th>PROGRESS TO DATE</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>presented in May 2018</td>
<td>Overdues down 25% vs. end 2017</td>
<td>Integration of FCE and SAS</td>
</tr>
<tr>
<td>- Accelerate overdue collection (&lt; 0.5% of sales)</td>
<td>- Inventories adjusted to volume drop</td>
<td>- Just Needed Inventory (JNI) processes and Material Planning (MPTS) centralization to reduce inventories to 8 days by 2022</td>
</tr>
<tr>
<td>- Inventories converging to benchmark (down 1 day every year)</td>
<td>- Reverse factoring in place in all regions</td>
<td>- Targeting &gt; 50% D&amp;D/Tooling paid at SOP</td>
</tr>
<tr>
<td>- Increase volume per supplier against improved payment terms</td>
<td>- Capex down 7% mainly thanks to equipment re-use</td>
<td>- Systematic Make-or-Buy review to get a 15% reduction in Capex by 2022</td>
</tr>
<tr>
<td>- Secure D&amp;D/Tooling financing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Capex optimized by 10% by 2020 (standardization, utilization &amp; re-use)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Target to increase NCF as % of sales by c. 150bps between 2017 and 2020

2019 NCF target > €500m
(> 2.8% of sales)
2019 NCF > 2018 NCF despite higher restructuring and higher financing costs thanks to better cash conversion cycle

2022 NCF target of 4% of sales

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Faurecia’s medium-term market assumptions

**Automotive Production Growth 2020 vs. 2019**

- North America: Slightly down (low single-digit)
- Europe: Slightly down (low single-digit)
- China: Slightly up (low single-digit)
- South America: Flat

**Automotive Production Growth 2020-2022 CAGR**

- North America: Flat
- Europe: Flat
- China: c. +3%
- South America: c. +4%
- Worldwide: Slightly negative

Worldwide automotive production now expected at c. 87 million vehicles in 2022
Based on these medium-term market assumptions, we target to achieve more than €20.5bn of sales in 2022.

Total sales CAGR ≥ +5%

NVS sales CAGR ≥ +25%

- > €2bn
- > €20.5bn (no bolt-on included)

<table>
<thead>
<tr>
<th>Component</th>
<th>2019e</th>
<th>Scope effect 2020 vs. 2019</th>
<th>Organic</th>
<th>2022 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAS + Clarion</td>
<td>&gt; €17.5bn</td>
<td>&lt; 10%</td>
<td>c. €1bn</td>
<td>&gt; €2bn</td>
</tr>
<tr>
<td>CAGR</td>
<td>c. +4%</td>
<td></td>
<td></td>
<td>c. 15%</td>
</tr>
<tr>
<td>Scope effect</td>
<td></td>
<td></td>
<td></td>
<td>c. 85%</td>
</tr>
</tbody>
</table>

- Average annual outperformance ≥ +300bps
  - 2020e between +100 and +150bps
  - Acceleration as from 2021

Est. worldwide automotive production: CAGR < +1%
- c. 85m vehicles
- c. 87m vehicles

Capital Markets Day - November 26, 2019
We target 8% operating margin with sales > €20.5bn in 2022

OM 2019e

≥ 7.0%

OM 2022 target

8.0%

-60bps R&D/Innovation

+60bps Contingencies

+30bps Restructuring

+10bps Global R&D Power

+80bps Global Business Services

Volumes & Mix

Operations Execution & Transformation
Sales growth and improved operating margin in all Business Groups

- **2019e**
  - OM ≥ 2% of sales
  - c. 5% of Group sales
    - OM ≥ 6% of sales
    - CAGR c. +4%
  - c. 25% of Group sales
    - OM c. 11% of sales
    - CAGR c. +4%
  - c. 30% of Group sales
    - OM ≥ 6% of sales
    - CAGR c. +6%
    - (incl. SAS scope effect)
  - c. 40% of Group sales
    - OM ≥ 6% of sales
    - CAGR c. +4%
    - (acceleration in 2021 onwards)

- **2022 target** (no bolt-on included)
  - > €17.5bn of sales
    - OM ≥ 7.0% of sales
    - CAGR ≥ +5%
  - > €20.5bn of sales
    - OM = 8% of sales
    - OM ≥ 6% of sales
  - < 10% of Group sales
    - c. 25% of Group sales
      - OM ≥ 12% of sales
    - c. 30% of Group sales
      - OM ≥ 7% of sales
  - > 35% of Group sales
    - OM ≥ 7% of sales
    - (acceleration in 2021 onwards)
We target Net Cash Flow of 4% of sales in 2022.
Secured financing and sound financial structure

- **Constant optimization of debt cost and maturity**
  - Successful financing of recent acquisitions:
    - Clarion financing achieved @ 2.6% average cost
    - SAS financing achieved through €250 million additional Senior Notes due 2026, issued at a yield of 2.39%
  - Successful pricing of €700m bonds due 2027 @ 2.375% and anticipated repayment of €700m 3.625% bonds due 2023
  - Average cost of LT debt < 2.5%
  - No significant LT debt repayment before June 2025

- **Strong flexibility through €1.2bn undrawn credit facility (maturity in June 2024)**

- **Net-debt-to-EBITDA ratio (incl. IFRS16 impact of 0.3x)**
  - 2019 estimated at between 1x and 1.1x
  - 2022 estimated at 0.7x
  - Policy to maintain ratio below 1x

- **Credit rating**
  - Continuous improvement since 2014
  - Targeting investment grade status

**LONG-TERM DEBT MATURITY PROFILE (€m)**

- **Capital Markets Day** - November 26, 2019
Cash allocation strategy remains focused on bolt-on acquisitions and fair shareholder remuneration

- **Self-financed bolt-on strategy**
  - In line with strategic priority of accelerating NVS and increasing presence in Asian markets
  - Consistent with net debt reduction policy

- **Dividend policy**
  - Fair shareholder remuneration through increase in dividend along with increase in profits and cash generation

---

**NET CASH FLOW ALLOCATION STRATEGY**

- Dividends & share repurchases* c. 40%
- Bolt-ons & deleveraging c. 60%

* Share repurchases are mainly allocated to performance share plans (no dilution for shareholders)
Strong ROCE and TSR for shareholder value creation

**PRE-TAX ROCE @ 20% in 2022**
(including IFRS 16 impact)

- 2019: 18%
- 2022e: 20%

**TOTAL SHAREHOLDER RETURN > 10%**

- 5-year annualized TSR = +12.7%
- 3-year annualized TSR = +14.1%

- Share price Nov. 22, 2019: €46.14
- Share price Nov. 22, 2014: €27.93
- Share price Nov. 22, 2016: €33.38

- Dividends:
  - Dividend paid 2015: €0.35
  - Dividend paid 2016: €0.65
  - Dividend paid 2017: €0.90
  - Dividend paid 2018: €1.10
  - Dividend paid 2019: €1.25

**Capital Markets Day - November 26, 2019**
We target historic records for sales, profitability and cash generation in 2022

- We pursue our roadmap to generate profitable growth and create value for all stakeholders
- Targets will be achieved despite significantly lower market volumes: 2022 volume forecast at a lower level than 2020 volume estimated in May 2018

### 2022 FINANCIAL TARGETS

- **SALES**
  - > €20.5bn

- **OPERATING MARGIN**
  - 8% of sales

- **NET CASH FLOW**
  - 4% of sales
Strong sales and operating margin targets in tougher market conditions reflect robustness and resilience of our business model.

**SALES**
- 2020 target (May 2018 CMD): > €20bn, with est. volumes of c. 97m vehicles
- 2022 target (Nov. 2019 CMD): > €20.5bn, with est. volumes of c. 87m vehicles

**OPERATING MARGIN**
- 2020 target (May 2018 CMD): 8%, with est. volumes of c. 97m vehicles
- 2022 target (Nov. 2019 CMD): 8%, with est. volumes of c. 87m vehicles

Impact components:
- Market volume impact
- Perimeter impact
- Currency impact

Additional metrics:
- c. €1.6bn (2020 target)
- c. €0.2bn (2022 target)
- c. €0.7bn (improved sales performance)
- c. €0.2bn (Currency impact)
- c. €1.6bn (Perimeter impact)
- c. €0.7bn (Improved sales performance)

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Takeaways

- Proven resilience in challenging times

- Record sales, profitability and cash generation targeted in 2022 supported by robust action plans

- Pursuing our track record of improved performance year after year, with focus on cash generation for continued investment in transformation and strong shareholder return
Conclusion

Patrick Koller
Chief Executive Officer
Faurecia combining strategic transformation and operational excellence

Transformation & carbon neutrality

Resilience & execution
Takeaways

- **Transformation strategy deployment accelerated by recent acquisitions and partnerships**
  - Investment in Fuel Cell Electric Vehicles to accelerate Zero Emissions strategy
  - Faurecia Clarion Electronics has a robust roadmap for profitable growth and is a strong enabler for the Cockpit of the Future

- **Track record of continuous improvement in performance, focusing on cash generation for continued investment in transformation and strong shareholder return**

- **Anticipating the next disruption through implementing an action plan for carbon neutrality**

- **An engaged management team to lead Faurecia in the next chapter of its development**
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